

PUBLIC ACCOUNTS COMMITTEE

(1978-79)

(SIXTH LOK SABHA)

HUNDRED AND ELEVENTH REPORT

FOREST DEPARTMENT, ANDAMAN

MINISTRY OF AGRICULTURE & IRRIGATION
(DEPARTMENT OF AGRICULTURE)

16

[Action taken by Government on the recommendations of the
Public Accounts Committee contained in their
9th Report (Sixth Lok Sabha)]



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LOK SABHA SECRETARIAT
NEW DELHI

March, 1979/Chaitra 1901 (S)

Price : Rs. 5.25

7/11

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PUBLIC ACCOUNTS COMMITTEE

(1978-79)

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INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Hundred and Eleventh Report on action taken by Government on the recommendations of the Public Accounts Committee contained in their Ninth Report (6th Lok Sabha) on Andaman Forest Department commented upon in paragraph 50 of the Report of the Comptroller and Auditor General of India for the year 1973-74, Union Government (Civil).

2. On 31 May, 1978 an 'Action Taken Sub-Committee' consisting of the following Members was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Committee in their earlier Reports :

1. Shri P. V. Narasimha Rao—*Chairman*.
2. Shri Asoke Krishna Dutt—*Convener*.

MEMBERS

3. Shri Gauri Shankar Rai
4. Shri M. Satyanarayan Rao
5. Shri Kanwar Lal Gupta
6. Shri Vasant Sathe

3. The Action Taken Sub-Committee of the Public Accounts Committee (1978-79) considered and adopted the Report at their sitting held on 15 March, 1979. The Report was finally adopted by the Public Accounts Committee (1978-79) on 26 March, 1979.

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

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

NEW DELHI;

March 29, 1979

Chaitra 8, 1901 (S)

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

CHAPTER I

REPORT

1.1. This Report of the Committee deals with the action taken by Government on the recommendations/observations contained in their 9th Report (Sixth Lok Sabha) on paragraph 50 of the Report of the Comptroller and Auditor General of India for the year 1973-74, Union Government (Civil) regarding Forest Department, Andaman (Ministry of Agriculture and Irrigation—Department of Agriculture) which was presented to the Lok Sabha on 29 November, 1977.

1.2. Out of the 81 recommendations or observations contained in the Report, Government have indicated the action taken or proposed to be taken by them in respect of all the recommendations.

1.3. The Action Taken Notes received from Government have been broadly categorised as follows :

- (i) *Recommendations or observations which have been accepted by Government.*

S. Nos. 1, 2, 5, 7, 10, 14, 15, 17, 21, 22, 23, 24, 25, 32, 34, 36, 40, 52, 53, 54, 56, 58, 59, 60, 61, 62, 63, 69, 76, 77 and 80.

- (ii) *Recommendations or observations which the Committee do not desire to pursue in the light of the replies of Government.*

S. Nos. 3, 4, 8, 16, 18, 19, 20, 30, 35, 37, 41, 43, 44, 55, 66, 67, 68, 70, 71, 72, 73, 74, 75, 78, 79 and 81.

- (iii) *Recommendations or observations replies to which have not been accepted by the Committee and which require reiteration.*

S. Nos. 6, 9, 11, 12, 13, 31, 33, 38, 39, 42, 45, 47, 48, 49, 50, 51, 57, 64 and 65.

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

S. Nos. 26, 27, 28, 29 and 46.

1.4. The Committee expect that final replies to those recommendations or observations in respect of which only interim replies have so far been furnished will be submitted to them, duly vetted by Audit without delay. The Committee have been informed by Audit that out of 81 recommendations contained in the 9th Report Action Taken notes on only 16 recommendations (4, 5, 7, 10-14, 50, 66-69, 73, 74 and 76) have been got vetted from them (Audit) by the concerned Ministries and Departments. Even in these cases, the consolidated notes were not furnished to Audit by the Ministry of Agriculture and Irrigation. The Committee take a serious view of the matter and would like to know the reasons why the Action Taken Notes in respect of the remaining recommendations which constitute 80% of the total recommendations were not got vetted by Audit till the date of submission of replies to the Committee in accordance with the prescribed procedure. In this connection, the Committee would also like to draw the attention of Ministry of Agriculture and Irrigation to the observations made in Paragraph 1.11 of their 5th Report (4th Lok Sabha) wherein it was stated that "it should be

reasonably possible for Government to draft the replies on the recommendations or observations within four months of their receipt and that these should be got vetted by Audit in the next two months so that final replies duly vetted by Audit could be sent to the Committee not later than six months of the date of presentation of the report."

1.5. The Committee will now deal with the Action Taken by Government on some of their recommendations.

Policy towards Tribals (Paragraph 2.55 S. No. 6)

1.6. Asking the Government to follow a conscious policy of least interference in its dealings with the tribals, the Committee in Para 2.55 (Sl. No. 6) of their 9th Report had observed :

"The Committee stress that care should invariably be taken not to encroach on the land traditionally occupied by the tribes nor to interfere in forest which are the source of their livelihood. There is plenty of room in the Andamans for developmental work to be undertaken without unduly disturbing the tribals in their natural habitat. It would only be by means of patient and truly sympathetic dealing with them that they can be won over to the idea of coming to terms with what we normally call 'civilization'. In this task, the Committee are of the view that Government should, by a special effort, enlist the cooperation of dedicated social workers, ready to brave exacting conditions of life and work. One laudable case of such cooperation has come to the Committee's knowledge, but the task requires a team of the right type of persons who would go to the islands and live and work in a truly missionary spirit."

1.7. In their reply* dated 15 September 1978, the Ministry of Home Affairs have stated :

"No one is allowed to encroach on land in tribal areas. The interest of the tribals in land and trade are fully protected under the A&N Islands (Protection of Aboriginal Tribes) Regulation, 1956. Whenever any plot of land in the tribal area is required for unavoidable administrative purposes, tribals are consulted, and in case of primitive tribes, the Administration takes careful decision.

There are two tribal settlements of the primitive tribes in these islands. These are known as Great Andamanese Settlement in Strait Islands and Onges Settlement at Dugong Creek in Little Andaman.

At Great Andamanese Settlement in Strait Islands there is only one Social Worker to look after the Great Andamanese tribe. The wife of this social worker is working as a part-time instructor in the Balwadi running in the settlement for the benefit of Andamanese Children. The Social Worker belongs to Bhartiya Adim Jati Sevak Sangh. A Livestock Attendant is posted to the Great Andamanese Settlement to look after the rearing of pigs, cows, etc.

At Onges Settlement at Dugong Creek in Little Andaman, two teams are provided. One team consists of Senior Social Executive, Social Worker-cum-Teacher and their Assistants. The team looks after

*Not vetted by Audit.

Onge multi-purpose cooperative society and other works connected with the welfare of the Onge tribals. Senior Social Executive and Social Worker are not in position now. Action is being taken to fill these posts. The other team posted to Dugong Creek is a Medical Team. It consists of a Doctor, a Staff Nurse and a Ward Attendant. Staff Nurse is no longer in service. The doctor is being assisted presently by a Senior Male Nurse of Medical Department."

[M.H.A. O.M. No. 14014/2/78-TD, 15th September, 1978]

1.8. The Committee are happy to note that the interests of the tribals in land and trade are protected under the Andaman and Nicobar Islands (Protection of Aboriginal Tribes) Regulation, 1956. However, they would like to stress that the provisions of these regulations should be enforced in letter and spirit, so as to ensure that the tribals are least disturbed in their natural habitat.

1.9. The Committee are however distressed to note that but for a solitary case of a social worker belonging to Adim Jati Sewak Sangh working at Great Andamanese Settlement in Strait Island, Government have failed to solicit the cooperation of dedicated social workers who can go to the Islands and live and work there for the uplift of the tribals in a missionary spirit. In the case of Onges settlement at Dugong Creek in Little Andaman the position is also not a happy one as some of the posts provided for the welfare of Onge tribals remained vacant. The Committee urge the Government to take steps to fill up these posts urgently.

Inadequate Communication and Medical facilities (Para 2.58—S. No. 9).

1.10. Stressing the need for adequate Communication and medical facilities in Andaman and Nicobar Islands, the Committee in para 2.58 (S. No. 9) of their 9th Report had observed :

"The Committee find that not only for the tribal population but for all who reside in the region, the communications problem is acute. The several hundred islands have perennial sea roads but very few vessels to ensure communication. A well thought out instrument on varied forms of the shipping seems urgently called for. The Committee Study Group saw for instance a village where there was just one compounder and any one falling gravely ill had to be taken to Port Blair two or three days journey away, and in the case of the tribals there was the further trouble that, even if willing for transportation, they might not get accommodation in the steamers plying. In spite of the Estimates Committee in their latest report asking for an Extension Centre to be set up in the islands by the All India Institute of Medical Sciences, all that the Public Accounts Committee could elicit was that in Little Andamans there is one doctor and a compounder and that a lady medical officer has also been posted. The Rehabilitation Departments proposal to set up a 30 bed hospital and in due course a chain of dispensaries one catering to every 200 families awaits sanction. The Committee urge that these and all possible ameliorative schemes should be implemented, without delay."

1.11. In their reply* dated 12 July, 1978 the Ministry of agriculture have stated :

*Not vetted by Audit.

"The Shipping problems of Andaman were also discussed in the meeting of the Home Minister's Advisory Committee held on 27-2-78. It was decided that Ministry of Shipping and Transport should set up a Committee comprising *inter-alia* of two members of the Home Minister's Advisory Committee, a representative of the Ministry of Home Affairs and a representative of the Chief Commissioner, Andaman to study the various Shipping problems of Andaman and Nicobar Islands and to make up their recommendations. Necessary action to set up the Committee is being taken by this Ministry. The said Committee will take into account the requirements of this recommendation."

[Min. of Agriculture O.M. No. 9-29/77-F-II, dated 12-7-1978]

1.12. To the above quoted observations of the Committee, the Ministry of Home Affairs have stated*.

"Under the Medical and Health Department of Andaman and Nicobar Administration there are at present 11 Hospitals, 62 Dispensaries (including one Homoeo Dispensary) and 2 Primary Health Centres spread over different islands. Facilities for specialised treatments are available only in the G.B. Pant Hospital, Port Blair as the Andaman and Nicobar Administration have only one specialist in various branches other than surgery. The second surgeon however has been posted at Car Nicobar and is also visiting other islands to extend specialist services.

To overcome the difficulty for transportation of patients from the tribal areas and to provide better medical facilities, the proposal for a hospital-cum-banking-cum-supply ship has been agreed to by the Planning Commission. A total outlay of Rs. 89.9 lakhs has been approved for the scheme for 1978—83 with provision of Rs. 12.75 lakhs for 1978-79. This would also enable frequent movement of specialists to various islands. With the acquisition of this ship medical facilities would also be extended even to those islands which have very thin population and where regular dispensaries cannot be established.

At present there are two medical dispensaries in R.K. Puram and Vivekanandapur in Little Andaman. These dispensaries cater to the needs of all the settlers settled in the villages. In addition to this there is another dispensary managed by a Medical Officer at Hut Bay. Serious patients can be brought from the villages to this dispensary by departmental jeep or by the State Transport Bus. There is also a proposal to open a 30 bed hospital at Hut Bay (Little Andaman).

As regards setting up of an extension centre by All India Institute of Medical Sciences, the Andaman and Nicobar Administration have taken up the matter with them."

[M.H.A. O.M. No. U-16016/4/77-ANL, dated the 15th September, 1978]

*Not vetted by Audit.

1.13. The Committee regret that the decision of the Home Minister's Advisory Committee taken on 27-2-1978, for setting up a Committee by Ministry of Shipping and Transport for looking into the shipping problems of the Island is yet to be implemented. The Committee hope that Government will give the matter serious consideration and set up the proposed Committee without loss of further time. The Committee further desire that the recommendations of the said Committee should be given urgent consideration and implemented within a stipulated period.

The Committee are happy to note that to overcome the difficulty for transportation of patients from the tribal areas and to provide better medical facilities, the Planning Commission has agreed to the proposal for a hospital-cum-banking-cum-supply ship. As regards the setting up of an extension centre by the All India Institute of Medical Sciences in the Islands the Committee would like the proposal to be pursued vigorously for early implementation.

Economic Exploitation of Nicobarese (Para 2.60-Sl. No. 11)

Referring to the economic exploitation of Nicobarese commented upon by the Estimates Committee in their 87th Report (5th Lok Sabha) the Committee had observed :

"The Nicobarese are from all accounts comparatively advanced and development blocks are said to be functioning well at Car Nicobar and Nancowary, with special stress on the improvement of agriculture and animal husbandry. Demonstrations on improved methods of raising coconut and areconut in plantations are known to have been held. For stepping up housing facilities, building materials have been supplied to the Nicobarese at Port Blair rates. The Committee have learnt also of improved poultry practices introduced there. However, this apparently pleasant picture is disturbed by the fact of economic exploitation which has been commented upon by the Estimates Committee (Para 4.85 of 87 Report, 5th Lok Sabha) and will be discussed later in this report also."

In reply the Ministry of Education and Social Welfare (Department of Culture) vide their letter dated 19 August, 1978 have stated :

"It is true that in the first half of the present century, the Nicobarese were economically exploited by the traders who used to give credits to the tribals and did not press for speedy recovery. Exchanges on credit amounted to enormous indebtedness compelling many a Nicobarese to work for the traders without remuneration. Many of the Nicobarese remained in perpetual indebtedness. The position has changed since then. There are at present two co-operative societies, one in Car Nicobar Islands and the other in Nicobar Island, which purchase copra and betel-nut from the tribals at approved rates. The scope of economic exploitation of the Nicobarese by traders has, therefore, been minimised. The Anthropological Survey of India has no empirical data on the economic exploitation of the present-day Nicobarese. An area study of the Nicobar Islands is, however, in progress and the information, that is being collected, is likely to throw further light on this problem."

[Ministry of Education and Social Welfare, Deptt. of Culture No. G. 25015/2/77 IF, 4, dated 19-8-78]

1.15. In their Action Taken Note* dated 15 September, 1978, the Ministry of Home Affairs have stated.

“Please see Government’s reply under recommendation No. 80—para 4.61.” (reproduced below).

“M/s Akoojee Jadwets finally withdrew on 15-10-1976 from the trading activities at Nancowrie where a purely tribal company has taken over. They had earlier withdrawn from similar activities at Car Nicobar and handed over the trading activities to another purely tribal company. This was achieved as a result of protracted negotiations between the Ministry of Home Affairs and the Andaman and Nicobar Administration on the one hand and M/s Akoojee Jadwets on the other. A draft agreement was signed by one of the partners of the firm in February, 1976. The terms and conditions of the final agreement are being settled and it is hoped that it would be signed soon.

A Central Cooperative Society (Ellon Hinengo Ltd.) has been formed at Car Nicobar since and all possible assistance is being provided to this Cooperative Society.”

[M.H.A. O.M. No. 14014/2/78-TD dated the 15 Sept., 78]

1.16. The Committee have been informed that during the past some years Government have taken some positive measures such as setting up of two cooperative societies which have helped in checking the economic exploitation of Nicobarese by traders. However, in the absence of any empirical data to substantiate the fact, the Committee find it difficult to subscribe to Government views that the scope of economic exploitation has been minimised. Since an area study of Nicobar Island is in progress and the information so collected is likely to throw light on this problem, the Committee would watch with interest the findings of the area study and the remedial steps that the Government may take in this connection. The Committee would also like to know the manner in which these cooperative societies are helping in popularising the local products.

Role of Hierarchical Authority (Para 2.61—Sl. No. 12)

1.17. Expressing their unhappiness at the continuance of the institution of Hierarchical authority (through the system of ‘captains’) the Public Accounts Committee in their 9th Report had observed :—

“The Public Accounts Committee share the anxiety of the Estimate Committee on this score. The Committee’s Study Group have also reported their unhappiness at the Hierarchical authority (through the system of captains), reportedly exercised by certain Nicobarese leaders and the power they have over the entire tribe, power now augmented by their grip also over the amenities introduced by the administration. The Nicobarese are a hardy, gifted people who are an asset to the entire country and must not continue to live under such undesirable constraints. The Committee are of the view that in the context of the country’s present day aspirations for rapid development, special attention should be directed towards an understanding of the socio-economic situation of the Nicobar Islands and a fuller utilisation of their potentialities.”

*Not vetted by Audit.

1.18. The Ministry of Education and Social Welfare (Department of Culture) vide their reply* dated 19 August, 1978 have stated :

"In the Nicobar village organisation, headmen (Captains) plan very useful and important roles. It would not be desirable to curb drastically their authority or activities without first having a close look into the matter. Action can be taken only after obtaining first hand information through field investigation in the Nicobarese villages. The Anthropological Survey of India is engaged in conducting an investigation in the Nicobar Islands which is likely to yield information that may throw light on this problem. The report is expected to be available by the end of 1978."

[Ministry of Education & Social Welfare, Deptt. of Culture No. G. 25015/2/77/IF.4 dated 19-8-1978]

1.19. To the above quoted observations of the Committee the Ministry of Home Affairs vide their O.M. dated 15 September 1978 have replied as below :—

"Every Nicobare village has a headman who is called Captain of the village. Captains are traditional headmen. They are elected by their villagers. The election is tradition-based. Generally sons and daughters of Captains are elected to succeed their parents. The tradition is working well. The Captain is the leader of the village community, he commands great respect from the village folk. No doubt, he consults village elders for taking any decision in respect of his village but his will may prevail upon the rest of the village community.

How long this system will continue cannot be foretold. It will change with the spread of education among the Nicobarese.

However, as indicated earlier, Government policy is that we will not interfere with the way of life of the tribal people. The headman is their institution and it will be better to allow the Nicobarese to operate upon it as long as they wish to.

In the Andamans group of islands, elections to panchayats are held under the Andaman & Nicobar Islands Gram Panchayat Regulation, 1961. Pradhans are elected from among elected members of gram panchayat."

[M.H.A. O.M. No. 14014/2/78-TD, dated the 15th September, 1978]

1.20. The Committee are unhappy to note that the Government do not appear to share their concern over the hierarchical authority (through the system of 'Captains') exercised by certain Nicobarese leaders and the arbitrary power they have over the tribe. While recognising, of course, some force in Government reasoning of not to curb drastically the authority or activities of such 'Captains', the Committee cannot avoid an impression of near-complacency over the issue. The fact of obtaining first-hand information through field investigation in the Nicobarese villages is not contestable, but this requirement should have been complied with much earlier. The Committee are afraid that with their powers now augmented by their grip over the amenities introduced by the Administration, the hierarchical autho-

*Not vetted by Audit.

city would emerge stronger in the future to the detriment of citizens of Nicobar in particular and the country in general. The Committee, therefore, reiterate that special attention should be directed towards an understanding of the socio-economic situation of the Nicobarese Islands and a fuller utilisation of their potentialities keeping in view the fundamental democratic right of the citizens of these islands as envisaged by our Constitution.

Problem of Education and Social Needs (Para 2.62—Sl. No. 13)

1.21. Emphasising the imperative necessity of getting a truly devoted band of social workers to work among the tribals, the Committee in their 9th Report had stressed :—

“An important aspect of tribal welfare is the problem of educational and social needs. A worker of Bharatiya Adimjati Sevak Sangh is said for some years to have been living and working among the Andamanese in Strait Islands. Plans for the construction of living quarters for some 30 families, a community hall, maternity and Women’s Centres, are proposed to be undertaken. A ‘Balwadi’ has been started for the Onge Children. The Estimates Committee in their 43rd Report had recommended that social services organisations of proven merit, and genuinely dedicated to the cause of tribals, might be persuaded to take part in welfare work in the Islands. That Committee, after observing that nothing had been done on such lines over the years, had, in their 87th Report (1975-76) urged Government to approach organisations like the Ram-Krishana Mission again without delay. The Committee feel strongly the imperative necessity of getting a truly devoted band of social workers recruited from the youth of India to work among the tribal and help them to cooperate in evolving a new free life for themselves. The so-called hostile tribes should also be gradually brought within the purview of such work. The Committee have every hope that given the will such noble and necessary tasks can well be undertaken by our people.”

1.22. The Department of Social Welfare in their Action Taken Note* dated the 15-7-1978 on the above recommendation have stated as under :—

“The Department of Social Welfare is implementing the following two schemes : which may help in achieving the objective underlying in the recommendation :

- (i) Welfare of Children in need of Care and Protection and Foster Care Services;
- (ii) Welfare of Women and Children and handicapped persons belonging to all communities i.e. Socio-economic, condenser courses of education for adult women, and general grant-in-aid.

Under scheme No. (i) the Department gives financial assistance to the State Government/Union Territories for disbursement to Voluntary Organisations interested in starting services for children. The organisations have to apply for financial assistance in the prescribed proforma through the State Government/Union Territory Administrations for grant-in-aid to be given for the purpose.

*Not vetted by Audit.

The Andaman and Nicobar Island Administration has been requested from time to time to forward proposals from voluntary organisation but despite these efforts only one organisation viz. "Seva Niketan" has come forward to implement the scheme for welfare of children in the Andaman and Nicobar Islands. This institution is receiving maintenance grant for 45 children. The Fifth Plan ceiling fixed for Andaman and Nicobar Islands was 425 children, against which only 45 children have been covered till now. The Andaman and Nicobar Administration has again been addressed in June 1978 to forward proposals, duly recommended, of voluntary organisations covering not only the ceiling in terms of the number of the beneficiaries fixed for the current year but also the unfilled quota in respect of the Fifth Plan period.

As regards scheme No. (ii) above, 80 voluntary institutions in the Islands were given grant amounting to Rs. 5,46,950/- by the Central Social Welfare Board during 1977-78 for implementing the programme of socio-economic condensed courses of education for adult women and general grant-in-aid. These programmes have necessarily contributed to the welfare of Scheduled Tribes inhabited in Andaman and Nicobar Islands. The programmes of the Board, though meant to cover women, children and handicapped persons in all communities, cater to the needs of Scheduled Tribes also."

[Ministry of Education & Social Welfare, Department of Social Welfare
O. M. No. 25015/1/77-IF dated 15 July, 1978]

1.22A. In their reply dated 19 August, 1978 the Department of Culture have stated :

"The Andaman Adim Janjati Vikas Samiti took up important welfare activities during the period from April 1976 to March 1978. The Samiti has acquired a vessel for inter island movements for tribal welfare work. Plantation-cum-orchards were raised in the Dugong Creek and South Bay areas of Little Andaman Island and also in Strait Island under the supervision of the Samiti. It has purchased a generator and has built up a shed in Dugong Creek for the generator for producing electricity. The Co-operative Society for Strait Island is functioning under the supervision of the Samiti. A Community hall has been constructed in Strait Island, and another such hall has also been built in the Onge settlement in the Dugong Creek area of Little Andaman Island. Educational programme for the tribal children has been taken up. A team of social and medical workers are engaged in tribal welfare work in Little Andaman Island."

[Department of Culture No. G25015/2/77-IF, 4 dated 19-8-1978].

1.23. In their Action Taken Note* dated the 15th September, 1978, the Ministry of Home Affairs has stated :

"We have already commented on this in earlier paras. Dedicated Social and Medical Workers have been recruited from main land and they are posted to tribal settlements for training the tribals in settled way of life.

*Not vetted by Audit.

Applications were invited by the Andaman Adim Janjati Vikas Samiti from among eligible persons both in the mainland and in the islands for appointment as social workers, medical workers etc. Their cases were thoroughly examined and screened by the Samiti and then selected people were appointed under the Samiti to work among the Onges in Little Andaman.

While medical workers were given medical side of the work to look after the Onges, social workers were engaged on training the Onges in personal and public hygiene imparting simple lessons in games, as also in primary agriculture, stitching etc. The Senior Social Executive also looks after a cooperative meant for Onges. A Social Worker of the BAJSS Unit is working among the Great Andamanese at their settlement in Strait Island. He is looking after their cooperative, food supply etc. He is training them in kitchen gardening and plantations. He is also running a Balwadi at the Great Andamanese Settlement for the benefit of the Andamanese children."

[M.H.A. O.M. No. 14014/2/78-TD dated the 15th Sept., 1978].

1.24. The Committee regret that in spite of the efforts made by the Andaman and Nicobar Island Administration only one voluntary organisation namely 'Seva Niketan' has come forward to implement the scheme of child welfare in Andaman and Nicobar Islands. It is distressing that only 45 children have been covered against the Fifth Plan ceiling of 425 children. The Committee feel that the observations made by the Estimate Committee in their 87th Report (1975-76) urging Government to approach organisations like the Rama Krishna Mission in this connection have remained unheeded. Keeping in view the magnitude of the problems involved, the Committee strongly urge the Government to make an all out effort to approach such organisations without delay and involve them in the implementation of child welfare and other tribal welfare schemes in the Islands.

Need for Toning up supervision of Saw Mills (Para 3.118, Sl. No. 31)

1.25. Urging the Government to take immediate steps to tone up the supervision of Government Saw Mills located at Andaman, the Committee had observed :—

"If, of course, the quality of logs fed into the mills is poor the percentage of wastage is bound to increase. But the Committee cannot appreciate why measures have not been taken to improve the quality of logs in spite of precise suggestions to that effect made in 1972 by the Cost Accounts Officer. As for the outmoded nature of the equipment, the Committee would blame the Forest Department itself for not pursuing the replacement programme vigorously and in time. The Study Group of the Committee visiting the Chatham mills have gathered in unhappy but positive, impression that the mill was being simply mismanaged. The Committee would therefore re-emphasise their earlier observation in the 96th Report (Fourth Lok Sabha) that Government should take immediate steps to tone up the supervision at the operational levels and rationalise the scale of operations by installing upto-date equipment and adopting better management and other techniques."

1.26. In their Action Taken Note* dated 12 July, 1978 the Department of Agriculture have stated :

“The Public Accounts Committee’s remarks requiring Government to take immediate steps to tone up the supervision at the operational levels and rationalise the scale of operations by installing upto-date equipment to minimise wastage would certainly be borne in mind by this Department and suitable action would be taken wherever necessary.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-1978].

1.27. The Committee wish that the Ministry of Agriculture and Irrigation had been more forthcoming with detailed information on the steps taken in pursuance of the Committee’s recommendation than merely stating that these “would certainly be borne in mind.” The Committee would require to be satisfied that immediate steps have been taken to tone up the supervision at the operational levels and the scale of operations has been rationalised by installing upto-date equipment and adopting better management and other techniques in the saw mills.

Modernisation of Saw Mills (Para 3.120, Sl. No. 33).

1.28. Lamenting on the delay in the modernisation of saw mills the Committee had urged the Government to take urgent steps to modernise the mills as follows :—

“The Committee regret that the programme for conversion of circular saw at both the mills with indigenous band saws has not made any headway. It was as early as March, 1970 that the Inspector General of Forests himself suggested that Circular saws in the mills should be replaced early by indigenous band saws. In June, 1973, the Ministry informed Audit that important items like break-down units and other valuable parts were still required to be imported, and as such the implementation of the proposal would take quite some time longer. The Committee were, however, informed by the Department that though the order was placed in 1973 the supplier could not supply the machine by 31st July, 1975 and to make the position worse, the date for the supply had been further extended. As far as Betapur Mill was concerned, it was a small mill and catered mostly to the local requirements. The Committee were assured in a note that the Department was being asked to expedite replacement of these circular saws at Betapur and effect overall improvement. However, there has been already a lot of avoidable delay in completing modernisation of the Chatham Mill. In the Committee’s views if these mills are to function as economically viable units, urgent steps must be taken to modernise the mills and replace the existing old and obsolete equipment. The Committee would also stress that simultaneous steps should be taken to modernise and upgrade the management of the Chatham Mill which happens to be “the largest single industrial unit in these islands and is also one of the largest of its kind.”

*Not vetted by Audit.

1.29. In reply, the Ministry of Agriculture and Irrigation *vide* their note* dated 12 July, 1978 have stated :

"In Chatham Saw Mill, a 54" Band Saw Mill of indigenous make has been installed in February, 1977 and the Mill is working satisfactorily. Quotations for purchase of a modern and sophisticated 72-inch Band Mill from abroad have been finalised and the Ministry of Agriculture and Irrigation has been approached to release foreign exchange *vide* Administration letter No. 41/76-77/1964 dated 30-11-1977.

The Public Accounts Committee's remarks requiring Government to take steps to modernise and upgrade the management of the Chatham Saw Mill and to replace the existing old and obsolete equipment would be borne in mind by this Department and suitable action would be taken wherever and whenever necessary."

[Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-1978].

1.30. The Committee are not at all impressed by the Government's reply that Committee's remarks 'would be borne in mind by this Department and suitable action would be taken wherever and whenever necessary.' The Committee would like to know the positive steps taken by the Ministry in pursuance of its recommendation to modernise the Chatham mill.

Supply of Plylogs from Andaman Forests (Para 3.189—S. No. 38).

1.31. Commenting on the non-execution of any agreement with members of the Plywood Manufacturers Association of India and the Plywood Manufacturers Association of West Bengal, the Committee had observed :—

"The Committee note that the then Ministry of Commerce and Industry decided in July 1951 to supply plylogs from the Andaman Forests to the members of the Plywood Manufacturers Association of India and the Plywood Manufacturers Association of West Bengal on the basis of quotas fixed by the Ministry of Agriculture. The supply continued to be made till 1967. No agreement in this regard, was entered into either with the Associations or the individual members, and the Ministry is unable even to find out the reasons, why it had been decided that no agreement was called for."

1.32. In their Action Taken reply* dated 12 July, 1978 the Department of Agriculture have stated :—

"No comments except that the interest of Government was fully safeguarded to the extent of the security Deposit collected in the form of G. P. Notes."

1.33. The Committee are not convinced by the reasoning of the Department of Agriculture that the interest of the Government was fully safeguarded. It is strange that no agreement was entered into with the members of the Plywood Manufacturers Association of India and the Plywood Manufacturers Association of West Bengal for the supply of plylogs from the Andamans forests without any valid reason for this departure from the established procedure. The Committee are inclined to believe that this was an act of negligence on the part of officials concerned. The Committee urge the Government to investigate the matter in depth and fix responsibility for this lapse to take necessary action against the delinquent officials.

*Not vetted by Audit.

Recovery of Government dues

(Paras 3.190 and 3.193—S. Nos. 39 and 42)

1.34. Expressing its unhappiness over the casual manner in which replies to important points raised by Audit are given, the Committee had observed as under: —

“Although the Plywood Manufacturers Association of India and the Plywood Manufacturers of West Bengal were required to deposit the sum of Rs. 20,000 and Rs. 5,000 respectively for each member as security deposit, the amount was accepted directly from the member. In one case, a sum of Rs. 15,000 instead of Rs. 20,000 was accepted. A sum of Rs. 1.54 lakhs thus was out standing from different members at the time when the scheme of supply to the members was discontinued *i.e.* in 1968 in September 1969, the Department informed Audit that the possibility of adjusting the total security deposits against the amount due from some members of the Association was under consideration. In June 1973 the Ministry informed Audit in more definitive terms that the outstanding amount would be adjusted against the security amount deposited by all the members taken together. This expectation, however has been foiled. In reply to a specific query, the Committee have now been informed that as the members had furnished the security deposit in their individual names and not in the name of the Association, it was not possible to recover the dues of one member from the security deposit of another member.”

“The Committee are constrained to observe that they are not happy over the casual manner in which replies are given to important points raised by Audit. They would strongly recommended that the circumstances in which Audit was wrongly informed in 1973 about the adjustment of outstanding dues from the security deposits of all the members taken together (when this was not possible), should be investigated and responsibility fixed.”

1.35. In their Action Taken reply* dated 12 July, 1978 the Department of Agriculture have stated :—

“Though security Deposit was collected from individual members, it was considered that the entire amount could be adjusted against the amounts due from some members. Audit was informed accordingly in 1969. Before such adjustment action was taken, legal opinion was obtained in May, 1973 and it was opined that the outstanding amount could not be recovered by adjustment from the Security Deposit furnished by individual members for the dues payable by other members of the Association.”

[Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-1978].

1.36. The Committee are greatly perturbed over the casual and perfunctory manner in which the Audit was wrongly informed in June, 1973, that the outstanding amount would be adjusted against the security amount

*Not vetted by Audit.

deposited by all the members taken together' without getting the matter examined thoroughly. The fact of furnishing wrong and misleading information to Audit cannot be taken lightly. The Committee reiterate that the circumstances in which Audit was wrongly informed in 1973 about the adjustment of outstanding dues should be investigated to fix responsibility. The Committee would like to be apprised of the action taken against the delinquent officials.

Non-execution of formal agreement with the Carriers (Para 3.196—S. No. 45).

1.37. Disapproving the arrangements for the carriage of sawn timber without any formal agreement with the carriers, resulting in short-landing of timber, the Committee in Paragraph 3.196 of their 9th Report (Sixth Lok Sabha) had urged the Government to investigate such lapses as under :

"The Committee regret the absence of any formal agreement with the carriers, with the result that responsibility in the matter of recovery of the value of logs and sawn timber shortlanded is a point of dispute. This is yet another instance where the Andaman Forest Department entered into an agreement with a party without formal agreement. The Committee would like Government to investigate why such lapses occurred and to remedy the situation."

1.38. The Department of Agriculture in their reply *dated 12 July, 1978 stated as under :

"By mutual arrangement between the Forest Department and the Shipping Corporation of India, Port Blair Branch, timber carrying vessels are placed at the disposal of the Forest Department at periodical intervals as agreed to, as far as practicable by them. Timber is loaded by the department against which a bill of landing is issued by the Shipping Corporation. This system is working quite satisfactorily and the timber shortages are also reduced to the minimum as a consequence of several corrective steps taken both by Forest Department and the Shipping Corporation.

As recommended by the Public Accounts Committee, action has been taken with the Shipping Corporation of India with regard to formal agreement and their comments are awaited."

[Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-1978].

1.39. The Committee are happy to note that as a result of corrective steps taken by Forest Department Andaman and the Shipping Corporation timber shortages have been reduced to the minimum. The Committee, however, would reiterate that the Forest Department Andaman should take urgent steps to execute an agreement with the Shipping Corporation of India for the carriage of timber so that the losses due to short-landing of timber are further reduced and responsibility fixed therefor in future. The Committee would, however, like to be apprised of the results of investigation conducted to probe as to why such lapses occurred in the past.

*Not vetted by Audit.

Difficulties in exporting timber to the mainland

(*Paras 3.198 to 3.202.—Sl. Nos. 47 to 51*)

1.40. Commenting on the inadequate despatches of timber from Andaman & Nicobar Islands to the Mainland, the Committee in paragraphs 3.198 to 3.202 of their earlier Report had observed :

“3.198. The Committee regret that the quantity actually despatched during 1969-70 to 1972-73 has been consistently below the annual target fixed for the despatch of timber to the mainland. The short-fall has been attributed by the Forest Department to non-provisioning of special loaders by the Shipping Corporation of India.”

3.199. The difficulties in achieving the targets of export of timber to the mainland were considered by the Public Accounts Committee in paras 1.1-1.7 of their 74th Report (4th Lok Sabha—April 1969). The Committee had emphasised that (i) the requirements for additional ships should be carefully assessed and the fleet for transport of timber augmented and (ii) the existing shipping space should be fully improved by minimising delays in loading and unloading operation.

3.200. In November/December, 1969, the Ministry of Agriculture informed the Public Accounts Committee that while one of the existing passenger-cum-cargo vessels viz., ‘M.V. Nicobar’ had been converted into a cargo vessel, a special timber carrier ‘M.V. Shompen’ had been put to service from February 1968 to meet the special needs of timber/log shipments from the Islands to the mainland. An additional passenger-cum-cargo vessel ‘State of Bombay’ had also been introduced in the mainland island service from June, 1967. Regarding the utilisation of existing shipping space, it was stated that the construction of two permanent jetties at Haddo and Chatham was expected to be completed by 1972. A wharf in Phoneix Bay was also planned to be completed by 1972-73 and with these facilities, it was expected that the harbour facilities and the utilisation of existing shipping facilities would improve.

The Committee, however, regret to note from the figures of the targets of export and the quantity actually exported that there was short-fall in the quantities exported during 1969-70 to 1972-73.”

3.201. As regards the failure to convert ‘M.V. Nicobar’ into a full cargo ship due to small hatch opening and limited derrick capacity, the Committee are constrained to point out that in reply to their earlier recommendations on the subject, the Ministry had not placed the correct facts before them in 1969 in regard to ‘M.V. Nicobar’ being used for transporting timber logs to the mainland after its conversion into a cargo ship. Audit has pointed out that the two vessels made available by the Shipping Corporation of India, in addition to ‘M.V. Nicobar’ and ‘M.V. Shompen’, were also not capable of carrying timber logs because of small-opening and the hatch and derricking. The Committee deplore the desultory manner in which the problem of shipping facilities has been dealt with by the Forest Department. It is surprising that it was not before 1973 that the Ministry of Transport and Shipping made a detailed study of the problems faced in the export of timber to

the mainland. Efforts, it is learnt, are still being made to procure an additional timber carrier. The Committee would like a more earnest approach of Government in the matter and better expedition in work."

"3.202. The Committee stress strongly the urgent need for augmenting shipping facilities so that the entire targeted quantity of timber can be sent efficiently to the mainland. It is relevant in this connection to recall that the representative of the Forest Department had admitted before the Public Accounts Committee in 1969 that it was more remunerative selling timber in the mainland market. The Cost Accounts Officer had also clearly expressed the view that it was advantageous to sell the timber in the shape of logs rather than in the shape of sawn timber for which increase in shipping facility was essential."

1.41. In reply, the Ministry of Shipping and Transport *vide* their Action Taken-Note* dated 10 August 1978 have stated as under :

"Para 3.201. The observations made by the PAC in its Report is on the basis of position obtaining in 1973 and earlier. The position has since changed. M. V. 'Nicobar' has been scrapped (in 1974) and a new timber carrier of 5000 tons capacity *viz.* M.V. 'Diglipur' obtained and put on this service. Thus there are at present 2 cargo vessels *viz.*, M.V. 'Shompen' of 3500 tons capacity and M.V. 'Diglipur' of 5000 tons capacity operating on Mainland and Andaman Sector."

"Para 3.202. As already stated in reply to the earlier recommendation (No. 50), the position has since changed. M.V. 'Nicobar' was scrapped in 1974 and a new timber carrier M.V. 'Diglipur' of 5000 tons capacity has been put on this service. After the introduction of 'Diglipur', available timber and timber products have been carried without any difficulty. Even the available shipping space on this vessel is not always fully utilised at times."

[Ministry of Shipping & Transport O.M. No. SYO(II)-3/78 dated the 10-8-78]

1.42. In reply the Ministry of Agriculture and Irrigation *vide* their note dated 12 July 1978 have stated :

"The annual targets for the despatch of timber to the mainland and the quantity actually sent during 1971-72 to 1976-77 are shown below :

Figures in Cubic Metres

Year	Despatch target	Quantity despatched	Short fall
1971-72	28,500	24,771	3,729
1972-73	31,000	24,468	6,532
1973-74	32,500	26,834	5,666
1974-75	32,500	28,511	3,989
1975-76	34,000	30,043	3,957
1976-77	47,500	39,508	7,992

*Not vetted by Audit.

It would be seen from the above that the total quantity shipped to mainland from the Islands rose from 24,771 Cubic Metres in 1971-72 to 39,508 CBM in 1976-77, thereby registering a percentage increase of 59.49. The targets of shipment were increased as may be seen from the above table keeping in view the provisioning of timber carrying vessels regularly as agreed to by the Shipping Corporation. The vessel 'M.V. Shompen' made only 9 trips during each of the year 1975-76 and 1976-77 against the provision of 12 trips during 1975-76 and 1976-77 respectively. No loader was made available by the Shipping Corporation of India during the period Mid-April 1975 to Mid-August 1975. Non-provisioning of vessels continue to be the main factor contributing to the shortfall in shipments of timber. The matter of augmenting shipping facilities is always pursued vigorously with Shipping Corporation of India by the Andaman Forest Department.

The Forest Department is aware that it is remunerative to sell round logs in the mainland markets and accordingly the shipment of logs has progressively increased from year to year as can be seen from the table below :

(Figures in cubic metres)

Year	Quantity of log and sawn timber Shipped	Quantity of round logs	Percentage of logs shipped on the total quantity shipped
1973-74	26,834	20,951	78.08
1974-75	28,511	21,769	76.35
1975-76	30,043	25,212	83.92
1976-77	39,508	35,950	91.00

From the above it will be seen that the quantities of logs shipped during the years from 1973-74 to 1976-77 rose from 20,951 to 35,950."

[Ministry/Department of Agriculture O.M. No. 9-29/77 F.II dated 12-7-1978].

1.43. The Committee are unhappy to note that targets set for the despatch of timber to the mainland for the years 1971-72 to 1976-77 could not be achieved and the shortfall has risen from 3,729 cu. metres in 1971-72 to 7,992 cu. metres in 1976-77, in spite of the improvement in the availability of vessels claimed by the Ministry of Shipping and Transport-

*Not vetted by Audit.

According to the Department of Agriculture, non-provisioning of vessels continues to be the main factor contributing to the shortfall in shipments of timber. The Department have contended that the vessel 'M.V. Shompen' made only 9 trips during each of the years 1975-76 and 1976-77 against the provision of 12 trips each year. In the light of these facts, the Committee find it difficult to share the views of the Ministry of Shipping and Transport that "the position has since changed" and that "after the introduction of M.V. 'Diglipur' available timber and timber products have been carried without any difficulty" The Ministry of Shipping and Transport's contention that "even the available space on this vessel is not always fully utilised at times", is contrary to the views expressed by the Department of Agriculture. The Committee are greatly concerned at the failure on the part of Ministry of Shipping and Transport to provide sufficient vessels for the carriage of timber from Islands to the mainland and would reiterate a more earnest approach in the matter.

Purchase of tractors (Para 3.224—Sl. No. 57)

1.44. Commenting on the purchase of old and unserviceable tractors the Committee in para 3.224 of their 9th Report had observed :

"It is disturbing that out of 2 tractors against 5 purchased from the Department of Rehabilitation and declared uneconomical for further use, one tractor did not work at all since the very date of its purchase i.e. from January 1966 to July 1973 and the other tractor worked for only 958 hours and that too after major repairs. The third tractor which also did not work at all is being technically surveyed. It is strange that before transferring such old and unserviceable tractors neither the Department of Rehabilitation nor the Ministry of Finance cared to consult the Ministry of Agriculture and the misgivings reported to have been expressed by the Andaman Forest Department were ignored. What is even more surprising is the fact that the terms of this transaction were not spelt out in advance, with the result that a clear discussion was not available as to whether the Forest Department was to pay hire charges or book value. It was only in May 1968 that a debit against the Andamans Forest Department for the book value and transport cost was raised. The Committee feel that Government should not somewhat carelessly have saddled the Forest Department with tractors which were both old and unserviceable. The Committee recommend that responsibility should be fixed for this unpleasant transaction."

1.45. To the above noted observation of the Committee, the Department of Agriculture *vide* their reply* dated 12 July 1978 have stated :

"The purchase of the two tractors from the Rehabilitation Department which have not worked at all was made pursuant to the decision of Government of India in the Ministry of Finance and Andaman Forest Department which objected to the transfer of the two tractors is, therefore, not responsible for the transaction."

*Not vetted by Audit.

1.46. The Committee are unhappy to note that sale of defective and un-serviceable tractors had been thrust upon Forest Department, Andaman much against its wishes by the Ministry of Finance and Ministry of Rehabilitation. It is distressing to note that objections raised by the Forest Department, Andaman against the transfer of defective tractors had been ignored without any justification. The Committee are, therefore, constrained to reiterate that responsibility for this unwelcomed transaction may be fixed and action taken against the erring officials.

Failure to ensure implementation of agreement executed with a private firm.

(Paras 3.269 and 3.270—Sl. Nos. 64 and 65)

1.47. Commenting on the failure on the part of Government to ensure implementation of agreement executed with a private firm, the Committee had observed :

“3.269. The Committee regret that having entered into an agreement, Government did not take proper steps to ensure its implementation by the private firm. On Government's own admission, the said firm could not accept the timber extraction target right from the outset, on account of their own shortcomings like financial instability and lack of adequate equipment. Government, however, never thought of any drastic action till 1961 when the defaulting firm chose to go in for arbitration. On the other hand, even supplemental agreements were entered into successively with the firm on 6-10-1953, 20-10-1956 and 23-4-1958. The agreement was not terminated till December 1968 i.e. after a period of more than 17 years, although there was provision for its termination in the event of failure on the part of the firm to pay its dues within a period of 12 months. The Committee would like Government to ascertain whether there were any tenable reasons for allowing an unduly long time to the firm to fulfil their contractual obligations in spite of their repeated failures and sorry experience of arbitration proceedings. This is necessary for not only punishing those at fault in this case but also for taking remedial measures to ensure that such default does not recur.”

“3.270 The Committee are of the view that if timely action had been taken to terminate the contract as soon as persistent failures were noticed on the part of the private firm, huge amounts would not have accumulated against them and the possibility of the departmental working of these forests could have been considered. This delay has proved very costly in as much as Government have not been able to realise adequate revenue even on the timber actually extracted by the private firm not to speak of other benefits provided for in the agreement in the form of royalty on shortfall in extraction.”

1.48. In reply to these observations of the Committee, the Department of Agriculture vide the reply* dated 12 July 1978 have stated as under :

“From this office records it has not been possible to ascertain where there were any tenable reasons for allowing an unduly long

*Not vetted by Audit.

time to the firm to fulfil their contractual obligations, especially in view of the fact that the agreement with the firm was entered into over two decades ago. However, remedial measures have been taken so that such default does not recur in future."

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-1978]

1.49. The Committee are distressed to note that Government have tried to circumvent the recommendations stating that "it has not been possible to ascertain whether there were any tenable reasons for allowing an unduly long time to the firm to fulfil their contractual obligations." The Committee are not at all impressed by the reasoning that the agreement "was entered into over two decades ago." While welcoming the measures taken by the Government to avoid recurrence of such defaults in future, the Committee reiterate that Government should investigate whether there was any lapses on the part of its officials in allowing an unduly long time to the firm to fulfil their contractual obligations in spite of their repeated failures and sorry experience of arbitration proceedings. The Committee would also like to know the specific remedial measures taken or are proposed to be taken by the Government to prevent recurrence of such defaults in future.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

The Committee would stress, at the outset, that a region as unique as the Andaman and Nicobar Islands requires, for its development, a most thoughtfully/co-ordinated plan of action and a truly constructive as well as imaginative approach to the ecological, anthropological, socio-economic and administrative problems involved. In spite of the natural wealth and strategic significance of the islands, and also their symbolic importance in the history of India's struggle for freedom, attention hardly appears to have been paid, except to some extent lately, to the developmental tasks awaiting execution in the region. The Estimates Committee in their 128th Report (4th Lok Sabha) presented in April, 1970 had pointed out the serious shortfall in planned expenditure there during the First, Second and Third Five Year Plan periods. It seems that virtually the same story has continued since. The Committee recognise that there are many inherent difficulties over transport, communication and other requirements, and also that shortage of equipment, key materials etc. seriously militate against the setting up in the islands of anything like an adequate public works department. These difficulties, however, are not insurmountable. They were, the Committee learn, to have been examined at depth by the Chief Commissioner of Andaman and Nicobar Islands who was asked by Government as long as in March, 1975 to prepare a report. The Committee are not aware of the results of his labours, but have been informed during evidence, that a subsequently appointed Central Co-ordination Committee of senior officers of the Ministries of Home Affairs, Agriculture, Defence, Finance and Rehabilitation have not proved effective either, and that apparently still unsolved procedural problems had erupted. This is by no means a happy picture. The development of this Union Territory, home of primitive peoples who are presently poor but potentially opulent, a region strategically situated and scenically entrancing, is for this country an imperative human and historic responsibility. The Committee are of the view that Government should set up an adequate nodal agency at a high level charged regularly with the duty of ensuring that development on the right lines of the Union Territory proceeds effectively and is reviewed meaningfully so that the islands as well as the mainland are truly linked in their forward march together.

[S . No. 1 Para 1.35 of the 9th Report of the PAC (6th Lok Sabha)]

Action taken

Government are aware of the need to develop this territory and all possible efforts are being made in this direction. A Forest and Plantation Development Corporation has already been set up. A proposal to set up Fisheries Corporation for these Islands is under consideration.

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Government are aware of the need to develop this territory and all possible efforts are being made in this direction. A Forest and Plantation Development Corporation has already been set up. A proposal to set up Fisheries Corporation for these Islands is under consideration.

A Team of Secretaries led by the Cabinet Secretary visited the Andaman and Nicobar Islands in December, 1976 and made recommendations on the various aspects such as defence needs; communications; forest, plantation, agriculture and rehabilitation; industrial growth; tourism; education; tribal welfare etc.

The recommendations made in the Report of Secretaries' Team are being processed by various Ministries/Departments of the Government of India and the progress of action taken was reviewed on 24-2-78 by the Central Coordination Committee for Andaman and Nicobar Islands functioning under the aegis of the Ministry of Home Affairs who are also discharging the functions of the nodal agency. Ministries like Defence, Agriculture and Shipping are actively associated in the developmental programmes of these Islands.

A statement giving summary of salient recommendations made in the Report by Secretaries' Team together with action taken/stage of implementation is annexed (as suggested by audit).

[Ministry of Home Affairs O.M. No. U-16016/4/77-ANL dated the 13th September, 1978]

ANNEXURE

23

Sl. No.	Summary of salient recommendations made in the Report by Secretaries' Team	Action taken/stage of implementation
(1)	(2)	(3)
1.	The land requirements for Defence Services may be met in full.	It has been agreed in principle to meet the land requirements of Defence in the Andaman and Nicobar Islands. The details of exact location of the lands required by Defence Services are being ascertained and these will be allotted expeditiously by the Andaman and Nicobar Administration.
2.	Selective allotment of lands for rehabilitation to Ex-service-men, repatriates and locals.	The Department of Rehabilitation have taken a decision not to resettle any more displaced persons from erstwhile East Pakistan (now Bangladesh) in these Islands. However, the programme to resettle ex-servicemen at the island of Great Nicobar is being continued. A high level coordination group has been set up in the Ministry of Defence to look into the various problems connected with resettlement of ex-servicemen on this island. The Chief Coordinator, Pre-investment Survey, Eastern Zone, Calcutta has also been requested to furnish interpretations of basic materials with the Naval Hydrographic Units for the purposes of making meaningful recommendations about selection of areas.
3.	Expeditions clearance of the proposal to set up Forest and Plantation Development Corporation.	The Andaman Forest and Plantation Development Corporation was set up in January, 1977.
4.	Development and exploitation of fisheries may be entrusted to a corporation.	The proposal to set up a Fisheries Corporation for these Islands is under consideration.
5.	<i>Shipping matters.</i>	
5-1	Purchase of three inter-island vessels (including one as a replacement for the old vessel CHOLOUNGA) to augment the inter-island fleet.	The proposal has since been cleared and it is proposed to purchase three new ships during the Sixth Plan period. An amount of Rs. 9.18 crores has been allotted for this purpose.
5-2	Purchase of a hospital-cum-supply-cum-banking ship	The planning Commission has agreed to the purchase of hospital-cum-supply-cum-banking ship during the Sixth Plan.
5-3	Augmentation of staff in marine workshop and dockyard at Port Blair.	The Planning Commission have approved the Scheme of augmentation of the staff at the workshop and dockyard.

(1)	(2)	(3)
6. <i>Air Service</i>		
6.1	With the strengthening of present runway, operation of jet aircrafts like Boeing 737 with soft landing tyres may be possible.	A bi-weekly direct flight between Calcutta and Port Blair with a Boeing 737 is in operation now.
6.2	The Possibility of introduction of flight between Madras-Port Blair Calcutta may be considered after the direct Calcutta Port Blair flight had started operating.	The question of starting air service between Port Blair and Madras with a diversion to Car Nicobar is being examined by the Ministry of Tourism and Civil Aviation who are conducting a traffic survey for this purpose.
7.	<i>Roads and Bridges</i>	
7.1	The major culverts and bridges on the two roads in the island of Great Nicobar may be made permanent and small culverts and bridges may continue to be constructed on a temporary basis preferably with treated timber using local know-how,	This is estimated to cost about Rs. 228 lakhs. However, a view has now been expressed that small culverts and bridges on these roads may also be made permanent. This suggestion is being examined
7.2	Construction of roads on the island of Camorta	The scheme has been included in the Plan.
8.	<i>Industrial Growth</i>	
	In view of limited scope of setting up major industries special attention has to be paid towards wood & fish based industries, food processing and paper making.	The scope of setting up industries in the fields mentioned is being examined.

Recommendation

The Committee, studying the tribal situation in the Andaman and Nicobar Islands, can do no better than recall the words, still valid and vital, of Jawaharlal Nehru when, in June 1952, he addressed in New Delhi the opening Session of the Scheduled Tribes and Scheduled Areas Conference.

“.....So far we have approached the tribals people in one or two ways. One might be called the Anthropological approach in which we treat them as museum specimens to be observed and written about. To treat them as specimens for anthropological examination and analysis-except in the sense that everybody is more or less an anthropological specimen is to insult them. We do not think of them as living human beings with whom it is possible to work and play. The other approach is one of ignoring the fact that they are something different, requiring special treatment, and of attempting forcibly to absorb them into the normal pattern of social life. The way of forcible assimilation or of assimilation through the operation of normal factors would be equally wrong.”

“In fact, I have no doubt that if normal factors were allowed to operate, unscrupulous people from outside would take possession of tribal people, we must give them a measure of protection in their areas so that no outsider can take possession of their lands or forests or interfere, with them in any way except with their consent and goodwill. The first priority in tribal areas, as well as elsewhere in the country, must be given to roads and communications. Without that nothing we may do will be effective. Obviously, there is need for schools, for health-relief, for cottage Industries, and so on. One must always remember, however, that we do not mean to interfere with their way of life but want to help them live it.”

It appears to the Committee that our development policy in regard to the tribal peoples of the Andaman and Nicobar Islands has continued over the years after the independence to be little more than ‘ad hoc’ and not firmly grounded on principles carefully thought out and sincerely implemented as Jawaharlal Nehru, representing the country’s finest thinking on the subject, wanted to be.

[S. No. 2 Para 2.51 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action taken

The major developmental strategy for the welfare of Scheduled Tribes in the Fifth Plan has been the Tribal Sub-Plan. The broad objectives of the Tribal Sub-Plan are to narrow the gap between the level of development of tribal areas and other areas and to improve the quality of life of the tribal communities. Under the tribal sub-plans, areas of more than 50% tribal population have been identified as tribal Sub Plan areas for an integrated approach. Such tribal sub-Plans have been formulated in 18 States/Union Territories including the Union Territory of Andaman and Nicobar Islands.

2. The underlying principle of the new strategy is to enable the tribal communities to advance along the lines of their own genius. The effort

is not to impose any programme from above leading to distortion of their own cherished ways of life, but to introduce such programmes which suit them.

3. The approach to their development is two fold : First to prevent their exploitation by non-tribals, and second to promote their positive socio-economic development. These objectives have been sought to be achieved particularly during the Fifth Plan period through higher financial investments and more intensive executive action in the Sub-Plan areas and appropriate legislative measures.

4. The Andaman & Nicobar Islands comprise of two districts, i.e., Andaman district and the Nicobar district. The total population, the scheduled tribe population and its percentage to the total population in the two districts based on 1971 census figures are furnished herewith :

	Total	Scheduled Tribes	Percentage
Andamans	93,468	136	0.146
Nicobars	21,665	17,966	82.92
Total for the Islands	115,133	18,102	15.72

5. Six Tribes are found in the Islands. Their numerical strength is indicated below :

Andaman Islands

Andamanese	24	
Onges	112	
Jarawas	Not enumerated	275 (Estimated)
Sentinelese	Do.	82 (Estimated)

Nicobar Islands

Nicobaris	17874
Shompens	92

6. Out of the six tribes mentioned above, all except the Nicobaris are treated as primitive tribes and separate programmes have been taken up for them according to their level of development and their development needs.

7. The Sub-Plan outlay from Union Territory Plan, Special Central Assistance and Central Assistance for primitive tribes for the 4 preceding years are indicated below :

	Sub-Plan outlay from UT Plan	S.C.A. In lakhs	S.C.A. for primitive tribes
1974-75	2.95	nil	nil
1975-76	3.96	nil	20.00
1976-77	16.89	12.00	5.00
1977-78	34.13	12.00	5.00
TOTAL	57.93	24.00	30.00

Recommendation

It appears from the material before the Committee that tribes like the Andamanese, the Onges and the shompen are perilously near a point where they might be extinct. However, the picture perhaps is not quite so dark. In spite of transplantation from their own island to another, and in spite of 11 out of 18 Onges infants born during the last five years not surviving, their vitality does not appear to have been totally sapped, and with special care they might well grow in numbers and strength. As indicated earlier, the Andamanese and the Shompen could also be nurtured into strength and enabled to play a role in their homeland. In regard to the Jarwas and the Sentinelese, both officially still considered 'hostile', the Committee are of the view that while adopting necessary security precautions, the Jarwas should be sought to be positively befriended and not frightened off contact with our people by such instruments as the so-called 'Bush Police' when they spontaneously resist encroachments on their land for purposes (to them unexplained) like road construction. It was heartening that the officiating Director of the Anthropological Survey of India agreed with the Committee on this issue, adding that "the sea and the forest have given sustenance to their (The Jarwas) life, "and this must always be kept in mind. It is good to note also that, both in regard to the Jarwas and the Sentinelese, the present Government policy is to pursue the possibilities of friendly contact, and that while the latter have responded not unfavourably since 1970, the former also seemed likely to drop their earlier intransigence when in 1974 they picked up, and did not (as previously) discard, gifts dropped in their areas. The fact that the administration has taken up the question of learning the Jarwas language is a happy sign of the change in policy.

[S. No. 5 Para 2.54 of the 9th Report of the P.A.C. (6th Lok Sabha)].

Action taken

The resettlement of the surviving the Great Andamanese at Strait Island under the immediate care of a Social Worker of the B.A.S.S. has helped the Great Andamanese to rejuvenate themselves. Under developmental schemes, permanent houses have been constructed for them. Drinking water have been provided to them in the settlement. Foot paths have been built. Pig pens have been erected with pigs supplied by this Administration. Pigs are looked after by the A.A.J.V.S. This is to augment their food resources. A Multi Purposes Co-operative Society has been established with the Great Andamanese as share-holders in the island. This society has been registered as Fair Price Shop. The Andamanese sell their produce to this society and purchase their rations etc. from it. Coconut plantations, orchards, vegetable gardens have been raised under the Samiti's Welfare Programmes. A Government dispensary is functioning at the settlement to administer medical needs to the tribe. Fisheries requisites are supplied to them. There is proposal to instal a generator set at this settlement for the benefit of the tribals.

Similar economic programmes are implemented for the welfare of the Onges at their settlement in Dugong Creek. They are employed in coconut plantations, orchards, etc. which the Samiti is raising for their welfare from

the funds which are Maiti is raising the Ministry of Home Affairs under its Special Central Assistance. Onges are paid in case for their labour. They purchase their food stuffs from their multipurpose cooperative society at their settlement and sell their forest and plantation produce to it. They have their pig pen at the settlement. A doctor-run-dispensary is in existence there. A generator set is being installed to provide modern avenue to them. Houses are being built for them. Fisheries requisites are supplied free of cost. Onges are improving in health and their number is not declining. A model village is coming up at their habitat in Dugong Creek.

A number of friendly overtures have been made to Jarwas and Sentinels. One group of Jarwas have become friendly with us. Cautious steps are being taken and Bush Police are being given proper guidance to deal with the tribes.

There is no infrastructure established as yet in Great Nicobar to start a settlement for the Shompens in their land. However, sufficient funds have been allotted for free supply of rations, clothes, etc. to Shompens during rainy season when they are not able to procure enough forest produce for their subsistence. Shompens are mixing with Nicobarese tribe by virtue of their being racially skin to them.

[M.H.A. O.M. No. 14014/2/78-TD dated the 15th September, 1978]

Action taken by Department of Cultured

The Great Andamanese, resettled in the Strait Island, have begun to respond favourable to various welfare measures. Two deaths which had taken place among the tribe between July 1977 and January 1978 were due to old age. No case of abortion has come to notice. Two male babies were born in 1977 both of whom are well. Opium addicts have been de-addicted. There is a dispensary in Strait Island, and a doctor of the Medical and Health Department visits the Island once a month. Delivery and post-mortem cases are attended at the Hospital at Port Blair. In 1977 one T.B. Patient was sent to Madras for treatment. He has been treated, and special care is being taken so that the disease may not relapse.

A medical investigation was conducted among the Onge of Little Andaman Island during January-February, 1978. Some cases of vitamin A deficiency, anaemia, infestation with worms and malaria were reported. The Andaman and Nicobar Administration have made arrangements to supply vitamin A iron and folic acid tablets in order to prevent vitamin deficiencies and anaemia. Necessary medicines have already been sent for mass de-worming. Several suspected cases of tuberculosis are under treatment. Anti-malaria drugs have already been sent to Dugong Creek to start mass treatment.

For want of any infrastructure in the interior of the Great Nicobar Island where the Shompen live, no definitive programme to ameliorate their condition has been taken up.

Although the Jarawa are still officially considered hostile, friendly contact was established with one of the several Jarawa groups in Middle Andaman in 1974. Some progress has been made in the efforts to make

further contacts with the Jarawa. Two Jarawa men came to Port Blair willingly with the Jarawa Cell party on the 31st January, 1977 and stayed there for about 10 days. They were treated affectionately and efforts were made to give necessary medical treatment to one of them who was having a wound on his thigh. It was a major breakthrough in establishing friendly relationship with Jarawa. A Tribal Reserve Demarcation Committee has been constituted with the Chief Conservator of forests as its Chairman to delineate the Jarawa reserves.

The Sentinelese have been left undisturbed in the North Sentinel Island. Goodwill missions are sent to their island and gifts are dropped on the shores to be picked up later by them. This is being done to inspire confidence among them.

[Department of Culture O.M. No. G 25015/2/77/IF.4 dated 19-8-1978].

Recommendation

The Committee are keen that all possible efforts should be made to improve the medical services so that the terrible possibility of any of the tribes dying out can be prevented. The number of Andamanese is stated to have risen, since 1947, from 19 to 24, but this is not good enough. They as well as other tribals have to be rescued from the clutches of diseases that 'civilization' had brought them. If the Andamanese (whose number appears still to be precariously low) are content with life in Strait Island where they have ostensibly been taken in 1969-70 in order that they might survive and improve, the matter may be left there, but it is found, on deeper thought, more humane to let them live in their original habitat and in an environment of their choice, it should be done with great care and sympathy. The Committee are doubtful if methods of segregation are at all helpful and wish that this issue is examined authoritatively and appropriate decisions taken. Wherever attempts at persuading the tribes to adopt a comparatively settled economic life by working on small coconut and other plantations or in such congenial occupations as fishing are successful, they should, with great sensitivity and caution, be proceeded with.

[S. No. 7 Para 2.56 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action taken

Medical Services are provided to the Andamanese and the Onges in their habitats. Shompens are also provided medical coverage in Great Nicobar Island.

By keeping the tribals in their habitats and by not allowing others to roam about in their settlements/habitats the Administration have been able to save the tribes from the vices of civilization. Our tribals are simple and innocent and they cannot resist bad effects of civilisation on their mind and body. Hence the need to keep them away from advanced civilisation as far as possible.

At their settlements Andamanese and Onges are employed in plantations, etc. This is proving a boon for them and they are slowly adopting on agricultural civilization. It is not basically disturbing their tribal way of life.

[M.H.A. O.M. No. 14014/2/78-TD 15th September, 1978].

Recommendation

The Committee are keen that all possible efforts should be made to improve the medical services so that the terrible possibility of any of the tribes dying out can be prevented. The number of Andamanese is stated to have risen, since 1947, from 19 to 24, but this is not good enough. They as well as other tribals have to be rescued from the clutches of diseases that 'civilization' had brought them. If the Andamanese (whose number appears still to be precariously low) are content with life in Strait Island where they have ostensibly been taken in 1969-70 in order that they might survive and improve, the matter may be left there, but if it is found, on deeper thought, more humane to let them live in their original habitat and in a environment of their choice, it should be done with great care and sympathy. The Committee are doubtful if methods of segregation are at all helpful and wish that this issue is examined authoritatively and appropriate decisions taken. Wherever attempts at persuading the tribes to adopt a comparatively settled economic life by working on small coconut and other plantations or in such congenial occupations as fishing are successful, they should, with great sensitivity and caution, be proceeded with.

[S. No. 7 Para 2.56 of 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action taken by the Ministry of Health

The Andamanese at Strait Island.

A dispensary under a compounder was opened at Strait Island in April, 1970. But due to shortage of Compounders no Compounder was posted there until January, 1976. After a compounder was posted there, the Medical Officer Incharge Havelock Dispensary was instructed to visit Strait Island once in a month and this is being done.

Individual Health cards have been prepared and proper follow up is done in each case. Where necessary, cases are referred to mainland hospitals for further investigation and treatment.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78].

Recommendation

The evidence of the Director of the Anthropological Survey indicated that Onges and Andamanes were sometimes found "hanging around" jetties and begging for food from the settlers. The Committee trust that the position has improved. Government stated during evidence that the Andamanese settled on strait Island, were given free rations and other necessities and were

also provided with seeds and seedlings so that they could settle into elementary economic activity. At Dugong Creek, there appears to have been set up a coconut plantation and fishing facilities for the Onges. A consumers' cooperative stores, functioning at Hut Bay is also said to help Onges market their honey and dhup resin. Assistance is reported to have been given to the Shompens in a similar way. The Committee welcome such steps and wish they are followed up always in a way that tribal susceptibilities are not hurt.

[S. No. 10 para 2.59 of the 9th Report of the P.A.C. (6th Lok Sabha)].

Action taken

This is very much true. Tribal settlements at Strait Island and Dugong Creek have given a sense of respect to Andamanese and Onges. They do not beg any more from others and are earning their livelihood by working in their plantations and Orchards and by selling plantation and forest produce to their cooperative societies.

Employment oriented schemes like plantations, orchards, etc. are being taken up in Onges habitats in Little Andaman. Andamanese and Onges both are encouraged to collect forest, marine and plantation produce and sell to their respective multi-purpose cooperative societies for augmenting their food resources. Shompens are being provided with free ration, clothing, etc. under one of the schemes included in sector "welfare of Backward Classes" of the Five Year Plan.

[M.H.A. O.M. No. 14014/2/78-TD dated the 15th September, 1978].

Action taken by Department of Culture

In order to provide clean and sanitary housing in a settled location, 17 huts have been constructed in Dugong Creek area of Little Andaman and allotted to the Onges living in that area. Three more huts are under construction and will be completed soon. The Onges are using these huts for residential purposes. The old coconut plantation ravaged by cyclone towards the end of 1976 has been rejuvenated. Two new coconut plantation-cum-orchards are being raised, one at Dugong Creek and the other at South Bay. Onges are employed to work in these plantations and are paid for their services. These plantation-cum-orchards will be given to the Onges when they are ready. The Co-operative Society at Dugong Creek has been registered as a fair price shop. The jungle and sea products collected by the Onges are purchased by the Co-operative Society and ration articles and fishing equipment are given to them. The Onges have started their personal kitchen gardens.

A plantation-cum-orchard has also been raised in Strait Island for the benefit of the Great Andamanese. A co-operative Society has also been opened there which supplies ration articles to the tribals and purchases the sea and jungle products collected by them. Sixteen Great Andamanese are in receipt of monthly cash allowance ranging from Rs. 50 to Rs. 150 to enable them to meet their small expenses.

[Department of Culture O.M. No. G. 25015/2/77/1 F-4 dated 19-8-78].

Recommendation

The Committee are glad that an Advisory body has been constituted, comprising the Chief Commissioner of the Andaman and Nicobar Islands, the Joint Secretary, Tribal Development in the Ministry of Home Affairs, Director, Anthropological Survey of India, a representative of All India Institute of Medical Sciences and a well known Anthropologist to advise the Chief Commissioner in matters relating to the tribal population. The Committee hope that the Advisory Committee which had visited the Islands in February 1976 have been able to formulate a clear-cut programme to be followed in this regard. The Committee would urge the Advisory Committee to submit its report, soon, if it has not been done already, and ask Government to undertake followup action without delay. The Committee expect that the recommendations of this body would focus attention meaningfully and effectively on the precise problems and difficulties of all tribals (and not one tribe alone viz., Andamanese which seems to have belatedly come for specific consideration in the Fifth Plan) in the correct ecological and sociological perspective. There should be no further delay in the country's advance towards the implementation of our national policy on the lines that Jawaharlal Nehru had, with his wide humanity and imaginative sympathy with our retarded fellow-human beings, laid down luminously some twenty-five years ago.

[S. No. 14, Para 2.63 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action taken

On the recommendations of the Advisory Committee on Primitive Tribal Groups in Andaman and Nicobar Islands, the Administration has now formulated a comprehensive Five Year Plan 1978—83 for improving the lot of the primitive tribes. The cost of the 15 schemes included in the Plan has come to Rs. 103.014 lakhs. The Administration has also taken up the demarcation of the primitive tribal reserves on the ground in keeping with the advice of the Advisory Committee.

[M.H.A. O.M. No. 14014/2/78-TD dated the 15th September, 1978].

Action taken by Department of Culture

The Advisory Committee held three meetings since 1976 and minutes of the first two meetings are enclosed. The third meeting was held during May 9-11, 1978, in the Andamans in which the following were present :

- | | |
|----------------------------|---|
| 1. Shri S. M. Krishnatry . | Chief Commissioner, Andaman & Nicobar Islands. |
| 2. Shri H. K. Rakshit . | Director, Anthropological Survey of India. |
| 3. Dr. I. C. Verma . | Professor & Head of the Department of Paediatrics, Jipmer, Pondicherry. |
| 4. Prof. L. P. Vidyarthi | Head of the Department of Anthropology, Ranchi University ; and |
| 5. Shri S. C. Behar | Director (TD), Ministry of Home Affairs, Government of India. |

The minutes of the third meeting of the Advisory Committee are being finalised by the Chief Commissioner, Andaman & Nicobar Islands. The

Director, Anthropological Survey of India, made the following comments for incorporation into the minutes of the third meeting :

1. Two traditional communal huts may be constructed for the Onge by the Onge themselves in sites a way from their settlement area in Dugong Creek, Little Andaman Island. The Occupation and use of these communal huts will be in accordance with the traditional Onge customs.
2. The entire island of Little Andaman excluding the Hut Bay area alongwith the area under 23 km of metal road may be declared as Onge Reserve.
3. The entire island of Great Nicobar, excluding the area where the ex-Servicemen are being settled, may be declared as Reserved Area for the Shompen and the Nicobarese.
4. The road alignment in the Jarawa area may be shifted as far east as possible if and when the road construction work is actually taken up in that area.
5. Since the Onge have recently acquired semi-sedentary habits and their diet pattern has changed considerably with more cereal consumption, they may be encouraged to practice hunting, fishing, and food-gathering so as to include meat and honey in their diet.
6. The piggeries recently introduced among the Onge and Great Andamanese may bring health hazards and may, therefore, be discontinued.

[Department of Culture O.M. No. G-25015/2/77/1 F.4 dated 19-8-78].

Draft Summary Record of the Deliberations of the Advisory Committee for Primitive Groups in Andaman and Nicobar Islands (Port-B'air) on 12-2-1976.

The Chairman welcomed the members of the Committee and opened discussions after a brief resume of the tour of the Primitive Groups undertaken by the Committee members. The list of participants is appended.

2. The problems of the various primitive groups were discussed separately.

ONGES :

3. The discussion revolved around four basic issues, viz :—
 - (i) The question of a nucleus settlement for the Onges;
 - (ii) The pattern to be followed for the socio-economic planning for the Onges;
 - (iii) The health problems; and
 - (iv) Personnel policy.

4. The Chairman initiated the discussion by placing a settlement scheme, prepared by the APWD, before the Committee for discussion. The Chairman felt that in order to protect the Onges from the vagaries of nature and to ensure a reasonable standard of health, a settlement with basic facilities is a must. The present state of accommodation as enjoyed by the Onges is primitive and can only be termed as temporary shelter and cannot even be classified as a hut. With the provision of a settlement, the Chairman felt it was likely that the Onges could be weaned away from their nomadic existence and given a nucleus where they can come together. He felt that in order to countermand harmful influences of visits to Hut Bay, it was essential that basic necessities of medicines and supplies should be made at Dugong Creek. This would ensure the Onges coming in touch with only chosen personnel and the influence of rapid modernisation could then be suitably phased so that a sudden catapultation from primitive economy to modernised individualistic economy and existence could be avoided. He felt that the provision of medical facilities, water supply and shelter from the weather were crucial for the continuance of the tribe. The settlement at Dugong Creek may initially provide for the group of Onges already living at Dugong Creek, in the hope that it would attract other groups in subsequent years so that the problems of the Onges could be dealt with effectively at one place. The scheme provides for six clusters of huts, each cluster having accommodation facilities for five families. The Chairman felt that in the initial stage their existing pattern of hunting in the forest should not be disturbed and that the settlement at Dugong Creek should be treated only as a base from where the Onges could continue their present system of subsistence economy.

5. The scheme prepared by the APWD provides for a single unit accommodation for five families in one row with common walls. The Chairman felt that the existing pattern of a cluster in crescent shape should be observed and single row should be split up into individual huts. He also felt that the Onges, observed by all the Committee members on their visit to Little Andaman, cook individually, and hence individual kitchens should be provided for each hut. A community kitchen should, however, also be provided so that the customs as observed by the Onges could continue. This would mean that there would be no departure from the existing pattern of living while the nature of accommodation could be suitably changed.

6. Dr. N. C. Chowdhury was of the opinion that the present cluster of huts as seen by the Committee members on their visit to Little Andaman were merely some temporary huts for use during the intensive heat of summer. He felt that the Onges were used to shifting their place of living from time to time according to the pattern of economic existence. For instance when the Onges go for hunting, they leave the community huts and stay in the forest. He felt that the question of the settlement was closely linked with the question of economic practices of the Onges and if a permanent settlement is envisaged at Dugong Creek this might interfere with the existing economic practices. He felt that an alternative subsistence economy or pattern of economic existence would have to be thought of in case the Onges are to be permanently settled at Dugong Creek. He expressed his opinion that a permanent settlement for the Onges would not be a success as they are at present living in three different places in Little Andaman and each group is further subdivided into bands and each band has its traditional place earmarked

for hunting in the forests. A permanent settlement would upset the existing economic balance. He felt that an alternative skeleton settlement should also be provided at Jackson Creek so as to meet the requirements of all Onges at their respective places of living.

7. The Chairman felt that an alternative skeleton settlement at Jackson Creek could certainly be provided as the question of a single settlement for the Onges was a bit premature. He felt that by providing accommodation at the settlement, the existing pattern of economic practices would not necessarily be disturbed.

8. Prof. Vidyarthi felt that a settlement at Dugong Creek was certainly necessary but it should be closely linked with the psychological aspect of a sudden shift from a completely primitive existence to modernised A.C. Sheet roof, pucca accommodation. He felt that the settlement may not be a success if the transition is too sudden. He felt that the nature of building itself should be a mixture of the existing category of huts and modernised pucca construction. In this way, a psychological break would not occur. He also felt that the Onges should actively participate in the construction of the settlement so as to give them a sense of involvement and belonging.

9. He also raised the question of personnel policy and felt that the type of persons to be posted to work at Dugong Creek should be carefully considered. All people coming in contact with the primitive group should be given orientation and training irrespective of the status of the persons to be posted. He also felt that the number of outsiders who are to live at the settlement along with the Onges should not be larger than the group itself so as to ensure that the primitive group is not overwhelmed.

10. Dr. B. D. Sharma felt that the question of a settlement was closely inter-linked with the question of socio-economic planning for the Onges. In order to give the settlement at Dugong Creek the semblance of a nucleus, or a base to which the Onges can return, the economic planning has to be carefully phased. A sudden transition from the primitive existence to pucca accommodation may not be desirable and the process of weaving the Onge away from the forest based economy to a settlement economy should be very gradual. This approach is essential particularly as the very existence of the tribe is at a crucial stage and the past experiments, particularly of Homes as with the Andamanese, have already been proved failure. For this purpose, the type of huts would have to be suitably constructed so as not to appear alien to the primitive mind. However, a number of Onges have already been in contact with Hut Bay and they do appear to appreciate the nature of accommodation being provided there. Hence if the transition is phased, the Onges will most likely settle down.

11. Dr. Sharma felt that the transition from primitive hut to modernised accommodation should be harmonised with economic planning. The first step should be to augment the existing forest based economy as it appears that the Onges depend primarily upon the forest for wild boar and hunting for his basic requirements and on the sea as a secondary source of his economy. Hence the first step should be to increase the big population at Little Andaman so as to ensure that the Onge continues to get the nutrition he is used to. This is all the more important as settlers at Hut Bay have been indiscriminately depleting the forest resources. As a second stage of the plan, preliminary steps

could be taken for a piggery plan along with a supplemental plan of increasing the coconut plantation primarily for the feeding of the pigs. Thus, in this second phase one could wean away the Onges from the forest hunting based economy to a settled existence where pig but domesticated pig instead of wild one could continue to be the basic source of nourishment and the sea would continue to be secondary source and supplement. The third phase would be that of substituting the domesticated pig economy with sea based economy or settled cultivation so that in due course nutrition could be drawn by the Onges from the sea or land, and the domesticated pig economy would become subsidiary. The third phase would be the ultimate phase.

12. Thus, the total developmental process from the forest based economy to modernised economy would have to be suitably phased so that in a short time a total development could be achieved. This process should follow as far as possible the natural process with a shortest time span. By continuing the traditional economy and augmenting it, we could wean the Onges from the forest gradually to a stage which has already been achieved by the Nicobarese where domesticated pigs and coconut cultivation form the basis of existence.

13. Regarding the phasing of developmental programme, Dr. Sharma felt that the type of personnel to be posted at Dugong Creek will reform an essential part of the total programme. He pointed out that as per the earlier tradition of the group, no unwanted contacts with outsiders were tolerated. In case the new contacts are not well planned then the Onges may become a weak, dependent and subservient group, or in the alternative they may reject the new contact altogether. Neither of these are desirable and hence the contacts have to be carefully controlled to ensure that the process of modernisation is slowed down. He felt that the initial contacts should be based on group rather than individual approach so that the community as a whole is first influenced and subsequently individualistic approach could be adopted. This would ensure the group as a whole participating in the growth effort and reduce the chances of splintering the society and thereby causing irreparable damage.

14. He also explained that their economy based on traditional system of barter, etc. should be kept undisturbed for some time even though artificial equations may have to be maintained. The collection of resin may be quite labour intensive or honey may be of immense value to the group as a whole, whereas in terms of exchange it may be converted into a few rupees only. He felt that whatever is provided to the Onges should be given in exchange for some produce of his labour initially so that a psychological boost can be given to the community so that they consider that the work put in for collection of resin, honey preparation of thatch etc. is of value which could be exchanged for goods from the Government store to be provided at the settlement. He felt that even if the equations were artificial, they should be preferred so that the Onges have a sense of participation in the economic growth, and feel that their work is recognised, and he does not have to live on doles from the Administration. He explained that for such a small group money was not of any real importance. Giving a monthly dole would perhaps be the easiest solution, but it would be most harmful as it would make the tribe completely dependent. It is important that the Onge be allowed to feel that his traditional work is of real importance. The economic practices of the group may have no real value in the modern context but real value should be judged from

the point of view of the Group, rather than our modernised context and the exchange should be determined on the basis of time value placed upon the labour by the group itself. This would ensure a sense of participation by the group and the terms of exchange could be varied as may suit the group.

15. He also felt that the team of workers at Dugong Creek should consist of a doctor and an Anthropologist who would also act as a social worker. He felt that the team to be posted there should be under the direct control of the Chief Commissioner and should not be linked up with the normal hierarchies of cadre etc. He felt that this was essential so as to involve the team fully in this spirit so that the welfare of the Onges can be ensured.

16. Dr. I. C. Verma had conducted an examination of some of the Onges living at Dugong Creek. He felt that the causes for declining numbers of the Onges can be established only after a detailed examination. He proposed to come well equipped for this examination with a team of doctors some time in April, 1976. On the basis of brief examination, he felt that some of the Onges appear to be arcanic. A number of them had skin diseases and bad teeth.

17. Dr. Verma recommended that the number of visitors to Little Andaman should be strictly restricted and a medical check up should be conducted before the visitors are allowed to go to Little Andaman so as to ensure that no virus or infection is allowed to spread.

18. He felt strongly that the Government must provide medicines such as skin ointment, plaster, and medicines for cuts and bruises should be regularly supplied to the Onges and if necessary one or two Hindi speaking Onges should also be trained in application of these.

19. He felt that water supply as seen by him on the spot is not adequately protected and this should be done. He stressed that a doctor should immediately be posted at Dugong Creek, while specialists could visit by rotation.

20. In conclusion, it was agreed that

- (i) The settlement plan for the Onges should be modified so as to harmonise with their natural setting;
- (ii) The settlement should be taken up as an experimental measure and the reaction of the Group may be clearly watched. There should be no slightest hesitation in abandoning it at any stage notwithstanding expenditure incurred should then be any reluctance on the part of the group or any indication of adverse effect;
- (iii) Immediately a group of doctor & sociologist who may provide the entire extensive service may be posted and suitable terms attractive enough may be worked out.
- (iv) Economic rehabilitation by protecting wild-boar, introducing domesticated pig and plantation may be started;
- (v) Visits to the Island should be strictly controlled and unnecessary visits may be completely stopped.
- (vi) A long term plan for the group may be prepared urgently.

- (vii) The entire operation may be under the direct command of the Chief Commissioner.

2. JARWAS AND SENTINALESE

21. It was agreed by the Committee that the present approach of friendly contacts and least number of visitors should continue. Dr. Sharma felt that a complete account of persons visiting the Jarawas should be maintained as this could be of immense value for further policy for Jarawas and Sentinalese. The Chairman explained that a Cell has been created recently directly under the control of the Chief Commissioner in which these matters will be dealt with. The policy regarding Bush Police could not be discussed due to lack of time.

3. SHOMPENS

22. The Chairman explained that Shompens are perhaps in the same position as the Onges and he regretted that the Committee could not visit Laful Bay due to bad weather. He explained that the Shompens live in small groups. However, their problem is demographic rather than ecological. He felt that a boat was urgently required to establish regular contact with the Shompens. Dr. Sharma endorsed this opinion and said that there should not be any problem to obtain a sea worthy boat for this purpose. The Committee felt that a thorough medical check up should be undertaken for the Shompens so that their health problems are immediately attended to. It was also felt that the present system of economic existence and trade with Nicobarese should be studied before any further action is taken.

4. ANDAMANESE

23. Only two Committee members viz. Dr. N. C. Choudhury and Prof. L. P. Vidyarthi could visit Strait Island. However, it was proposed that Dr. I.C. Verma would stay back and visit Strait Island subsequently. Dr. Choudhury was of the view that the existing buildings require repairs. He felt that the Andamanese are to be geared into some form of active work and should not be allowed to continue to live on dole from the Administration. Dr. Vidyarthi endorsed this view. However, he felt that out of 23 Andamanese, nine are in bad state of health and a few are living at Port Blair rather than at Strait Island. Hence he felt that employment of Andamanese are to be dealt with on an individualistic approach and schemes should be drawn up for each number individually. Dr. Sharma was of the view that it was urgent to give a psychological boost to the morale of the Andamanese and the community should be involved in some economic programme so as to ensure that they should not continue to live on dole from the Administration. He felt that a careful approach should be undertaken so that all able-bodied in the community can be given suitable employment. The Chairman agreed with the opinion of the Committee and felt that suitable programmes should be drawn up.

24. It was decided by the Committee that continuous discussions should take place and progress from time to time of the schemes taken up for the various primitive groups should be reviewed often. It was agreed that a quarterly meeting of the Committee should be convened for this purpose.

(LIST OF PARTICIPANTS)

Chairman

1. Shri S. M. Krishnatry,
Chief Commissioner,
A & N Islands, Port Blair.

Members

2. Dr. B. D. Sharma,
Joint Secretary,
Ministry of Home Affairs,
New Delhi.
3. Dr. N. C. Choudhury,
Director, Anthropological,
Survey of India.
Calcutta.
4. Prof. L. P. Vidyarthi,
University of Ranchi.
5. Dr. I. C. Verma,
All India Institute of
Medical Sciences,
New Delhi.
6. Shri Balbir Singh,
Development Commissioner,
A & N Islands, Port Blair.
7. Smt. A. Misra,
Under Secretary,
Ministry of Home Affairs,
New Delhi.
8. Shri T. M. Pandit,
Anthropological Survey of India.

Summary Record of the Proceedings of the Advisory Committee on Primitive Tribal Groups in Andaman & Nicobar Islands.

The 2nd meeting of the Advisory Committee on Primitive Tribal Communities in Andaman & Nicobar Islands was held on 13-9-1976 at 11 A.M. in Room No. 129-A, North Block, New Delhi. Shri S. M. Krishnatry, Chief Commissioner, A & N Islands was in the Chair. The list of participants is appended.

2. The draft Summary Record of the last meeting had been circulated to the members in March but it has not been finalised so far. The Chairman had sent the corrected version early in May and be desired that the same should be circulated to the members.

3. The Chairman welcomed the participants and invited their attention to the work already done by the Andaman Adim Jan Jati Vikas Samiti the details of which were circulated in advance to the members. Prof. Vidyarthi thanked the Chief Commissioner on behalf of the Committee for the progress which has been made in this much neglected field in a short period.

4. After the last meeting of the Committee individual members had prepared their own notes on the basis of their impressions. The notes were circulated for information. The Chairman briefly mentioned the important features of the notes and agreed generally with the tenor in relation to the approach for tackling the problem. He particularly commended the observations of Prof. Vidyarthi except for the suggestion regarding the settlement of members of other tribal communities which, in any case, is a matter not connected with the development of primitive groups.

5. The Committee considered the problems of each primitive group separately. The important points are summarised below.

Great Andamanese

6. The Chairman observed that the individual attention paid to the Great Andamanese has made a definite contribution to their well-being. There has been considerable change in their approach to the life. It appears that a new hope has been engendered in the group and they look forward to a stage where they can regain their lost strength. The Community after losing its will to live had adopted almost a suicidal path since it is reported that women amongst Andamanese (and also Onges) were voluntarily resorting to abortion since they had not much hope for their children and their sustenance. The Director, Health Services, A & N has now been instructed to have a regular medical check up of all Great Andamanese women every two months so that no such attempts may be made in future. The medical doctor is visiting these groups regularly every fortnight and some of their medical problems have been effectively tackled. In specific terms, the opium addicts are being de-addicted, the T. B. and V. D. patients are being adequately attended and it is hoped that they will be cured. Recently a girl suffering from a functional heart trouble had been sent to Vellore who is reported to have been cured. There are only 4 youthful adults in the Group who are capable of hard working and the community have been given the task of making Canees. They have already completed one and it is expected that they will complete the other soon. The administration has also given them *ad-hoc* assistance of Rs. 50 to Rs. 100 per head per month as a subsistence allowance in the beginning of the process of their recovery.

Onges

7. The Chairman has visited Onges twice after the last meeting. He was of the view that there is a favourable response from the Group for the new programme which is proposed to be taken up. In fact, the Jackson Creek Group of Onges has also moved of their own to the Dugang Creek. The South Bay Group is also reported to be agreeable to move to the Dugong Creek. The earlier suggestion of the Committee that the Onges may be encouraged to build their huts according to their own skills has been followed up. The Onges in pursuance of the suggestion made by the

Chief Commissioner constructed some huts following the model of the refugee huts. However, later on, they reported that they were rather hot. But they further stated that they do not know the skill of construction of such huts, and therefore, suggested that they should be suitably assisted by the Administration in this regard. The Group is demanding A. C. sheets etc. and other amenities for their huts.

8. The Committee considered at considerable length the desirability of having one settlement for the entire Onge population. The establishment of refugee re-settlement colonies has already disturbed their political organisation and command over the land area. Attention of the Chairman was also invited to the Project of the Forest Development Corporation, in which the Onges reserve has not been taken of. The Chairman observed that the onges reserve has been clearly demarcated and shall be treated as invariable. Suitable changes will be made in Project of the Corporation which is headed by the Chief Commissioner himself.

9. The Chairman observed that the basic objective of the proposed settlements is to provide the group basic facilities for hygienic living and protection against elements of nature. He was not in favour of drastically interfering with and changing their economic life. He has already taken steps for the introduction of piggery and goat keeping in the area which will be in keeping with their traditional way of life. The cultivation of spices is another possibility which could be explored. These plantations will not disturb their traditional form of economic subsistence.

10. The settlement design has to be finalised in the context of the decision that the basic pattern of Socio-economic life of Onge is not to undergo any drastic change and none against their wishes in any case. It was felt that if the entire population is brought at one place there may not be sufficient hunting ground for them. From this angle, it would be better if the Onges continue to live in smaller groups. Another important aspect is that the bringing together of all the Onges at one place may make them vulnerable to the risk of some chance factors adversely affecting the entire community may be leading to exterminating the Group. Prof. Vidyarthi pointed out that the problem of leadership continues even in a small group of the Great Andamanese, who have been reduced to mere 23. They continue, in their own way, to look back to their old tribal distinctiveness. Amongst the Onges the Sub Group loyalties are reported to be quite strong and there may be problems of adjustment if all of them are brought together and are settled at one place. On the other hand, 3 settlements are likely to pose the problem of extra cost. It was agreed that cost cannot be an important consideration in dealing with these groups. The Chairman said we would re-examine the circumstances and sound them whether they would prepare 3 separately. Existing settlement and if so make plans accordingly.

11. In view of the fact that the other groups have now shown interest in the settlement at Dugang Creek, it was considered whether the work on the 3 settlements could be started simultaneously. Prof. Vidyarthi pointed out that the concept of 'consent' and 'willingness' themselves will have to be very carefully applied in the case of these groups. In some cases, it may be just

an impulsive response without any perception of the total implications. It was agreed that the work for settlement may be taken up at Dugong Creek immediately and preliminaries, with some caution, may also be initiated at 2 other places so that there may not be much time lag. This approach will also give the administration an opportunity of having the benefit of the response of Onges to actual living conditions.

12. The possible direction which should be planned for the economy of Onges was also considered in detail. Plantation economy and fishing can be the basis of their future economy in the long run. However, the immediate problems is that of seeing them through the transitional phase. The Chairman observed that when the displaced persons were settled in the beginning on the Little Andamans, a tendency grew amongst Onges to go and beg from their house-holds. The offer of gifts to the tribals is in accordance with the long tradition where a visitor offers to the community something and the community itself offers something to the visitor. The Chairman informed that he has issued instructions that all gifts to the Onges in future should have the personal clearance of the Chief Commissioner. He further stated that the new needs of the Onges for items like tea and tobacco is being met by exchange of coconuts from the plantations which have been raised in Little Andamans. The sale proceeds of coconuts are credited to the Onges accounts against which they are given these articles.

13. It was agreed that the offer of gifts by the Government as an alternative to the Group being forced to take to begging is unexceptionable. However, one view was that when we are introducing a new demand and exchange economy in an extremely primitive community, a better alternative would be to plan out a work schedule for the group in line with their own traditional skills so that they are enabled to satisfy their new needs in exchange of the fruits of their own labour. The exchange equations for the products of their labour, however, must be defined with reference to the capacity of the tribal to produce and his needs rather than the value of the commodity in the modern economy. The Chairman informed that in the case of Shompens, he has already taken steps along these lines and has instructed the local administration that the quantity of rice given to the Shompens in exchange for honey and other things which they bring to the depots should not be determined by the quantity of likely produce in the particular season. For example, in the lean season, when honey is scarce, a larger quantity of rice should be given in exchange for the same quantity of honey. Another important point is that the quantity of rice should be sufficient for sustenance of the tribal. It should also be liberal enough to eliminate middlemen. This concept could be further articulated in the case of Onges who are as yet just on the periphery of the modern economy and will only gradually get used to it.

14. The Chairman informed that the Deputy Chief Engineer in Hut Bay has been working on the type of houses which should be provided to the Onges. They should not be too hot and stuffy. Care is being taken that the local materials are used and the tribal is not dependent indefinitely on outside agency for its up-keen. One view was that they should be helped to build larger huts of their traditional style but the Chairman observed that they are more inclined to have the houses of the type which they have seen in Hut Bay. Some of them have been living in the empty Government houses. Some of the Onges have even demanded that they

should have separate kitchens and separate bathrooms. The consensus was that a cautious approach may be adopted in designing the houses on the lines as has been indicated by the Chairman, who observed that 90 years of family contact has left the Onges less primitive than we think.

15. In pursuance of the decision taken in the last meeting for providing a medical unit for Onges, the Andaman Adim Jan Jati Vikas Samiti has proposed establishment of a 5-Bedded unit at Dugong Creek. The proposals made a provision for a paediatrician, a gynaecologist and other supporting staff including a laboratory technician. The question of medical team was discussed in context of the total administrative support necessary for taking up the developmental activity for Onges in the Little Andamans. One view was that in their case, the approach should be to organise a multi-disciplinary team comprising a social worker, a doctor, an anthropologist and not more than two others. It will not be necessary to work out a clear functional distribution amongst the members of this team because according to any functional distribution, the complement of personnel required for taking up the various social services and developmental programmes will be very large. Even if the entire Onge community were to be settled at one place the total number of families will be about 20. This group will be over-whelmed by the administrative team if it is organised on functional pattern. Prof. Vidyarthi expressed his apprehension that they may experience a cultural shock. They may just be reduced to the sub-stratum of the new society. In any functional approach it will not be possible to cover the entire socio-economic system adequately because the level of specialisation is now much too high and each speciality covers only a very small area. Each number of the composite team should share the total task otherwise the task of individual member may be too little and quite uninteresting. A doctor may also be a teacher, the sociologist may also serve as a dresser. The success of the programme will depend on the quality of the personnel.

16. So far as medical services for the group are concerned there are two aspects which will need to be distinguished, viz., the services to be provided to the Group on the spot and the technical and research support which may require necessary infrastructure at higher levels. It was agreed that one doctor will have to be permanently posted at Dugong Creek. It would be preferable if a couple could be posted with the lady serving as a Gynaecologist. The Chairman pointed out that the other complements of the medical team which was proposed by the Samiti took note of the requirement of other primitive groups as well. The Shompens also need medical services. Similarly, once we establish contact with the Jarvas they will also require medical support. The team which has been suggested by the Samiti, therefore, could provide a nucleus for serving entire primitive tribal community in the Union Territory. These services are not available even at points like Car Nicobar or Hut Bay. In view of the greater coverage which is proposed for the specialised medical support their location could be decided keeping in view the overall operational considerations.

17. The Chairman has already taken steps to find a suitable social worker and medical personnel. He would welcome personal contact with medical institution by other members to get suitable services for these areas.

Jarawas

18. The Chairman reviewed the progress made in the effort to further contact the Jarawas. In the last few months the Group has been further contacted. The Chief Commissioner has also asked the APW Department to suggest clear demarcation of the boundaries of Jarawas reserve. With the temporary suspension of the construction of Andaman Grand Trunk Road, the Jarawas are reported to be seen moving about in the area from where they had earlier withdrawn. In the last one year only 2 incidents were reported. In one case, a labourer was found shot by an arrow. The fact that he was killed by the arrow of a Jarawas has not been established. In another case, there was retaliation by the Jarawas against poaching in their reserve. But for these two occurrences, there have been no other incidents.

19. The Chairman outlined the policy of an inviolable reserve boundary for the Jarawas on the land side and continued effort of contacting them from the sea side. He was, however, doubtful about the possibility of landing a team on the Jarawas territory for a longer spell of contact. He was of the view that the Jarawas still approach the boats when they reach the shore in a rather mixed mood. Perhaps, the tribal memory of ship-wrecks continues and there is a tendency on the part of Jarawas to take out anything from the boat which may interest them. They also, sometime, tend to handle the visiting parties roughly. The reaction of the Jarawas to a landing party on the shore to live with them therefore, is unpredictable. The Chairman also observed that some of the settlers who happen to stray into Jarawas reserves, are reported not to have returned. Therefore, the time did not appear to be ripe to open a venture.

20. In view of the fact that a landing expedition cannot be contemplated immediately, the possibility of keeping the boat a shore for a longer period was considered. The continued provision of the boat for a couple of days may give a better opportunity to the visiting team for establishing a closer contact and give better results in learning their language compared to brief contacts as at present. The Chairman cautioned against the possibility of Jarawas Women continuing on board during the night if the boat is anchored there. He felt that any single wrong step at this crucial juncture on the part of anyone may undo whatever has been achieved through cautious contacts over a long period. It was agreed that any stay over for a longer period even in the boat has to be under the guidance of a very high powered team comprising a senior civilian, an anthropologist and perhaps a doctor. It cannot be left to the care of junior officers in any case. The Chairman agreed that these boat-based longer contacts may pave the way for landing of a team on the shore for a longer contact in course of year or so.

21. The Bush Police establishment is also being re-organised. The Chairman informed the Committee that the administration is contemplating that the re-organised force should take care of the land frontier as well as the Sea Shore. With greater attention to the Jarawas now it is possible that unauthorised persons may attempt to enter the area from the Sea side. Orientation briefing is now given to such policemen by the anthropologist.

Sentinelese

22. Sentinelese have not been contacted so far. They are located on an isolated island. The Chairman was of the view that more attention will need

to be given to this Island. It is not impossible that some of the unauthorised elements may try to sneak into these Islands in search of cerols or even for shikar. The Coastal guard which the Administration is planning is expected to make effective checking of such instructions. It was agreed that attempts may be made to contact the Sentinelese at an opportune time in future.

Shompens

23. The Shompens on the Great Nicobar Islands are in a bad condition. They are spread throughout the Island. They come to Campbell Bay for exchanging whatever they can collect from the forests. It is reported that they are being contracted by the settlers BRDB men and traders etc. who exchange their commodities at very unfavourable terms. In due course, it may be possible to plan out settlements for them on the same lines as is being envisaged for the Onges. However, it was agreed that the first step will be to have clear understanding of their present economy. Suitable economic programmes can be prepared for them only after this initial contact and having a clear understanding of their present economic situation. Their health condition, however, needs urgent attention. It was agreed therefore, that a team of three persons including an Administrator, Sociologist and a Doctor could visit this area and visit the Shompens in their habitats. The team prepare on action programme after assessing their reaction to the various alternatives.

24. The meeting concluded with a vote of thanks to the Chairman.

Meeting of the Advisory Committee on the Development of Primitive Development of Primitive Groups in Andaman and Nicobar Islands held on 13-9-1976 in Central Secretariate, North Block, New Delhi.

List of Participants

Chairman

1. Shri S. M. Krishnatri,
Chief Commissioner A & N Islands

Members

2. Dr. B. D. Sharma,
Joint Secretary,
Ministry of Home Affairs
3. Shri R. L. Pradeep,
Director (ANL)
Ministry of Home Affairs
4. Smt. A Misra,
Under Secretary,
Ministry of Home Affairs
5. Prof. L. P. Vidyarthi,
Dep'tt. of Anthropology,
Ranchi University,
Ranchi.
6. Dr. I. C. Verma,
All India Institute of Medical Sciences
New Delhi.

7. Shri A. K. Danda,
Deputy Director,
Anthropological Survey of India
8. Shri S. Narasimhan,
Nilgiri Adivasi Welfare Association

Recommendation

The Forests are by far the richest natural endowment in the Andaman and Nicobar Islands. A unique feature of these forest is their immensity and a sort of pervasive presence in which one feels humble and wishes it to be always there and never tempered with. In the Andaman group which once had a sparse indigenous population, dense forests covered the entire land surface from the edge of the sea right upto the crest and ridges of the hills. Many tropical forests elsewhere have been fragmented but in the Andaman and Nicobar Islands, the forests which can still be called primeval area mighty and are inspiring sight. Out of the total land area of 8333 sq. km. the forests thus occupy 7467 sq. km. about 90 percent. Forestry activities on an organised scale are at present restricted to the Andaman Group of Islands the Nicobar forests having had only a preliminary survey extensive clearances, however, have been made especially around Port Blair and contiguous sites in order to facilitate settlement and agricultural expansion. Until recently these clearances had been confined to the South Andamans, but during the last 20 years or so deforestation has proceeded also in selected valley lands and coastal flats carrying dense forest strands in the Middle and North Andamans, Little Andaman, Katchal and Great Nicobar Islands, for the same aforesaid purposes. The Committee are happy that at the instance of the Prime Minister a multidisciplinary Study Team has looked in the problem of the impact of deforestation on environment. The Committee endorse the view of the said study team that while remaining alert to the changing needs of the times very careful thought has to be given to the eco-biological factors of the situation and the capabilities of forest land to serve a particular land use programme. The Committee trust that the Andaman Administration would avoid shortsighted actions that threaten to reduce the importance of what is called resources utility as well as the environmental stability of a truly sensitive region.

[S. No. 15 Para 3.22 of 9th Report of Public Accounts Committee (6th Lok Sabha)].

Action taken

Deforestation programmes in these Islands for purposes of colonisation and agricultural expansion have been slowed down in view of fears that further depletion of forests might have deleterious effect bio-ecologically. Therefore the ecological problems have been examined scientifically by a Multi-disciplinary Team and again by an expert nominated by the I.U.C.N. Their reports have been received and every care is taken for the eco-biological factors in all programmes of clearance of forest areas keeping in view the recommendations of the Multi-disciplinary Team and the I.U.C.N. Expert.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78].

Recommendation

The Committee find that the Report on Land Use in Andaman and Nicobar Islands by the consultants of the International Union of Conservation of Nature and Natural Resources has emphasised the need for conservation forest resources and has observed also that the economy of Andaman

and Nicobar Islands has to be based on forestry and forest products if severe damage to the island environment is to be avoided. The Committee hope that in the light of the findings of these two expert Committees, Government would judiciously utilise large areas still lying untapped in the islands but also very carefully ensure that there is no unscientific and excessive encroachment on the island regions forest wealth which must be properly conserved.

[S. No. 17 Para 3.24 of 9th Report of Public Accounts Committee (6th Lok Sabha)].

Action taken

As stated in the reply to para 3.22 Government would exploit forest wealth scientifically and judiciously bearing in mind the recommendations contained in the Multi-disciplinary Study Team's Report and the Report on Land Use in Andaman and Nicobar Islands, so as to ensure least impact of deforestation on environment.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

Since 1969-70 the quantity of timber actually extracted by the Forest Department has been falling short of the annual target, except during 1974-75. These targets could not be achieved on account of indifferent performance of the extraction equipments and further entry into remote areas. The yearly targets, it appears are fixed after assessing the growing stock of the Forest areas, their conversion period and the estimated growth in the area thus computed. The Committee have taken note of the assurance given by the Government that in future care would be taken by them to fix realistic targets keeping in view the various factors such as availability of men and material, condition of equipments, inaccessibility of areas of operation etc. They would like to stress that in the light of the experience gained, Government should step up the extraction activities and review their targets of extraction from time to time.

[S. No. 21 Para 3.82 of 9th Report of Public Accounts Committee (6th Lok Sabha)].

Action taken

The recommendation of the Committee has been accepted. Necessary and suitable action will be taken to set up the extraction activities by replacing the old and uneconomic extraction equipments and to review the targets of extraction from time to time.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee are surprised at the Department's view that since the quantity of logs annually extracted was consistent with the equipment and

labour employed, non-achievement of the target would not have any adverse effect on the financial results of the Department's working. Since, however, there is an element of fixed expenditure in the total cost of extraction, it can hardly be conceded that non-achievement of targets would not have adverse financial implications. Besides, the positioning of man and machinery have necessarily to be regulated in conformity with the targets set out. The Committee would thus stress that the fixing of targets is an important and meaningful task and should be undertaken realistically. It was seen, for instance, that while estimating the requirement of additional equipment in 1970-71 the department had expected an increase in extraction from the existing level of 77,000-79,500 *Cum* to above 1,04,500 *Cum* per year, but in later years they had themselves to fix much lower targets which even were not achieved. This indicates a certain laxity in approach which should be discarded.

[S. No. 22 Para 3.83 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The observations of the Committee are noted. A realistic and meaningful target of extraction will in future be fixed consistent with the available equipment and labour employed so as to ensure that the financial result of the Department's working is not affected adversely.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee would ask Government to locate the various reasons for non-achievement of targets and to find out whether such failure was unavoidable or could be prevented by proper pre-planning.

[S. No. 23 Para 3.84 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The various reasons for non-achievement of targets are identified as under :

- (i) Frequent break-down of extraction equipment like Tractors, Locomotives and Water Crafts as these being old, are not giving adequate service.
- (ii) Non-replacement of such old equipments as and when required on account of constraint of fund.
- (iii) Unavoidable delays in procurement of spare parts and stores from the mainland due to lack of regular and frequent communication facilities.
- (iv) Entry into remote and difficult area of extraction.

While non-achievement for reasons at (iii & iv) are unavoidable, effective steps have been taken to replace the old equipments of extraction in a phased manner over a period of years.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee observe the equipment and elephants acquired at a cost of Rs. 3.5 lakhs as part of additional equipment for increasing the extraction of timber during 1970-71 was merely treated as replacement and did not contribute to the achievement of desired objective. The Administration has given the plea that the scheme of additional extraction became ineffective because of the stay order given by the Calcutta High Court against revocation of the licence. The Committee have elsewhere in this report (Paras 3.268 to 3.274) commented on the negligent way in which the administration had moved in the matter of the revocation of licence. But it should have been obvious to the Administration that there was no chance of revocation and hence it was impossible to expect additional extraction from the North Andaman Islands. If the feasibility of acquiring this additional area had been properly assessed they would not have gone in for such additional expenditure which ultimately turned out to be merely replacement for the existing equipment. If the real intention was replacement, misleading picture should certainly never have been given.

[S. No. 24 Para 3.85 of 9th Report of Public Accounts Committee (6th Lok Sabha)].

Action taken

The observations of the Committee are noted for compliance.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Administration has pointed out that though the schedule for replacement of old extraction equipment is prepared after taking into account the estimated economic life of the equipment, it is not generally possible to procure the machinery in time on account of budgetary constraints, foreign exchange difficulties, procurement formalities, transport difficulties etc. and above all the tendency to allow the procurement only after the old equipment has been completely written off. The Committee are constrained to observe that even though the equipment plays a very important role in the extraction of timber and the deteriorated condition of the equipment was responsible for non-achievement of yearly targets, factors of the type mentioned above are allowed to come in the way of timely procurement of new equipment required either for replacement of old worn out items or as additional items for increasing the tempo of extraction activities. Though the amount involved is small, the Committee would strongly urge Government to take suitable steps for the removal of these avoidable difficulties and ensure that the extraction programme of the department is not adversely affected.

[S. No. 25 Para 3.86 of 9th Report of Public Accounts Committee.]

Action taken

Necessary and suitable steps have been taken for achieving targets of annual extraction programme by procuring the extraction equipment in a phased manner.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee are distressed that it has not been found possible for the Forest Department yet to assess the installed capacity of the two Saw Mills on account of the alleged difficulty of working out accurately specifications of logs to be fed into the main breakdown unit. The Committee feel that while the composition of materials may vary, all the varieties of logs available in the Andamans are by and large known. The past experience and position of extraction should also give some idea to the management about the position of logs to be fed into the mills to arrive at the installed/attainable capacity. The argument of the Department is that the performance of the mill is primarily governed by the total availability of raw materials to be processed. That, however, cannot conceivably stand in the way of the ascertainment of the capacity installed and the production anticipated. The Department has gone further to claim that comparison against the installed capacity was not a true criterion for assessing the performance of a saw mill. The Committee cannot accept what appears an outmoded view and urge that if the performance is to be watched, there must be an assessment of the installed capacity of the mills; this being a key parameter for judging the efficiency of a plant.

[S. No. 32 Para 3.119 of 9th Report of Public Accounts Committee].

Action taken

The installed capacity of the 2 Saw Mills has since been assessed as indicated below :—

Chatham Saw Mill	—	26,000 Cum.
Betapur Saw Mill	—	3,000 Cum.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee regret that the milling cost of logs per cubic metre at the Saw mills already very high, has continued to increase. The Committee could not ascertain the figures for 1974-75 but the figures of previous years are quite bad enough. This appears at least partly due to the gradual decrease in the quantity of logs fed into the mills for sawing. But when the quantity of timber extracted has shown increase over years the committee cannot understand how the quantity of logs fed into the mills should

have decreased. What is also surprising is that although in the year 1973-74 the percentage of wastage had come down, the milling cost was more than that in the previous years. The Committee would like Government to investigate such anomalies and rectify the position.

[S. No. 34, Para 3.121 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

Although the quantity of timber extracted has shown increase over years, the quantity of logs fed into the mill had to be regulated in consistence with the working condition of the Saw mill and the availability of electricity. The surplus logs so available were therefore, shipped to mainland markets as borne out by the details furnished keeping in mind the Public Accounts Committee's remarks in their 74th Report (4th Lok Sabha) reproduced as para 3.243 in the current Public Accounts Committee Report (Ninth Report—6th Lok Sabha) below :—

Year	Extracted quantity	Quantity shipped to mainland	Intake of Chatham Sawmill	Idleness of Repairs of difficult of steam	Saw mill (Shifts) want of electricity
1	2	3	4	5	6
1969-70 .	73,368	17,253	*34,296	63	4
1970-71 .	71,530	13,609	*33,708	62	8
1971-72 .	75,852	18,499	*34,578	20	8
1972-73 .	70,020	20,745	28,283	52	5
1973-74 .	65,572	20,951	26,914	—	33½
1974-75 .	78,928	21,769	25,263	—	62

*The comparatively higher intake was due to operation of Circular Saw-mill in addition to Band Mill.

The increase in the milling cost from year to year is due mainly to increase in cost of labour and stores. The Chatham Sawmill has over 800 labourers under its employ and their wages and other fringe benefits represent fixed charges. The increase or decrease in the percentage of wastage which is predominantly determined by intake, quality of logs and dimensions of sawn timber produced has, therefore, no appreciable effect on the milling cost as the intake has to be regulated for the reasons detailed in the proceeding para. The position would indeed improve when the proposed 72 inch Band Mill is installed whereby the intake could substantially be stepped up.

[Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee regret that during the period 1969-70 to 1974-75, the number of shifts on which the Chatham Mills remained idle ranged between 41.1/2 and 399. The main reason for such idleness is said to have been the operation of circular saw shift in one shift only as against 2 shifts available in a day. The other reason include lack of adequate steam and water and electricity, and also such big contributory factors as repair and machine difficulties and diversion of labour. The Committee cannot appreciate why diversion of labour had been allowed and can only account for it by the short-sightedness and inefficiency of the management. The fact that the mills lay idle on account of repairs and machine difficulties, also indicates the need for early replacement of the machinery and for adequate repair facilities. The Committee recommend that steps should be taken to check the long proliferation weaknesses of Chatham Saw Mill for which at one time so much was rightfully expected.

[S. No. 36, Para 3.123 of 9th Report of Public Accounts Committee
(Sixth Lok Sabha)].

Action taken

Steps taken for the replacement of mill machinery have been detailed in the reply to para 3.120 and this would certainly eliminate idle hours on account of repairs to the equipment. A 248 K.W. diesel Generator set has been procured and is under installation in order to ensure regular supply of electricity in cases of failure of power supply. These and other corrective measures being undertaken by the Department would help run the Mills during all the number of available shifts.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated
12-7-78].

Recommendation

The Committee are distressed at the manner in which the whole transaction has been handled right from the beginning. It is not clear why a formal agreement had not been entered into with Plywood Manufacturers Association. Common prudence required such an agreement particularly when the value of supplies made to individual members at a particular point of time were not restricted to the security deposited by them. The Committee can only ask Government to learn at least from this experience and be more careful in future.

[S. No. 40, Para 3.191 of 9th Report of Public Accounts Committee
(Sixth Lok Sabha)].

Action taken

The Public Accounts Committee's remarks would be borne in mind and recurrence will be avoided in future.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated
12-7-78].

Recommendation

3.203. The Committee find from the Audit report that the sale of timber both in the form of logs and sawn timber, at the two sale depots at Howrah and Madras, had resulted in loss to the extent of Rs. 88.61 lakhs during the year 1969-70 to 1972-73. During 1973-74 also there was a loss to the extent of Rs. 23.71 lakhs on logs and sawn timber taken together. In 1974-75 there was loss in the case of sawn timber only.

3.204. The Ministry have attributed the losses in sawn timber to poor realisation obtained in auction for Andaman timber. A preliminary market survey has been undertaken now to determine the popular sawn sizes in demand in the Calcutta market and a similar exercise is proposed to be taken up in Madras also. The Committee regret that this is another instance where the Ministry or the Forest Department did not take timely action although they were aware that heavy losses were being incurred through sale of sawn timber in the mainland depots. They hope that these surveys would be completed soon and remedial measures taken in order to ensure that the losses on sale of sawn timber do not become a permanent feature. They also recommend that the efficiency of these measures should be evaluated periodically and suitable amendments made in time so that the department can put on a sound economic footing.

[S. Nos. 52 and 53, paras 3.203 and 3.204 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The Department is aware of the need to maximise the sale of logs in the Mainland market and keeping this in mind, shipments of logs have been progressively increased over a period of years as borne out by the facts detailed in the table below :—

Year	Quantity extracted	Shipment to Mainland	(In Cubic Metres)
			Quantity fed into Mill for conversion
1969-70 . . .	73,368	17,253	34,296
1970-71 . . .	71,530	13,609	33,708
1971-72 . . .	75,852	18,499	34,578
1972-73 . . .	70,020	20,745	28,283
1973-74 . . .	65,572	20,951	26,914
1974-75 . . .	78,928	21,769	25,263

Round logs are converted into sawn timber of sizes required for building purposes by the local people. Incidental sizes are also produced simultaneously with a view to obtain maximum recovery of Sawn Timber. These incidental sizes do not generally have a demand within the islands and are therefore shipped to Calcutta and Madras Depot for sale. As this sawn timber is not of standard sizes, they inevitably fetch lesser prices. If these are not sent for disposal to mainland, the sawn timber would only get deteriorated resulting in avoidable loss to Government.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee note that the sale price of logs sold to match-wood factories has been lower than the cost of production in the year 1969-70 to 1974-75. The explanation of the Ministry is that the logs supplied to WIMCO are of cheaper quality and if those are not supplied to match factories there will be further deterioration to those logs. They have also contended that the price charged to the WIMCO was not below the market price. The Committee were informed that two alternative proposals had been submitted for fixation of prices of logs sold to matchwood factories one based on the Proforma Accounts and the other based on the recommendations of the Study Team headed by the Deputy Inspector General of Forests. The price fixed on the first basis worked out to Rs. 218.78 per cu. m. while the price fixed on the second basis worked out to Rs. 124.00 per cu.m. indicating a wide difference. The committee however note from the information supplied to them that during the years 1972-73, 1973-74 and 1974-75 match-logs were sold to buyers from the mainland at FOB rates Rs. 189/- per cu. m. Rs. 146/- per cu.m. and Rs. 177/- per cu.m. This would show that the price at which it was sold to match-wood factories in the islands was definitely lower than what it could fetch in the mainland. The Committee, therefore, do not feel convinced of the justification given for the sale of match logs to private parties in the Islands at below cost. They also do not accept the manner in which the cost is worked out on a rather hypothetical basis for the purpose of fixing the price for the sale of logs to these parties. It is surprising that no cost-benefit analysis has been carried out in respect of the profit and loss of WIMCO factory at Port Blair. The Department should have known the capacity of the match-wood factories to bear the extra price. The Department should also realise that if they are dependent on these firms for the sale of Match logs, these parties are also in turn dependent upon the department for the supply of these logs. When the Department is losing heavily in the sale of these logs (if full elements of cost are taken into account), an attempt should have been made to find out the extent to which these industries could have been asked to pay extra so that the administration's forest operations could be economical.

[S. No. 54, Para 3.205 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The remarks of Public Accounts Committee requiring the Government to carry out cost benefit analysis in respect of profit and loss of WIMCO factory at Port Blair and ascertain the capacity of match-wood industries to bear the extra prices would be kept in mind while fixing the rate of match wood for sale to WIMCO so as to ensure economical working of the Forest Department.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee find that the Forest Department had 21 tractors (including 5 second hand tractors purchased from the Department of Rehabilitation) and 8 Locomotives for hauling timber etc. Of these 6 tractors and one

locomotive were declared unserviceable and were disposed of in May 1975 for Rs. 12005/-. Another 4 tractors are stated to have been declared unserviceable and are awaiting disposal. The committee are surprised that details of individual equipment in regard to data of purchase, original cost, depreciation charged etc. were not maintained, with the result that loss incurred or profit made on their disposal could not be ascertained. The Committee recommend that suitable subsidiary records in the form of Assets register should be maintained to record these details.

[S. No. 56, Para 3.223 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The Public Accounts Committee's recommendation requiring the Department to maintain suitable subsidiary records in the form of Asset Register is noted and necessary action is being taken in this behalf.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

A review of the Status of the equipment was undertaken by the Andaman Forest Department in 1972. As a result of it, a phased programme was drawn up for replacement of the equipment and some specified funds were demanded by the Forest Department. After all this high sounding business, the Committee however find that as against the requirement of funds of Rs. 236.82 lakhs, Rs. 22.10 lakhs, Rs. 37 lakhs and Rs. 18.65 lakhs demanded in 1972-73, 1973-74, 1974-75 and 1975-76 respectively, the funds allotted were Rs. 5.56 lakhs in 1972-73, Rs. 5.50 lakhs in 1973-74, Rs. 12.00 lakhs in 1974-75 and 11 lakhs in 1975-76. Earlier in para 3.25 the Committee have drawn attention to surrender of funds vis-a-vis annual budget. In the light of that the Committee cannot but deplore the starvation of the department of good equipment.

[S. No. 58, Para 3.225 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The Public Accounts Committee's concern will be borne in mind and suitable action will be taken wherever necessary.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

As regards the stores material, the Committee are perturbed to note that barring the year 1974-75, purchases of stores have always exceeded the consumption requirements during each of the years 1969-70 to 1973-74. It

is no doubt true that because of locational disadvantages and the non-availability of spares and consumable stores in the islands it is essential to procure stores in bulk from the mainland. But this should have been done on some rational basis. The Committee would like the Forest Department to keep a constant watch on their inventory of stores.

[S. No. 59, Para 3.226 of 9th Report of the Public Accounts Committee
(Sixth Lok Sabha)].

Action taken

The Public Accounts Committee's remarks requiring the Forest Department to keep a watch on their inventory of stores would certainly be borne in mind and suitable action would be taken in this behalf.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated
12-7-78].

Recommendation

The Committee regret the manner in which the question of simplifying and rationalising the proforma account has been dealt with by the Ministry in spite of their recommendations made as early as in 1970. While the report given by Cost Accounts Officer in this regard was still under scrutiny, another study team was appointed in 1971 to examine his recommendations and this team recommended that the Forest Department, with the exception of the Saw Mill, should be treated as a Service Department. The Ministry of Agriculture agreed with the views of the Study Team on the plea that the change in the accounting system would help in the optimum development of forest resources and accelerate the economic development and rehabilitation of these Islands. The Committee are surprised at the facile way in which the Ministry have proceeded in this matter. No serious thought appears to have been given to the view of Audit that a proper commercial accounting system, far from being a hindrance to the optimum development of forest resources should help evaluation of the working of a Department which, in addition to maintenance and regeneration of forests has also been entrusted with the task of their commercial exploitation.

[S. No. 60, Para 3.234 of 9th Report of the Public Accounts Committee
(Sixth Lok Sabha)].

Action taken

Government have decided to maintain the commercial character of the Andaman Forest Department and the proforma accounts will continue to be prepared annually.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated
12-7-78].

Recommendation

The Committee are not happy over the delay in the preparation of these accounts. If these accounts are to serve as a tool for proper control over the activities of the Department, they should be prepared in time. The

Committee would like the Ministry to have the backlog cleared immediately and to ensure that the accounts are prepared soon after the close of each financial year.

[S. No. 61, Para 3.235 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

There is no backlog of accounts to be cleared. The Proforma Accounts for 1976-77 have also been compiled and sent to Audit.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee have already elsewhere in this report, dealt at length with the various factors contributing to the loss incurred by the Andaman Forest Department year after year. Reference should be made once again to the clear finding of the Cost Accounts Officer that "the existence of the Forest Department in the Andaman and Nicobar Islands is justified only as a Commercial venture" and also that "it was possible to run the Department on commercial lines and earn profits. The Cost Accounts Officer had further observed that the trading activity of the Forest Department should be so organised as to pay for the forestry functions besides giving a return on the capital invested. The Study Team which was appointed by the Government to study the accounting procedure followed by the Andaman Forest Department had recommended that entire Forest Department should be declared as a Service Department as on the mainland and only the Sawmilling activity treated as a Commercial activity. The team, however, had made a number of suggestions for achieving a better return on the trading activities of the Department. The Committee cannot see how the sale of timber on the mainland and on the island to private factories can be treated as an activity with no commercial angle to it. Of course, pure forestry activities and the involvement of the Department in such activities as clear felling for rehabilitation cannot be treated as commercial. But this only calls for exclusion of the costs of promotional and developmental work of the cost of timber. The Committee suggest that this may be worked out in consultation with the Comptroller and Auditor General so that there is no scope for doubt about the commercial character of the activities of the Department.

[S. No. 62, Para 3.247 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

As suggested by the Public Accounts Committee detailed accounting procedure would be examined in consultation with Comptroller and Auditor General of India for adoption by the Andaman Forest Department.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

From the facts hereinbefore stated the Committee do not feel convinced of the justification for Government entering into a long term agreement with a private party for exploitation of the North Andaman forests. If in spite

of all the resources at its command Government was hesitant to take up the exploitation of forests in this area, there seems no reason to expect that a private party could do the job adequately. If Government had any such expectation, it has been belied by all that has happened. The Committee trust that Government will learn a lesson for the future from this experience.

[S. No. 63, Para 3.268 of 9th Report of the Public Accounts Committee
(Sixth Lok Sabha)].

Action taken

The Public Accounts Committee's remarks would be kept in mind for future guidance.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated
12-7-78].

Recommendation

It would appear from the dispute arising in these cases that the agreement entered into with the contractor was *ab-initio* defective. It is usual in the case of big contracts to provide for appointment of arbitrators, but peculiar that in this case there was provision for appointment of arbitrators by both the parties. One consequence of the provision of appointment of arbitrators by both the parties was that it was not always possible to synchronize the appointment of arbitrators by both the parties with the result that there were delays in settling the case. The representative of the Ministry of Law conceded during evidence that there were some disadvantages in having a dual arbitration clause. The Committee desire that in view of the experience in this case, Law Ministry would issue suitable instructions for the guidance of all department. The Public Accounts Committee had in their 74th Report recommended that those found responsible for various lapses in connection with the drafting of the agreement should be penalised. Government's reply was that that the case for initiating disciplinary proceedings had been considered by Government in consultation with Central Vigilance Commission but that no action was unfortunately possible against such officers at this distance of time. Though this reply has been accepted by the Public Accounts Committee in their 96th Report, it is desired that the appropriate lessons are drawn from this experience and that Government does not suffer similarly in future.

[S. No. 69, Para 3.274 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action taken

The remarks of the Public Accounts Committee would be kept in mind for future guidance.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated
12-7-78].

Action taken by the Ministry of Law

With profound respect it is submitted that this Ministry accept the observations/recommendations made by the Committee regarding the inherent disadvantages of a dual arbitration clause. In compliance with the direction of the Committee, instructions have been issued to all the administrative Ministries/Departments. A copy of the O.M. issued in this behalf is enclosed. Copies of this O.M. have also been endorsed to the Solicitor, Government of India, Branch Secretariats of this Ministry at Bombay, Calcutta and Madras, as also to the Bureau of Public Enterprises.

[Ministry of Law O.M. No. G-25015(10)/77-B&A, dated 24-5-78].

ANNEXURE

No. F.25(4)/78-Judl.

Government of India

(Bharat Sarkar)

MOST IMMEDIATE

Ministry of Law, Justice and Company Affairs
(Vidhi, Nyaya aur Kampany Karya Mantralaya)

Department of Legal Affairs
(Vidhi Karya Vibhag)

New Delhi, the 6th May 1978

OFFICE MEMORANDUM

SUBJECT :—*Recommendations made by the Public Accounts Committee in their Ninth Report (6th Lok Sabha)—On expeditious disposal of arbitration cases.*

Attention of the administrative Ministries/Departments is invited to the adverse observations made by the Public Accounts Committee in their Ninth Report (6th Lok Sabha) regarding the delay caused in finalisation of certain arbitration cases. The delay in the completion of arbitration cases is as objectionable as the delay in the disposal of ordinary civil suits/matters pending in the civil courts. The maxim 'Justice delayed is justice denied' would apply with equal force to the arbitration matters. There would thus appear to be need to exercise proper vigilance to ensure that the arbitration matters are pursued diligently and that requisite steps are taken to ensure their expeditious disposal. In this connection would be pertinent to point out that particular care should be taken in respect of such matters as involve high financial stakes in that the chances of their being delayed are greater due to a variety of factors.

2. The Committee has also taken adverse notice of insertion of a dual arbitration clause in the contracts entered into by the Government with private parties/contractors. It is scarcely necessary to point out that there are certain inherent disadvantages in having a dual arbitration clause as compared to a sole arbitration clause. The arbitration matters which are conducted and finalised on the basis of a dual arbitration clause invariably get unduly prolonged. The reasons for this are obvious, These being,

- (i) the appointment of the arbitrators may not synchronise in point of time;
- (ii) arbitrators may differ in which contingency the matter is to go to the umpire;
- (iii) there is likely to be delay due to the fixing of such dates of hearing as may suit the convenience of both arbitrators.

It would therefore, be advisable to have an arbitration clause providing for the appointment of a sole arbitrator in the agreements entered into by the Government with private parties/contractors, unless, of course, the provision of a dual arbitration clause is absolutely necessary.

3. Ministry of Home Affairs, other Ministries/Departments of the Government of India etc. are requested to bring these instructions to the notice of all concerned including their attached and subordinate offices.

4. Hindi version of this O.M. will follow.

G. V. G. KRISHNAMURTHY
*Additional Legal Adviser to the Government
of India*

To

1. All Ministries/Department of Government of India.
2. Branch Sectt. Bombay, Calcutta and Madras.
3. Advice Sections, A, B and C.
4. Litigation Sections (HC/LC).
5. Central Agency Section.
6. B&A Section.

Recommendation

The Andaman and Nicobar Islands have at present a number of enchanting spots which attract tourists. A Survey Team of Air India observed that the construction of 50-bed accommodation at Carbyn's Cove, 32-Bed accommodation each at Car Nicobar and Avis Islands in North Andamans and Hut Bay in Little Andamans was badly needed. It will also be necessary to acquire fast and modern boats with cabins and lounges etc. in replacement of the existing ill-equipped vessels making available underwater marks with smorkel fine air tanks with regulators, wet suits fishing rods, etc. A sum of Rs. 50 thousands for such improvements apart from the allocation of Rs. 55 lakhs for improving tourists accommodation has been estimated by the Survey Team. These proposals are in addition to the proposed outlay of Rs. 22.97 lakhs under the annual Plan for 1976-77 under the State Sector for implementation of schemes under Tourism. The programme includes the setting up of a Directorate of Tourism, and publicity with the requisite staff, including an information officer at Delhi and at Port Blair, a liaison officer at Madras and Delhi. The Committee feel that in view of the economic backwardness of the Islands and the urgent need to spend more on education, medical aid and the transport needs of the inhabitants, development of tourism should not be a top priority item. Besides, both the Department of Tourism and the Ministry of Home Affairs have rightly been somewhat cautious in their approach towards this subject. Exposure of the tribal population to the generally pleasure-seeking tourist cannot be permitted without very special precautions having been taken. There was very good reason for the Andamans and Nicobar Islands, with their unique characteristics and also their strategic situation to be closed to foreign tourists, which they were till December, 1974. Foreigners, after proper screening, and compliance with entry formalities, can now visit the north group of Islands. By a judicious process, however, areas in the region, considered to be appropriate and selected after examination of security considerations as well as

the requirements of the tribal population, if any, near about, could be opened up for tourism purposes. The Committee would like the primary emphasis in this matter, to be placed on internal tourism, so that the number of foreign tourists, who in any case would need to be carefully screened, does not pose any detriment to the life of the Islands and danger to the security of the country. The Committee are of the view that while the tourism potential for these beautiful Islands should be judiciously and sensitively examined, a beginning should be made with the provision as soon as practicable, of facilities for travel to the Islands and reasonable accommodation and other essential amenities for the tourist. The issue, however, will need to be examined very carefully and while there must not be a wide opening of the Islands to all and sundry, the enormous tourism potentiality of the Islands must not also remain in virtual abeyance.

[S. No. 76, Para 4.42 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The Department of Tourism is in agreement with the above recommendations regarding the development of tourism in the Andaman and Nicobar Islands. The culture and environmental characteristics of the Islands are so fragile that unless great care is taken to preserve them, the onrush of visitors to the Islands may completely ruin them and consequently the attraction they hold for visitors. This is equally true of industries, agriculture and other economic development in the Islands which if not properly, regulated can spoil the natural beauty of the Islands. It is therefore important that a regional plan of economic development and a master plan (land-use plan) of the Islands are prepared to ensure that the ecological balance of the Islands is not upset.

In so far as tourism development is concerned, the Department has supported small scale development of accommodation by the Island Administration and in the public sector in order to sustain tourist interest in the Islands, pending the preparation of a comprehensive regional plan of economic development, including tourism of the Islands by the Government.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee note that different linguistic groups from the mainland, who have been rehabilitated in the Andaman & Nicobar Islands have produced a generally happy picture in the shape of the settlers having discarded many traditional social restraints, and while adhering to their own linguistic affiliations have achieved a sort of truly national integration. A simplified dialect of Hindi appears to be known and employed for day-to-day purposes by people deriving from different linguistic zones in the country. The Committee welcome this phenomenon of the emergence of new pan-Indian social values and of a kind of assimilation into a conscious Indian nationality. As Government have already noted, it is important that the rehabilitation programme should not affect the character of the island region, and that, for example, damage to and destruction of the forest wealth of the islands should not, in the name of economic progress, be permitted. The Committee note that the Multi-Disciplinary Study Team earlier referred to has made recommendations in this regard which should be carefully kept in view.

[S. No. 77, Para 4.52 of the 9th Report of the PAC (6th Lok Sabha)].

Action taken

Observations of the Committee have been noted for compliance.

[Ministry of Home Affairs O.M. No. U-16016/4/77-ANL dated the 3rd August, 1978].

Recommendation

The Committee are distressed to hear of the alleged economic exploitation of the Nicobarese by the (i) Car Nicobar Trading Company (ii) Nancowrie Trading Company and (iii) M/s Akoojee Jadwet & Company, in which M/s Akoojee Jadwet had controlling interest. As long as 1967, the Andaman administration had known of this and sought to cancel the licences given to these firms but they were restrained by the injunction which the said companies obtained from the Calcutta High Court. It is for nearly a decade that Government has been trying to contest the case in the High Court but without success so far. The Committee are unable to appreciate why it has not been possible for Government, with the best of legal advice presumably at their command, to have the injunction vacated or other appropriate remedies secured. The Andaman Administration was now reportedly trying to get over the legal hurdle by a process of negotiation with the Akoojee & Company outside the court. Their latest efforts seem to have led to the Administration withdrawing the case and the Akoojees agreeing to wind up their business and dissolve the constituent companies as soon as possible. The Committee trust that the said understanding reached with M/s Akoojee will at least be implemented soon. It is necessary for the Committee to be satisfied that exploitation of the Nicobarese is actually stopped as a result. The Committee would also urge that in order that the Nicobarese should be encouraged to form their own cooperatives for which requisite assistance should be generally provided. This needs to be emphasised because the Administration's efforts in regard to the formation of cooperative societies had unfortunately failed.

[S. No. 80, Para 4.61 of the 9th Report of the PAC (6th Lok Sabha)].

Action taken

M/s Akoojee Jadwets finally withdrew on 15-10-1976 from the trading activities at Nancowries where a purely tribal company has taken over. They had earlier withdrawn from similar activities at Car Nicobar and handed over the trading activities to another purely tribal company. This was achieved as a result of protracted negotiations between the Ministry of Home Affairs and the Andaman and Nicobar Administration on the one hand and M/s Akoojee Jadwets on the other. A draft agreement was signed by one of the partners of the firm in February, 1976. The terms and conditions of the final agreement are being settled and it is hoped that it would be signed soon.

A Central Cooperative Society (Ellon Hinengo Ltd.) has been formed at Car Nicobar since and all possible assistance is being provided to this Cooperative Society.

[Ministry of Home Affairs O.M. No. U-16016/4/77-ANL dated 3rd August, 1978].

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN THE LIGHT OF THE REP- LIES OF GOVERNMENT

Recommendation

The Committee are well aware of the peculiar complexity of the hang-over from British rule in that island region. It was in pursuit of stark imperialist interests that Britain had sternly established a foothold in the islands. To begin with, "shelter for their drifted ships" was found necessary, and when the islanders in their sparse and separated settlements naturally resisted, they were struck down by ruthless suppression and mass massacre. In pursuit, of their strategic and other interests, the British rulers of India consolidated their grip over the island and from the time of the Great Revolt of 1857 onwards, set up in the remote territory across the dreaded 'black water' 'Kala Pani' prison fortresses for those whom they called dangerous criminals. In that category were the 1857-58 fighters as well as, later, the death-defying revolutionaries who struggled for the freedom of India, the object of the alien rulers having been to crush their spirit just as they had nearly decimated the original population. In the process, the British government had uprooted the tribal population from their own vast forest fastnesses and herded them together in the virtual concentration camps called 'Andaman Homes' where they languished and lost their native vitality. Since the second half of the 19th century the population of the islands rapidly declined, this being the result (as Radcliffe-Brown states in his book "The Andaman Islands ed. 1932) of "European occupation" and "new diseases that have been introduced among them". Except to some extent for the Nicobarese the tribal picture in the entire region under British rule is indeed utterly dismal and a disgrace to "civilised" administration. It was, in the circumstances, no easy job for independent India redeeming the situation. The Committee feel, however, that even allowing for the formidable difficulties involved in the task, Government should have made better progress in effectively reversing colonial policies towards the tribal population and achieved happier results.

[S. No. 3, Para 2.52 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action taken

No doubt, the new dimensions which developed in the islands with the establishment of Second Settlement in March, 1858 spread diseases among the tribes. The Great Andamanese suffered most. Diseases hitherto not obtaining in the islands took a heavy toll of their life and in about 50 years of the settlement their population declined to about a thousand souls from about 4-5 thousand souls. During the later half of the British rule in the islands upto 14th August, 1947 also, their population continued to decline. In 1951 the Great Andamanese numbered only 23. Nevertheless efforts initiated for the last few years have shown positive results. The Andamanese are now thinking that they may survive as a race.

As a result of medical coverage and proper food supply to the Great Andamanese tribals, the Andamanese pairs in reproductive age group have shown positive signs of child bearing. Two women among them have already given birth to babies. The third woman is now in advanced stage of pregnancy. One of the first two has again become pregnant.

Unfortunately the husband of one of the Andamanese women in reproductive age group has died. We have, however, not lost hope and are trying to save the tribe from extinction.

[M.H.A. O.M. No. 14014/2/78-TD dated 15th September, 1978].

Recommendation

In the speech referred to earlier Jawaharlal Nehru had spoken of tribal people "who sing and dance and try to enjoy life, not people who sit in stock exchanges, shout at other and think themselves civilized". There is "nopoint". He said "in trying to make them a second-rate copy of ourselves". It may be recalled that the great Albert Schweitzer who dedicated his life to Africa in expiation of Europe's crimes in that continent once said : "Yes, the African is my brother-only he is some 10,000 years younger." Perhaps it could be said that all aboriginals are indeed brothers to civilized men, only that they might be 'younger' by several hundred or even several thousand years. The Committee, contemplating this fascinating subject and deeply conscious of the profound implication of the fact of our co-existence in India with tribes in varying phases of evolution, stress Government's responsibility not to rely on accustomed administrative measures in relation to the indigenous population in the Andamans and elsewhere, but to pursue earnestly a policy of never imposing upon them and by special, sympathetic and sociologically appropriate treatment, assimilate them in India's composite body polite, leaving them to their own vivid entity and yet at the same time enlisting their talents in tasks of reconstruction in our multicoloured land. The Committee are happy that responsible witnesses before them, whether anthropologists or administrators, agreed with this basic approach to the problem.

[S. No. 4, Para 2.53 of the 9th Report of the P.A.C. (6th Lok Sabha)].

Action taken

As mentioned in Recommendation No.2 para 2.51, the underlying principle of the new strategy for tribal development is to enable the tribal communities to advance along the lines of their genius. There is no attempt from the side of administration to impose any idea on how they should live and in what manner they should advance. It is realised that any imposition from above will not only be not understood but may also be resisted. In other words, development plans envisage that the existing talents, capabilities and skiles of the tribal communities are further developed to their own advantage.

Coconut plantations, orchards, vegetable gardens have been started for the Andamanese. For the Onges, coconut plantations and orchards have been established. Fishery requisites are being supplied.

Since the programmes are being implemented without disturbing the tribal way of life, their members have started feeling that they are as good citizens of India as the others.

[M.H.A. O.M. No. 14014/2/78-TD dated the 15th September, 1978].

Action Taken Department of Culture

The policy for dealing with the tribes, as outlined by the Public Accounts Committee, agrees well with the points of view maintained by anthropologists in general. The Anthropological Survey of India is primarily a research organisation, and not a welfare agency. But it can conduct intensive studies among selected tribes and provide empirical data on the basis of which action plans can be formulated and implemented. At the moment the Survey is engaged in an area study of the Nicobar Islands, and the report is expected to be available by the end of 1978.

[Department of culture O.M. No. G. 25015/2/77/F-II dated 19-8-79].

Recommendation

The Committee regret that in the First Five Year Plan there was no provision for the welfare of the tribes in the territory, that in the Second Plan only Rs. 0.464 lakhs out of an outlay of Rs. 1 lakh were utilised, that in the Third Plan, no more than Rs.4.296 lakhs as against the outlay of Rs. 6.500 lakhs were spent, and that during 1966-68, on expenditure of Rs. 1.675 lakhs was incurred in the Annual plans against the outlay of Rs. 5.027 lakhs. It appears that the 4th Plan also nine schemes involving expenditure of Rs. 6.090 lakhs were undertaken but no more than Rs. 5.423 lakhs could be spent. What the Committee is that a large proportion even of such inadequate expenditure went towards the payment of salaries and allowances, a fact commented upon by the Estimates Committee (*vide* 43rd Report 5th Lok Sabha). It is understandable that in the absence of an adequate infrastructure, productive expenditure of allocated funds becomes difficult. The Committee feel, however, that this is a lag which should have been overcome earlier and trust that in future such deficiencies will be overcome.

[S. No. 8, Para 2.57 of the 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The situation has changed and more funds are being invested in the tribal areas and care is taken to ensure full utilisation of allotted funds.

Expenditure incurred during 1976-77 under Union Territory Plan, Sub-Plan and Special Central Assistance are as follows :—

U. T. Plan	(Rupees in lakhs)
Total Outlay 21.796	Expenditure incurred 22.913
Special Central Assistance	
Total outlay for Schemes under Tribal Sub-Plan for Nicobar Islands 12.000 lakhs	Expenditure incurred 11.286 lakhs

Apart from this, the Andaman Adim Janjati Vikas Samiti has spent about Rs. 11.734 lakhs upto October, 1977 out of the funds provided to it by the Ministry of Home Affairs under Special Central Assistance for the Welfare of primitive tribes.

The expenditure figure for the year 1977-78 in respect of UT Plan, and Tribal Sub-Plan schemes funded from Special Central Assistance during 1977-78 are as follows:—

Plan	Total Outlay	Expenditure incurred (Rupees in lakhs)
UT PLAN	41.600	36.431
SPECIAL CENTRAL ASSISTANCE :	12.000	The funds were released in four instalments as under :
		1. August 1977 2 lakhs
		2. August 1977 2 lakhs
		3. December 77 2 lakhs
		4. April 1978 6 lakhs

Rupees 6 lakhs received within the financial year 1977-78 were released for expenditure to various implementing agencies i.e. A.P.W.D., Education Department, Medical Department etc. The balance of Rs. 6 lakhs received in cheques was available for expenditure after the cheque was collected by State Bank of India, Port Blair in June 1978, and has been released for expenditure as per approved programme.

[M.H.A. O.M. No. 14014/2/78-TD dated 15th September, 1978].

Action taken

It may be stated that plan programmes for tribal development were reviewed in the formulation of Five Year Plan and a new strategy was evolved to formulate separate sub-plans for areas of tribal concentration. Besides, need-based integrated development programmes were also envisaged for the primitive tribal communities. In Andaman & Nicobar the entire tribal population will be covered by these programmes and it is hoped that the needs of the tribal people will be met adequately in next Plan.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78]

Recommendation

The Committee note also the information brought to light in the report of the Study team about the nonutilisation of forest resources. It appears, for instance, that though the idea had been to base forestry operations almost entirely on selective exploitation of the readily accessible areas, vast areas of virgin forest in the Nicobars as also in Little Andaman await utilisation of the same criterion.

[S. No. 16, Appendix III para 3.23 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action taken

Pursuant to the suggestion of the National Commission on Agriculture, a Forest Development Corporation has been set up in April, 1977 for exploitation of virgin forest in Little Andaman Islands. The Andaman Forest Department constituted a Forest Division with necessary supporting staff in Great Nicobar with effect from October, 1977 to explore the possibility of utilisation of forest and to start forestry operations in the Nicobar Group of Islands.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12/7/78]

Recommendation

The Committee regret that while, inexplicably, no schemes of forest utilisation were undertaken in the First Plan period (1951-56), the Forest Department spent out of its allocation of Rs. 93.05 lakhs as much as 80 lakhs on colonisation schemes, leaving a meagre 13.05 lakhs for expenditure on forest work. During the Third Plan forest development expenditure increase somewhat to Rs. 41.39 lakhs. The Fourth Plan expenditure on this account amounted to Rs. 71.89 lakhs. The provision in the Fifth Plan is considerably larger, namely, Rs. 475 lakhs, the figure including Government's equity share capital contribution to the proposed Forest Development Corporation. From the perusal of the Annexures to audit paragraph the Committee find that there has been persistent shortfall in plan expenditure on forest development from year to year. Even the execution of some of the schemes taken up during 1974-75 lagged behind. For example, survey and demarcation of reserved and protected forests was planned at the rate of 50 km. per year but only 40.65 km. was demarcated and surveyed. Similarly, the raising of cane and bamboo was planned for 60 hectares per year, but plantation was raised in a total of 60 hectares only. The Committee would like to know the reasons for such shortfall and the steps, if any, to prevent such recurrent failure. The Committee stress the need for prudent and efficient utilisation of plan allocations with a view to achieving the targets of advance. Forests are the main prop of the economy, and indeed, of the life of the island. It will be a pity if even the allocated funds are not put to the best use. Forest based industries provide employment to more than 60 percent of the islands' work force. A large proportion of the revenue also accrues from the forest receipts. In addition to the direct revenue generated, forest department can contribute effectively towards a concomitant growth of the economy and increase of the income of the State. The Committee would strongly urge that the forest development schemes should be carefully reviewed and capably and thoughtfully executed keeping constantly in view the overall and somewhat character of the problems of development in the islands. In later sections of the chapter the Committee deal with certain specific aspects of forestry activity like Timber extraction, Mill operation, Trading activities and gainful employment of employmental stores.

[S. No. 18 Para 3.25 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

There was no integrated First Five Year Plan for the Andaman Forest Department. Planned development schemes were taken up only from the second Five Year Plan onwards. However, the scheme for colonisation clearance for settlement purposes was implemented and the expenditure was incurred under normal head (Non-Plan) of the forest department.

Systematic implementation of plan scheme was started from 2nd Five Year Plan onwards.

During the 3rd Five Year Plan the position was further improved and the department could spend 42 lakhs out of the allotment of 52.8 lakhs.

During the 4th Five Year Plan the position was further improved and the department actually exceeded the plan outlay and could spend Rs. 71.89 lakhs as against the outlay of Rs. 67.400 lakhs. Physical target was fully achieved. During the 5th Five Year Plan the finally approved outlay was Rs. 3,92,20,000 only including the Government equity share of Rs. 1,70,00,00 for Forest Development Corporation. The outlay and expenditure for the first 4 year of Vth Plan are as under :

	Outlay	Expenditure
1974-75	25,69,000	24,87,700 includes Rs. 35 lakhs
1975-76	70,00,000	34,21,000 as equity share
1976-77	74,52,000	72,03,7000 and it was surren-
1977-78	1,10,00,000	1,10,00,000* dered.
		*(Anticipated)

Under Scheme No. 3 "Consolidation", the survey and Demarcation work over 50 km. was anticipated to be achieved during 1974-75 of which the actual achievement was 40.65 km. The short fall of 9.35 km. was marginal and was mainly due to taking up difficult and inaccessible areas in South Andaman.

Scheme No. 5 "Development of Minor Forest Produce" envisaged raising of cane and bamboo plantation over 60 ha at the cost of Rs. 40,000 annually and the physical target has been achieved in full every year and there was no shortfall at all in this scheme.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78]

Action taken by the Planning Commission

The observation of the Committee is noted. While discussing the Annual Plan proposals with the Union Territory, the fact that the achievement of physical targets has lagged behind was pointed out to the Administration. It was indicated by officials of the Union Territory that earlier the targets could not be achieved by them because of lack of trained personnel. The Planning Commission will bear in mind the suggestion of the Committee while discussing the next plan with the officials of the Union Territory that proper and efficient utilisation of plan allocation is made by the Union Territory with a view to achieving the physical targets for forestry.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee note that out of more than 100 main species of trees available in the Andaman Forests, only about 40 have been so far found to be commercially useful and marketable and these species constitute about 25 to 30 percent of the standing crop. Thus, on an average about 70-75 percent of the standing tree crop does not appear to have any marketable use. These 70-75 percent consist of (i) lops, tops and small timber of commercial species and (ii) species that are considered non-commercial. Because of the prohibitive cost involved in the handling and transportation of the wood of the first category to the mainland and even its limited utility as fuel, it may not be practical for sometime to come to make any gainful use of such trees. It appears also that the efforts so far made for utilising the remaining species of timber available in these forests have not proved successful on account of the peculiar and difficult situation of these forests. No serious attempt, however has been made so far for the upgrading by scientific treatment of the timber species which are at present considered not marketable. The utilisation of the various components of the timber treatment plant noted in paragraph 3.45 appears to have been inadequate. Since more than three fourths of the available species have at present no marketable use, the Committee feel that it might be worthwhile to make a more careful assessment of the possibility of finding proper use for some of these species through scientific upgrading.

[S. No. 19 Para 3.80 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action taken

Scientifically treated timber, by the very process involved would be costlier than the untreated timbers. Treated timber has lesser or no demand locally. The cost involved in handling and transportation of such treated timber to the mainland would be prohibitive. It is therefore considered that upgrading of timber by treatment is not economically a sound proposition in these Islands. The problem of under-utilisation of some tree species in Tropical Forests is not confined to the Andaman and Nicobar Islands alone. It is the problem all over the Tropical Forests.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee note that the worldwide problem of non-utilisation of a major portion of wood raw material in tropical forests, is at present engaging the attention of the Food and Agriculture Organisation, of which India is a member. Some good results might ensue of its labours, but mean-while our Government should move in the matter and find out on our own if some of these species could be made useful through scientific grading.

[S. No. 20 para 3.81 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The point has been discussed in the reply to the recommendation contained in 3.80.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee are perturbed to note the continued deterioration over a stretch of years in the operational efficiency of the Saw Mills at Chatham and Betapur in spite of earlier efforts and the Cost Accounts Officer having suggested concrete measures for its improvement. Though the percentage of wastage to in take in these mills is reported to have come down from 60 in 1970-71 to 49.34 in 1974-75, the wastage still appears to be very much on the high side.

[S. No. 30 Para 3.117 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action taken

Largely transportation of timber in these islands from the time trees are felled to the time the logs are received in the Mill has to be done in Saline water which harbour marine organisms causing damage to timber. This Sections of Sawn timber are produced in the mill to meet the requirements of the economically backward people of these islands for construction of houses. Considering these factors, the percentage of wastage to in take in the Saw Mills cannot be said to be high. It is seen that percentage of Sawn timber in other countries compares favourably with recovery percentage obtaining in the Government Mills in these Islands.

Country	Recovery percentage	Wastage percentage	Authority
1. Finland	40—47	60—53	"WORLD WOOD" of Jun., 1977 (P. 16)
2. Jamaica	52	48	"WORLD WOOD" of Sept mb r, 1976 (P. 22)
3. Australia	35.6	64.4	"WORLD WOOD" of Jun., 1977 (P. 22)

The percentage of wastage in 1970-71 is 50 against 60 indicated in the para 3.117 above.

[Ministry /Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Audit para gives details of logs extracted, disposed of, used in Saw Mills and closing stock etc. It has been stated therein that second rate

logs which were not saleable as such, had to be converted into Sawn timber in the saw mills. The Committee would like to know whether this was one of the factors for the increase in the milling cost of logs and, if so the steps taken to check the extraction of second rate logs.

[S. No. 35 Para 3.122 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

In evergreen Forests where regeneration comes up naturally, selection system is followed, where trees upto specified girth limit are marked. In deciduous forests, where natural regeneration is absent, all utilisable trees are marked and felled and the area is covered by planting artificially with economically valuable species like Teak and Padauk etc. As such, following the system prescribed so as to ensure centpercent regeneration after felling either artificially or naturally, trees required to be marked can not be left in the forests or else the trees left behind will even finally get deteriorated and result in national loss.

Feeding of second rate logs in our Saw Mills is one of the factors for the increase in the milling cost of the logs. Our Mills are working as "Scavenging Units" with a view to utilise a large quantity of secondary timbers which would otherwise have to be left unutilised. On extraction of timber, better quality logs are sorted out and sold as Plywood to the local industries or shipped to mainland to meet the requirements of railways, Directorate General of Supply and Disposals purchase orders etc. The remaining logs which are usually of second quality and not easily saleable in round form are fed into the Saw Mills. As these second rate logs are obtained from normal extraction, it is not possible to keep check on the extraction of such logs, as the trees felled/extracted invariably consist of first rate and second rate timbers.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

It is unfortunate that substantial quantities of extracted timber represent second-rate logs and are not saleable in the form of logs to the ultimate consumers. These second-rate logs, it appears have to be converted into sawn timber before sale. The quantity of logs thus taken for sawing represented 44 per cent to 47 per cent of the total logs extracted every year. This seems to the Committee to be the main reason for the unprofitable character of the trading activity of the Forest Department. The question of improvement in the quality of logs was gone into by the cost Accounts Officer and he had suggested a number of measures to improve the quality of the logs, and those recommendations were accepted by the Ministry. If the percentage of logs sold through Howrah and Madras Depots to the total quantity of timber extracted, however, is any indication the Committee do not see any improvement having taken place since. Attention needs to be drawn to the 96th Report (4th Lok Sabha) of the Public Accounts Committee, where they had impressed upon Government the need to evolve a scientific procedure for grading, storage and transportation of logs and for adequate supervision at all stages. The Committee ask Government

urgently to review their methods of logs disposal so that, until such time as wood based industries are properly developed on the island, the maximum quantity of logs can be sold in the mainland.

S. No. 37 Para 1.388 of 9th Report of Public Accounts Committee
(Sixth Lok Sabha)].

Action taken

The remarks of the Public Accounts Committee requiring Government to review their methods of disposal of logs so that maximum of logs can be sold in the mainland would be borne in mind and suitable action would be taken so that by so maximising the mainland sales, the Saw Mills are not under-fed logs. A reference is also invited to the reply to para 3.121.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

It is somewhat gratifying to learn the latest position which is that against the outstanding dues (Rs. 1.28 lakhs) from individual parties, their deposits amount to Rs. 2.15 lakhs. The Committee would like expert legal opinion to be taken in the matter and the outstanding dues realised early. The Committee would also like to know the precise steps taken from 1967 onwards for the recovery of the outstanding amounts. If nothing concrete has been done in that regard, the Committee would like the matter to be thoroughly investigated and responsibility fixed.

[S. No. 41 Para 3.192 of 9th Report of Public Accounts Committee
(Sixth Lok Sabha)].

Action taken

As recommended by the Public Accounts Committee, legal opinion will be taken for the recovery of the balance amount from the members of the Plywood Manufacturers Association of India.

A detailed note indicating the steps taken since 1967 for the recovery of the outstanding amount is given below :—

The matter regarding recovery of the Government dues from the members of the Plywood Manufacturers Association of India, Calcutta was being pursued vigorously with the Association as well as with the individual members since 1967. As a result the Plywood Manufacturers Association of West Bengal has finally cleared all the Government dues outstanding against their members including those members who are not members of the Association now.

Neither Plywood Manufacturers Association of India, Calcutta nor their members have replied to the communication sent to them since November, 1969. Some of the members of the Association like M/s. Jayshree Timber Product and M/s. Albion Plywood were free from any dues payable to the Department.

These firm have approached the department for the release of their Security Deposit during 1968. The Security Deposit by these firm was not however released as it was thought that their Security Deposit also can be adjusted towards the dues of their members of the Association.

The Association has then come forward during September, 1971 with the plea that the security deposit has been furnished by the members in their individual capacity and not in the name of the Association. Therefore the Security Deposit of a member cannot be adjusted towards the dues of another member. Legal opinion on the above point has been obtained in May, 1973 and as per that, the Security deposit has been furnished by the members of the Association in their individual capacity and therefore the security Deposit of a member who has no Government dues cannot be adjusted against the dues of another member.

The stand taken by the Government in the matter of release of Security Deposit of the member of the Plywood Manufacturers Association of India was that the Plywood Manufacturers Association of India as a whole has the responsibility to see that all the individual members of the Association clear their outstanding dues before their Security Deposit even in respect of members who have no outstanding dues against their names are released. Similar stand was taken in respect of the Plywood Manufacturers Association of West Bengal and that Association undertook the guarantee for clearing all outstanding dues against all members. The Security Deposit in respect of the members of the Association (Plywood Manufacturers Association West (Bengal) including those who had no outstanding dues against their names were refunded only after all outstanding dues against all their members were paid during April, 1975.

The President of the Association was intimated about the above position and a meeting was held on 19-6-1975. In the above meeting only 4 members out of 9 members of the Association were present. They unanimously agreed to clear the Government dues if the Security Deposit is released simultaneously. This has been agreed to and a registered communication has been sent to all members asking to clear the dues during March, 1976. The letters sent to the following firms have been returned by the postal authorities with the remarks that "Addressee not traceable".

- (1) M/s Great India Plywood Manufacturing Co., Calcutta.
- (2) M/s Asiatic Plywood Industries Ltd., Calcutta.

In response to the above decision M/s Andaman Timber Industries and M/s Assam Bengal Veneer Industries have cleared all their dues during 4/76 and 4/77 respectively and their Security Deposits have also been refunded.

The other firm have not yet responded to the registered letters sent to them. The case has again been referred to the Law Branch Secretariat, Calcutta during 8/77 and the Joint Secretary and Legal Adviser has advised to encash the G.P. Notes and appropriate the proceeds towards their outstanding dues, after serving a notice to the effect that unless they clear the dues within the time specified in the notice.

The security Deposit furnished by the firm are in the shape of G.P. Note of 3% conversion loan of 1946 which will be matured only in 1986. Therefore the details of the G.P. Notes and their present market value is

being ascertained from the Reserve Bank to consider whether the encashment of the G.P. Note at their present market value will cover the dues outstanding against the firm.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78]

Recommendation

3.194 The Committee note that a portion of timber extracted every year is transported to the two depots (Howrah and Madras) on the mainland, in the form of logs and sawn timber, for sale. There has always been some difference between the quantity of timber despatched from the island and that received at the mainland. The Forest Department attributed the difference to variety of reasons such as the absence of tallying and difference in the record of measurement. Another reason stated was that the loading is done in hatches, and if it is a completely filled hatch, then it is sealed, if it is not a completely filled hatch other cargos are also allowed. The value of quantity shortlanded amounted to Rs. 1.32 lakhs during 1969-70 to end of December 1974.

3.195. No serious thought appears to have been given to this chronic problem till July 1975. The Department seems even to have been complacent because, according to them, the quantity shortlanded was negligible. Only from July 1975 (presumably after the P.A.C. had taken up the matter for examination) the Department has decided (i) to fix metal tokens to logs before their shipment to facilitate tallying at Calcutta and (ii) to despatch logs consignee-wise in separate hatches to avoid mixing up at the unloading points. The Committee expect that with these new measures, shortlandings would be avoided.

[S. No. 43 and 44 Paras 3.194 and 3.195 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The position continues to improve and a strict vigilance is exercised both at the loading and unloading points to ensure that the shortlandings are reduced to the minimum.

[Ministry /Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee are informed that while no timber or timber products from the islands have been directly exported to foreign countries by the Forest Department, the private industries operating in the islands have been exporting large quantities of timber products from out of the produce of their factories in the islands, to neighbouring countries. Apparently the export trade is considered profitable by these industries, while Government appear not even to have contemplated the export potentialities of Andaman timber or timber products. While the problems of recurring and heavy losses in the working of the Department should be appropriately tackled,

the Committee would like serious thought to be given, and early action taken, to the export through State Agency of Andaman timber and timber products.

[S. No. 55 Para 3.206 of the 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

Upto the year 1957, Andaman timber was being exported to England, Sudan, Iraq, Italy, Basra and other countries. The export of Andaman timber has however been halted with a view to meet the requirement of timber within the country itself. European and some of Asian countries like Japan and South Korea which are deficit in wood can provide suitable markets for Andaman timber both in log and sawn form. However two major constraints on the development of export of logs and sawn timber are as under :—

- (i) Non availability of direct sailing from Andaman to other overseas country, and
- (ii) Cost of transportation to Indian ports for onward shipment for export is prohibitively high. Shipping freight of logs and sawn timber from Andaman to mainland ports is Rs. 130.35 and 93.20 respectively besides port and handling charges ranging between Rs. 60/- to 84/-.

The Public Accounts Committee's remarks requiring the Government to take action to State Agency would be borne in mind and suitable action would be taken keeping in view the high cost of transportation from Andaman whenever the timber supply position in the country improves.

Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Committee are also unhappy over the manner in which the arbitration cases have been pursued. It is distressing to see that the proceedings in the first Arbitration started as far back as in July 1961 in the case of the Contracts with the North Andaman Licensee and dragged on for over 5 years before reaching any thing like finality, in spite of the time limit of 4 months provided in law for the completion of arbitration. The other three arbitration cases still pending settlement have taken as much as 6 years to 12 years the Fifth Arbitration case was disposed of after 4 years. The Committee fail to understand the rationale behind the provision in the law of a limit of 4 months for the completion of arbitration when the actual time taken could be as long as 12 years. The Committee would like the Ministry of Law to examine this aspect thoroughly in consultation with other Ministries who actually have to go in for arbitrations or have to face arbitration proceedings in cases of agreements with private firms in order to amend the law suitably. The Committee repeat that the mere provision in law of something which cannot be enforced in practice hardly carries any meaning. This present case assumes importance because although the

agreement was cancelled in February, 1968, the disputes which had already arisen appear paradoxically to be capable of being settled only by arbitration.

[S. No. 66 Para 3.271 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action taken

As recommended by the Committee, the matter will be referred to the Law Ministry for obtaining legal opinion and steps will be taken according to the advice of Law Ministry.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Action taken by Ministry of Law

This Ministry have carefully considered the recommendation regarding amendment to paragraph 3 of the First Schedule to the Arbitration Act, 1940, which paragraph lays down that the Arbitrators shall make their awards within 4 months after entering on the reference or after having been called upon to act by notice in writing from any party to the arbitration agreement or within such extended time as the Court may allow. After ascertaining the factual position, it is found that there are some cases which have been disposed of within the requisite period of four months. The amendment of paragraph 3 of the First Schedule to the Act for increasing the period of 4 months laid down therein is likely to delay the disposal of such cases also as admit of disposal within the aforesaid period. In view thereof, there would appear to some difficulty in accepting this recommendation. All the same this recommendation of the Committee has been brought to the notice of the Law Commission who are seized of the revision of the Arbitration Act. While bringing this recommendation of the Committee to the notice of the Law Commission, their attention has also been invited to the provisions of Clause (a), of Sub-section 3-A of Section 77 of the Electricity (Supply) Act, 1948, which reads thus :

'3-A : Where any question or matter is referred to the Authority for arbitration under this Section.

- (a) The Authority shall be deemed to enter on the reference for purposes of paragraph 3 of the First Schedule to the Arbitration Act, 1948 on the date on which the parties appear before the Authority for the first time :

Provided that where the parties or any of them fail to appear before the Authority on the date fixed for the first hearing of the case and the Authority decides either on that day or on any subsequent date to proceed with the case in the absence of the parties or any of them, as the case may be, the Authority shall be deemed to enter on the reference on the date of such decision.

[Ministry of Law O.M. No. G-25015(10)/77-B&A, dated 24-5-78].

Recommendation

In this distressing story, Government has repeatedly suffered loss. In the first arbitration case, Government's claim for royalty on shortfall of extraction was not upheld. As the Arbitrator's award gave no reasons, Government could not even find out why their claim was rejected. It will be strange if Government really find itself so helpless in such cases. The Committee would like Government to make up its mind and amend the law in such a manner that it would be obligatory on the arbitrator to give reasons for his award. Meanwhile, it should be ascertained whether in an award which sets out no reasons the aggrieved party have no remedy whatever.

[S. No. 67 Para 3.272 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

As recommended by the Public Accounts Committee the matter will be got examined by Law Department.

[Ministry/Department of Agriculture O. M. No. 9-29/7-F.II, dated 12-7-78].

Action taken by the Ministry of Law

In compliance with the directions of the Committee as to whether the aggrieved party has any remedy in cases of an unreasoned award has been examined. On the basis of the dicta of the Supreme Court and of the High Courts in the following, among other cases, it is submitted that the chances of assailing successfully an unreasoned award are practically nil :—

- (i) *Bungo Steel Furniture (Private) Ltd., vs. Union of India—AIR, 1967—Supreme Court, 378.*

Para 9 : 'It is now a well settled principle that if an arbitrator in deciding a dispute before him, does not record his reasons and, does not indicate the principles of law on which he has proceeded, the award is not on that account vitiated. It is only when the arbitrator proceeds to give his reasons or to lay down principles on which he has arrived at his decisions, that the Court is competent to examine whether he has proceeded contrary to law and is entitled to interfere if such error in law is borne on the face of the award itself.'

- (ii) *Firm : Madan Roshan Lal Mahajan vs. Hukum Chand Mills Ltd.—AIR, 1967—Supreme Court, 1030.*

Para 2 : 'In the present case the Arbitrator gave no reasons for the award. We do not find in the award any legal proposition which is the basis of the award, far less a legal proposition which is erroneous. It is not possible to say from the award that the Arbitrator was under a misconception of law. The contention that there are errors of law on the faces of the law is rejected.

- (iii) *Ram Gopal Lath vs. Commonwealth Assurance Co. Ltd. AIR, 1973—Calcutta, 504.*

Para 10 : 'All that the Court can consider in such circumstances is whether there are materials before that Arbitrator to make such an award

and once that has been done, the Court should no longer guess in what manner and how such evidence was appraised or weighed by the Arbitrator in coming to the decision in a case where no reason has been given in making the award. I am satisfied that there is no error of law on the face of the award and that the Arbitrator is not guilty of any legal misconduct.'

(iv) *M/s. Patel Engineering Co. Ltd. vs. Indian Oil Corporation Ltd.*
AIR, 1975—Patna, 212.

Para 6 : 'As a necessary consequence, in the decisions mentioned above, it has been laid down that if the Arbitrator gives a lumpsum award without recording his reasons and without indicating the principles of law on which he has proceeded, the award is not vitiated on that account and it is only when the Arbitrator proceeds to give his reasons or lay down the principles in fixing the amount of compensation that the Court is competent to examine whether he has proceeded contrary to law.'

As regards the recommendation of the Committee regarding amendment of the Arbitration Act in such a fashion as would cast an obligation on the Arbitrator to make a reasoned award, it may be submitted that such an amendment is likely to defeat the basic objectives and fundamentals of the law of Arbitration. These objectives are the Law of Arbitration seeks to affix a stamp of finality on the verdict given by a forum chosen by the parties and in whom they have got full faith, the speedy disposal of the disputes and preventing multiplicity of proceedings. If the Arbitrators are required to give reasons in support of their awards, this would afford an opportunity to the parties to assail the award on the ground that the reasons given are lacunic or that the reasons given are inadequate. That apart, the needful can be achieved by making a suitable provision in the arbitration clause requiring the arbitrator to give reasons in support of his award where the claims exceed a certain valuation. Such a provision has already been made in the Revised Clause 25 of the standard CPWD form of Contract and this stipulation has stood the test of judicial scrutiny. In view of the aforesaid submissions, this Ministry are of the view that such an amendment need not be made. However, this recommendation of the Committee has also been brought to the notice of the Law Commission. Copy of the relevant Communication is enclosed.

[Ministry of Law O.M. No. G-25015(10)/77-B&A, dated 24-5-78].

B. S. Sekhon,
Jt. Secretary & Legal Adviser,
(Tel. No. 384203)

New Delhi, the 4th May, 1978

Dear Shri Bakshi,

You would kindly recall that pursuant to certain adverse observations made by the Public Accounts Committee on the working of the Arbitration Act, the question of the revision of the Arbitration Act on a priority basis had been referred to the Law Commission by this Department on 27th July, 1977.

2. I may bring to your kind notice certain specific recommendations in regard to the revision of the Arbitration Act made by the Public Accounts Committee in their Ninth Report (Sixth Lok Sabha). The following specific recommendations have been made by the Committee.

(i) After noticing the delay caused in the completion of certain arbitration matters, the Committee observed that they fail to understand the rationale behind the provision in law of a limit of 4 months for the completion of arbitration and that the mere provision in law of something which cannot be enforced in practice hardly carried any meaning. The Committee have asked this Ministry to examine the question of amending the law suitably. The suggestion for amending the Arbitration Act pertains to the amendment of paragraph 3 of the First Schedule to the Arbitration Act.

It may not be inept to bring to your kind notice that there are certain cases wherein the awards have been made within the requisite period of four months. While examining this question the Law Commission may also kindly consider as to whether they would like to consider/recommend a provision like clause (a) of Sub-Section 3-A of Section 77 of the Electricity (Supply) Act, 1948.

(ii) The second suggestion made by the Committee is for amending the aforesaid Act in such a manner as would make it obligatory on the Arbitrator to give reasons in support of his award.

3. The aforesaid recommendations may kindly be brought to the notice of the Law Commission. In case any other information in the matter is desired, it will be my pleasure and privilege to furnish the same.

With regards,

Yours sincerely,

Sd./-

(B. S. SEKHON)

Shri P. M. Bakshi,
Secretary, Law Commission,
NEW DELHI.

Recommendation

The Committee find that even the amount awarded in favour of Government has not been fully recovered so far on account of certain alleged complications. The fate of three of the arbitration cases is yet to be known. The final position in regard to the realisation of the balance due in the first case and the awards in the remaining three cases should be intimated to the Committee.

[S. No. 68, Para 3.273 of the 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

A detailed note indicating the latest position of the Arbitration cases is given below :—

THE LATEST POSITION OF THE ARBITRATION CASES

1st Arbitration case.

Since the Company has gone under liquidation and the Official Liquidator of the High Court has been appointed as Liquidator of the Company and application for leave to execute the decree against the Official Liquidator under Section 446 of the Companies Act was filed in the Hon'ble High Court. On 21st June 1976, the Hon'ble High Court heard both parties but did not pass any order except that the Union of India shall be at liberty to prove its claims before the Official Liquidator, in respect of the claim in Award case No. 428 of 1968. It was further ordered that the Union of India shall be at liberty to prove its claims before the Official liquidator in respect of the claim in Award Case No. 428 of 1968. It was further ordered that the Union of India shall be certified to contend without prejudice to the rights and contention of any other party, that the Union of India shall be entitled to be paid in priority over others out of sale proceeds. His Lordships further ordered that the Official Liquidator forthwith take steps for sale of the assets covered by the attachment in money execution case No. 9 of 1970.

Hari Charan Banerjee who was appointed as Receiver in suit No. 417 of 1968 [Hong Kong Sanghai Banking Corporation Ltd. vs. P. C. Ray & Co. (I) Pvt. Ltd.] at the instance of the said Bank did not take possession at any time of the properties and assets consisting mostly of the rails lying at Andamans. It appears that the said Receiver was not willing or able to act any further as such Receiver and the Solicitor for the said Bank have already written to the Official Liquidator requesting him to take possession of the properties at Andaman falling under the Receivership of the said Hari Charan Banerjee.

On or about 23rd February 1977 the Solicitor for the official Liquidator applied to this Hon'ble Court seeking administrative directions in connection with the possession and sale of the assets lying at Andamans. Pursuant to the orders of the Court the Government filed an affidavit placing certain facts before the Court including illegal sale of the rails by Shri Laxmi Sarkar paid Agent of the Receiver Shri D. G. Kamdar. After hearing the Counsels, the Hon'ble High Court granted leave to Shri D. G. Kamdar Receiver in suit No. 1753 of 1960 to sell the properties after giving notice of sale in the newspapers. The Receiver was also given liberty by the Court to file a suit against the said Shri Laxmi Sarkar for recovery of the

proceeds of the said sale wrongfully conducted. The said Receiver failed to sell the properties within the stipulated time and hence the matter was mentioned before the Court. After hearing both sides the Court directed the Receiver to sell properties by 31-1-1978. Pursuant to the said direction the Receiver held auction of moveable properties on 31-1-1978 at Port Blair and only two parties attended auction. The Reserve price of the entire lot was fixed as Rs. 22,000/-. One of the bidders offered Rs. 22,100/- but the sale has not yet been confirmed. The Central Government Advocate has already been requested to take necessary steps to confirm the sale.

The Government Counsel engaged at District Court Port Blair has since informed that the unsatisfied decree together with a nonsatisfaction certificate has been transmitted to the Registrar of the Calcutta High Court by the District Judge. The above facts have been brought to the notice of the Central Government Solicitor at Calcutta for further action.

2nd Arbitration Case.

On 27th February, 1976 M/s T. Banerjee & Co. on behalf of the Official Liquidator wrote a letter to the Arbitrators for fresh hearing of their application which had not been fully considered. This request was not acceded by the Government Arbitrator, accordingly on 4th March, 1976 he signed his award for Rs. 73,60,910/- and with pendants-lite interest @ 6% per annum and cost Rs. 1000/- in favour of Union of India and forwarded his award to the Co-Arbitrator Shri S. P. Banerjee for his endorsement so that the parties could be informed that either they had agreed full or partly or differed fully or partly. In reply to this letter Shri S. P. Banerjee, Co-Arbitrator did not agree to the views expressed by the Government Arbitrator. Thereafter several letters were exchanged between the Arbitrators.

As advised by the Ministry of Law, the matter was referred to the Chief Justice of India for appointment of Umpire as provided in clause 33 of the North Andaman Agreement of Licence dated 31st August 1951. Accordingly on 8-5-1976 the Chief Justice of India nominated Shri G. K. Mitter a Retired Judge of Supreme Court as the Umpire. On 21st August, 1976 the above fact of nomination was communicated to Shri G. K. Mitter, Retired Judge, Supreme Court and he was requested to enter upon the reference and decide the disputes. As requested the Umpire entered upon the reference on 26th August, 1976 and held a meeting of the parties on 3rd September, 1976. In the above meeting the Umpire informed that if the parties agree upon the statements of claim and counter statements of claim already filed in that event no fresh documents need be filed. Accordingly the whole of the oral and documentary evidence that was taken and recorded before the Arbitrators in this case was read out and placed before the learned Umpire in about 50 sittings. Subsequently at a meeting the Counsel for the Official Liquidator made an application by which he disclosed certain additional documents and prayed that the same may be accepted as part of records. On the said application it was ordered and recorded by the Umpire that the charge would have to be proved by the Liquidator by a witness conversant with the facts of the case and the Government was given liberty to disclose any further documents and bring witnesses if so advised. In pursuance of the said direction parties disclosed further documents. On behalf of the Liquidator Shri Shanti Bhusan who had adduced evidence before the Arbi-

trators was again brought to give evidence. On 21-8-1977 the Government filed an objection stating that Shri Some is improving his earlier evidence and he may be directed not to improve it again. The Umpire in his order dated 21-8-77 recorded that he will give due notice whether any improvement has been done on the evidence at the time of arguments. The examination-in-Chief of the said witness has already been completed and cross examination will be done after evidence of the 2nd witness of the Liquidator viz. Shri P. K. Ghosh is over. Uptill now 94 sittings have already been held before the Umpire.

Necessary time to make award by the learned Umpire has been extended upto 30-6-78.

3rd Arbitration Case

On 27th February, 1976 M/s T. Banerjee & Co. on behalf of the Official Liquidator wrote a letter to the Arbitrators for fresh hearing of their application which had not been fully considered. This request was not acceded by the Government Arbitrator. Accordingly on 4th March 1976 he signed his award for Rs. 56,83,339/- and with pendslite interest @ 6% per annum in favour of Union of India and forwarded his award to the Co-Arbitrator Shri S. P. Banerjee for his endorsement so that the parties could be informed that either they had agreed fully or partly or differed fully or partly. In reply to this letter Shri S. P. Banerjee Co-Arbitrator did not agree to the views expressed by the Government Arbitrator. Thereafter several letters were exchanged between the Arbitrators.

As advised by the Ministry of Law, the matter was referred to the Chief Justice of India for appointment of Umpire as provided in clause 33 of the North Andaman Agreement of Licence dated 31st August, 1951. Accordingly on 8-5-1976 the Chief Justice of India nominated Shri G. K. Mitter a Retired Judge of Supreme Court as the Umpire. On 21st August, 1976 the above facts of nomination was communicated to Shri G. K. Mitter, Retired Judge, Supreme Court and he was requested to enter upon the reference and decide the disputes. As requested the Umpire entered upon the reference on 26th August, 1976 and held a meeting of the parties on 3rd September, 1976. In the above meeting the Umpire informed that if the parties agree upon the statements of claim and counter statement of claim already filed in that event no fresh documents need be filed. But the Counsel appearing on behalf of the Official Liquidator informed that he may like to file a fresh statement. The Government Counsel then informed the Umpire that in case the Official Liquidator files a fresh claim, then the Union of India will require time to file counter claim. This was agreed by the parties. Hearing of this case will start after the hearing in 2nd Arbitration case concludes. The time to make award has been extended upto 30-6-1978 in this case also.

Proceeding under Defence of India Rules :

In May 1963 due to poor performance of the Company in implementing the terms of the Agreement of Licence, the Government appointed Authorised Controller under Defence of India Rules for giving direction regarding felling and extraction of timber etc. Since the Company failed to comply with the directions of the Authorised Controller on 28-9-1964 the Government initiated criminal proceedings against the Licensee Company. The Company in turn filed criminal revision petition in Calcutta High Court in

January, 1965 and the Hon'ble High Court quashed the entire proceedings in July, 1965. The Government did not proceed further in the matter regarding moving a petition to appeal in Supreme Court in view of the restricted use of Defence of India Rules.

MONEY SUIT No. 1482 of 1968 :

In June, 1968, the Company filed money suit No. 1482 against the Union of India for Rs. 1,73,63,850.00 towards the damages alleged to have suffered by it as a result of loss in not working the North Andaman Agreement of Licence from 1963-64 onwards upto 1967-68. In this money suit the company has stated that as a result of the proceedings initiated by the Union of India under the Defence of India Rules, its Directors were prevented from working the North Andaman Agreement of Licence and as a result it could not the guaranteed quantity viz. 75,000 tons per annum and that as a result of non-working of the forest and non-extraction of 75,000 tons of timber, the Company suffered loss @ Rs. 60/- per ton.

The Union of India, filed a petition in the Calcutta High Court in September, 1968 for setting aside the proceeding under this money suit on the plea that as the loss claimed by the Company, was based on the provision of the North Andaman Agreement of Licence, in which there was an Arbitration clause, the proper forum for deciding its claim would be Arbitration proceedings and not that of High Court. The Company on 11th January, 1969 filed its affidavit-in-opposition. On 11th February, 1969 the Government filed its affidavit-in-reply reiterating its rights for reference to the Arbitration clause of the Agreement of Licence.

On 3rd October, 1969, the High Court passed order directing the parties to appoint their Arbitrators to adjudicate their disputes referred to in the plaint. The suit was stayed till disposal of the Arbitration.

4th Arbitration case :

On 27th February, 1976 M/s T. Banerjee & Co. on behalf of the Official Liquidator wrote a letter to the Arbitrators for fresh hearing of their application which was not been fully considered. This request was not acceded by the Government Arbitrator. Accordingly on 4th March, 1976 he signed his award for Rs. 2,05,19,911.87p and with pendentslite interest @ 6% per annum and cost Rs. 1000/- in favour of Union of India and forward his award to the Co-Arbitrator Shri S. P. Banerjee for his endorsement so that the parties could be informed that either they had agreed fully or partly or differed fully or partly. In reply to this letter Shri S. P. Banerjee, Co-Arbitrator did not agree to the view expressed by the Government Arbitrator. Thereafter several letters were exchanged between the Arbitrators.

As advised by the Ministry of Law, the matter was referred to the Chief Justice of India for appointment of Umpire as provided in Clause 33 of the North Andaman Agreement of Licence dated 31st August, 1951. Accordingly on 9-5-76 the Chief Justice of India nominated Shri G. K. Mitter a Retired Judge of Supreme Court as the Umpire. On 21st August, 1976 the above facts of nomination was communicated to Shri G. K. Mitter, Retired Judge, Supreme Court and he was requested to enter upon the reference and decide the disputes. As requested the Umpire entered upon the reference on 26th August, 1976 and held a meeting of the parties on 3rd September, 1976. In the above meeting the Umpire informed that if

the parties agree upon the statements of claim and counter statements of claim already filed, in that events fresh documents need not be filed. But the Counsel appearing on behalf of the Official Liquidator informed that he may like to file afresh statement. The Government Counsel then informed the Umpire that in case the Official Liquidator files a fresh claim, then the Union of India will require time to file counter claim. This was agreed by the parties. This case will be taken up after hearing in 2nd and 3rd Arbitration cases are over. By consent of the parties time to make award has since been extended upto 30-6-1978.

[Ministry/Department of Agriculture, O.M. No. 9-29/77-F.II, dated 12-7-78]

Action taken by the Ministry of Law

Although this paragraph has also been jointly marked to Department of Agriculture/Law/Home Affairs, yet there is scarcely any action required to be taken by this Ministry in regard to the recommendations contained in this paragraph. It is for the Department of Agriculture to make submission in regard to this paragraph.

[Ministry of Law O.M. No. G-25015(10)/77-B&A dated 24-5-78]

Recommendation

It appears that Forest Development Corporations have already been established in eleven States. It is perhaps in keeping with a contemporary trend that a Forest Development Corporation is being proposed for the Andaman and Nicobar Islands. The Committee, however, do not feel that the issue has been comprehensively examined. The main justification for the step seemed to be the comparatively easy availability of institutional finance to such a corporation and hence a certain assurance about the supply of funds needed for work on the forests. It appears, however, that State Electricity Boards often function successfully without loan assistance from the established financial institutions such as the I.D.B.I. the nationalised Banks etc. Another argument heard by the committee was that the existing institutional arrangements stood in the way of efficient forestry on account of certain rigid rules and procedures which militated against the management of forests as a commercial enterprise. While this may be true within limits, the corporation would have in any case, to be initially manned by staff from the Forest Department, and a mere change in the organisational form cannot *ipso facto* transform its working. In fact, the performance of the Forest Corporations even in the more advanced states in the mainland does not seem, from Audit reports, to be particularly cheerful. The committee cannot also overlook the advantages accruing from departmental performance of commercial operations provided only it is done capably and conscientiously. In the Andamans specially, the Department is reported to be technically well equipped and at the same time involved in the tasks of looking after the forests as very much more than a commercial proposition. The committee have serious misgivings about a corporation personnel predominantly motivated by commercial considerations and run on business principles in a region such as the Andamans. Meanwhile, the marketing of timber and other forest produce in the local and mainland markets is by no means difficult because of the fact that infrastructural facilities are already available. However, the shipping arrangements, the forest roads and the extraction equipment are still highly unsatisfactory. The Corporation, in any case, must

spend considerable money, to begin with, in order to step up the required facilities. A better working of the Forest Department modestly but seriously embarked upon would perhaps have produced worthwhile results. The Committee have yet another fear about this change. Disparities in the salaries of staff in the Forest Department *vis-a-vis* the staff of the Corporation might cause avoidable headaches and adversely affect the execution of programmes.

[S. No. 70 para 3.301 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

Long experience of forestry working in a departmental set up has brought into surface certain short comings like rigidity of rules and procedures, uncertain finance etc. which hinder commercial working of forests. Therefore, the National Commission on Agriculture recommended that Forest Corporation should be set up so as to manage the commercial activities better. In the Corporation the executive is delegated with wider powers and the Board of Directors have extensive powers. Therefore, Corporation can be managed in a more effective way than that the Department. In the Departmental set up such flexibility cannot be introduced because that will involve modification of Government rules of fundamental nature. The Government budgetary system also stands in the way of effective management of commercial organisations. The Forest Corporation is intended to be managed by officers who are already trained in forest management by giving them business orientation training. Therefore, these corporation shall no primarily be motivated by commercial considerations.

[Department of Agriculture O.M. No. 9-29/77-F. II dated 12-7-78]

Action taken by the Planning Commission

The decision regarding setting up of two Corporations, namely, a Forest Development Corporation and another Plantation Development Corporation was taken by the Committee of Economic Secretaries way back in 1971. The Investment Planning Committee of the Planning Commission after examining the proposals of the Department of Agriculture suggested that there should be one single corporation dealing with plantation, forest plantations and red oil palm. The P.I.B. also agreed to the setting up of a single Forest Development and Plantation Corporation in the Union Territory. The issue of setting up the Corporation was comprehensively examined and it was felt that the Corporation would be in a better position for the exploitation of forests upto the optimum level and also to develop forestry in the Islands, develop wood-based industries, enter export market and create employment opportunities.

The Estimates Committee of the Fifth Lok Sabha in their 43rd Report of the Union Territory of Andaman & Nicobar Islands also had commented as follows about underutilisation of forest wealth in the Islands. "The Committee are constrained to observe that the progress made by Andaman Administration and the Ministry concerned towards full exploitation of forest wealth in the Islands is extremely slow and that at present against the total capability of 3.67 lakh cubic metres only 95,000 cu. metres i.e. less than 1/3rd is being exploited"

"Undertake a crash programme for the fullest exploitation of forest wealth so as to ensure maximum possible yield from the rich forest resources of the Islands." It was felt that it will not be possible to undertake such large work by the existing Forest Deptt. due to technical and financial constraints. It was, therefore, proposed to set up a Forest Development Corporation for the purpose of harvesting timber and to undertake large scale plantation of commercially important species. The Corporation was also to draw and channelise institutional finance.

The Forest Development & Plantation Corporation was set up in the year 1976 after consultations in the Planning Commission, Deptt. of Agriculture and the Ministry of Finance. It is hoped that the Forest Development & Plantation Corporation would be able to construct forest roads and purchase sophisticated extraction equipment and also make necessary shipping arrangements for transportation of timber and other forest produce.

The fear of the Committee about disparities in the salaries of the staff of the Forest Department *vis-a-vis* the staff of the Corporation would be kept in mind and the Department of Agriculture would be requested to look into the matter.

[Ministry/Department of Agriculture O.M. No. 9-29/77FII dated 12-7-78].

Recommendation

Since the setting up of the Corporation appears certain, Committee would ask Government not to be unmindful of the special responsibility now developing on it. In the name of the commercial exploitation of the forest wealth of the islands, certain abiding values to be kept in mind while working in a unique region like the Andamans must not be overlooked. It is fashionable these days to speak of ecology, but ecological considerations assume tremendous importance in such a region. Commerce cannot and must not be the sole, nor even the dominant. Motive in forestry or any other work in the Andamans. If, for instance, the interests of tribal welfare require it a halt might be called to forest operations even where lucrative results are assured. As the Committee have repeatedly implied in this report, work in the Andamans must as far as possible, be done by people who have a feel for the Islands and their indigenous occupants, a sense of India's responsibility for a highly valued and extraordinary element in her own varied make-up. For such people, a commercial corporation would not be perhaps as congenial as a regular government department.

[Sl. No. 71 Para 3.302 of the 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

Although the Forest Corporation has started functioning the Forest Department shall continue to play the role of watch dog to see that the conservation aspects of forestry is not overlooked by the Corporation. Project Report for Logging, Marketing, Forest Plantation and Natural Regeneration which has been cleared by the Public Investment Board has been appraised by Science and Technology Department who have examined the ecological aspects of the activities proposed to be undertaken by the Forest Corpora-

tion. These activities do not give any scope for ecological imbalances as the principles of forestry management has been fully applied in prescribing operations envisaged in the project Report.

[(Ministry/Department of Agriculture) (O.M. No. 9-29/77-F. II dated 12-7-78)].

Action taken by the Planning Commission

It may be mentioned that the Govt. of India had set up two expert committees to go into the question of deforestation and its effect on the ecology of the area. These Committees have clearly demarcated areas where felling can be done. The areas have been earmarked by the Forest Department which would be developed by the Forest Development Corporation.

[(Ministry/Department of Agriculture O.M. No. 9-29/77 F. II dated 12-7-78)].

Recommendation

The Committee are glad that at least territorially the Corporation will not, when set up, duplicate the work of the Forest Department, the latter continuing in the South and Middle Andamans while the former would function in the Little and North Andamans. As far as commercial activity is concerned, they would work in their respective areas on the basis of a healthy competition in excellence. In earlier reports the committee have sought to point out deficiencies in the Forest Department which, it is hoped, will be taken note of both by the Department and by the Corporation which should learn from the former's mistakes. It is a nearly impossible job to work out a sort of golden mean incorporating the best features of public utility as well as commercial undertakings, but the committee would urge Government to proceed thoughtfully in this matter on account of the special character of the Andamans and conduct forestry operations with an eye not only on economy but on ecology and with the interests of the tribal population always prominently in mind.

[S. No. 72 Para 3.303 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

The Forest Corporation aims at harvesting and developing the Forest Resources, promote forest resource based industries and marketing produce but at the same time the main objects promise to maintain and improve wild Life and other natural resources. In the Board of Directors, the Chief Conservator of Forests, Andaman and Nicobar Islands, the Deputy Inspector General of Forests, Ministry of Agriculture and Irrigation have been appointed. In addition, the Managing Director shall also be inducted from Forest Service. These provisions safeguard the interest of the nature conservation and since, institutional arrangement allows for plugging back the benefits, derived from the forests, it will perhaps be easier for the corporation to give more attention to aspects of environment.

[(Ministry/Department of Agriculture) (O.M. No. 9-29/77-F. II dated 12-7-78)].

Recommendation

The Committee are glad that at least territorially the Corporation will not, when set up, duplicate the work of the Forest Department, the latter continuing in the South and Middle Andamans while the former would function in the Little and North Andamans. As far as commercial activity is concerned, they would work in their respective areas on the basis of a healthy competition in excellence. In earlier reports the Committee have sought to point out deficiencies in the Forest Department which, it is hoped, will be taken note of both by the Deptt. and by the Corporation which should learn from the former's mistakes. It is a nearly impossible job to work out a sort of golden mean incorporating the best features of public utility as well as commercial undertakings, but the Committee would urge Government to proceed thoughtfully in this matter on account of the special character of the Andamans and conduct forestry operations with an eye not only on economy but on ecology and with the interests of the tribal population always prominently in mind.

[S. No. 72 Para 3.303 of 9th Report of PAC (6th Lok Sabha)]

Action taken

The observation of the Committee would be kept in mind and the Department of Agriculture would be requested to look into it so as to avoid duplication of work between the Forest Department and the Forest Development Corporation and also keep an eye not only on economy but also on ecology as well as safeguard the interests of the tribal population.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78]

Recommendation

A regular and adequate passenger and cargo shipping service from and to the mainland as well as between the various islands is a basic requirement. It has been noted how the Forest Department's losses in timber export had been due to the inadequate capacity of the ships available. The Public Accounts Committee in their 74th Report (Fourth Lok Sabha) emphasised the need for augmenting such facilities. The Study Group of the present PAC also saw how the shipping service, even on the inter-island routes was entirely inadequate, the remoter islands remaining nearly always isolated. In the Fourth Plan relative to the Andaman & Nicobar Islands, a provision was made for Rs. 233.4 lakhs under 'Port and Harbour'. But no more than Rs. 189.109 lakhs could be spent. Again, under the shipping sector (that is for internal and harbour ferry service) a provision was made for Rs. 81 lakhs, out of which only Rs. 38.76 lakhs could be spent. No wonder that the lack of modern navigational aid and harbour facilities and the consequent impossibility of navigating ships after sun set has come in for criticism even in the Planning Commission's official journal, namely 'Yojana' to which several references have already been made. So far as the shipping operations to and from the mainland are concerned, the Committee's impression is that the Andaman Admn. had under-rated the requirements. The former Chief Commissioner was, during evidence, quite emphatic, however, in stressing the need for augmenting ships on the inter-island routes as well as mainland-island routes. The country, he felt, should not grudge larger allocations on augmenting such services because of the

strategic importance of these islands and the desirability of giving the islanders a sense of belonging to India from which they feel at present so very remote and isolated.

[S. No. 73 Para No. 4.28 of 9th Report of the PAC (6th Lok Sabha)].

Action Taken

The inadequacy of ships on the mainland-island as well as inter-island services has been considered by the various Committees from time to time. Recently, on the recommendation of the Home Minister's Advisory Committee held on 27-2-1978, it has been decided to set up a High Level Committee under the Chairmanship of Joint Secretary (Shipping), comprising two members of the Home Minister's Advisory Committee, a representative each of the Min. of Home Affairs, the Chief Commissioner, Andaman and the Shipping Corporation of India Limited to study the various shipping problems of A&N Islands and to recommend a well-thought-out instrument on varied forms of shipping. This Committee will, *inter alia*, study the issue of running these services efficiently and make its recommendations in this regard.

As regards inadequate capacity of the ships for the export of timber, it may be stated that the position has since materially altered. M. V. 'Nicobar' has been scrapped and a new timber carrier of 5000 tons capacity viz., M. V. 'Diglipur' has been put on this service. There are at present two cargo vessels viz., M. V. 'Shempen' of 3500 tons capacity and M. V. "Diglipur" of 5000 tons capacity operating on this sector which together can adequately take care of the cargo/timber requirements on this sector.

The Committee have mentioned that out of the provision of Rs. 233.40 lakhs under Ports and Harbours in the Fourth Plan relating to the A&N Islands, only about Rs. 189.109 lakhs could be sent.

There were 8 schemes to be executed by two different agencies, namely, Ministry of Shipping and Transport and Andaman and Nicobar Administration as in Annexure.

3. The A&N Administration have explained the shortfall in the expenditure as follows :—

Item (1).—Against an outlay of Rs. 30 lakhs, the expenditure incurred was only Rs. 5.54 lakhs. The shortfall was a result of factors like non-availability of suitable survey vessel to carry out marine survey, and non-availability of water craft for transportation of man and material. About 80% of the estimates were for equipment to be imported from abroad. There was some difficulty in obtaining these equipment also in time.

Items (2) to (5).—The A&N Administration have explained the shortfall in the expenditure under these items as follows :—

- (i) Delay in finalisation of indent by DGS&D for procurement of machinery.
- (ii) The Rest House at Calcutta was constructed under the non-Plan funds and no provision for this purpose was required under Plan. The question of providing Rest House at Madras was under correspondence with Govt. of Tamil Nadu and it would not be finalised

- (iii) The 750 H. P. tug which was under construction on the main-land could not be completed during the Fourth Plan period because of lock-out declared by the firm on whom order was placed by DGS&D.
- (iv) Indents for procurement of two 100-tonne barges and two pontoons were placed on DGS&D during 1970-71. These indents were not finalised by DGS&D during the year.

*Items (6) to (8).—*Against the total Fourth Plan outlay of Rs. 135.13 lakhs for these schemes, the expenditure incurred was Rs. 150.92 lakhs. The excess of Rs. 15.79 lakhs was made up by savings under other heads.

The incomplete schemes, except item (2), have spilled-over to the Fifth Plan for implementation.

[Ministry of Shipping & Transport O.M. No. SYO(II)-23/78, dated the 19th September, 1978].

ANNEXURE

Name of Scheme	Fourth Plan Outlay (Rs. in lakhs)	Expenditure (Rs. in lakhs)	Remarks
<i>Executed by A & N Administration</i>			
1. Scheme No. 1 : Installation of Navigational aids in A & N Islands	30.000	5.53)	
2. Scheme No. 2 : Procurement of additional Plant and machinery	7.730	0.321	
3. Scheme No. 3 : Procurement of resthouses for transit passengers at Calcutta and Madras	4.000	—	
4. Scheme No. 4 : Improvement of Harbour facilities	43.100	26.487	
5. Scheme No. 5 : Construction of Lighters and pontoons	13.800	5.939	
<i>Executed by Min. of Shipping and Transport (through P. E. (Marine) under CE and A ALHW.</i>			
6. Scheme No 6 : Extension and improvement of existing jetties and construction of additional jetty at Mus (Jetties at Malacca Rangat) also survey and investigation	4.750	8.505	*excess of Rs. 15.79
7. Scheme No. 7 : Development of Phoenix Bay (Cholunga Wharf) and slipway.	60.000	135.13* 57.076	150.92* lakhs was met by savings under other heads.
8. Scheme No. 8 : Reconstruction of Chatham jetty (deep water wharf at Chatham)	70.380	85.339	

Recommendation

The Shipping Corporation of India gets a subsidy for operating the mainland-island routes as well as the inter-island routes, but there is serious and continuing neglect. 'Yojana' has alleged that the Shipping Corporation appear to care little for the needs of the Andaman and Nicobar region, because, perhaps the routes are difficult and not particularly remunerative. The Committee agree with the observation of the Estimates Committee in regard to the question of subsidy payable to the Shipping Corporation of India, the improvement in their efficiency by better utilisation of services, revision of freight rates and passenger fares and the better management of the ports and harbours in the Andaman & Nicobar region. The Committee wish that the role of the SCI in this matter is thoroughly examined and be settled by Government once for all without delay.

[S. No. 74 Para No. 4.29 of 9th Report of the PAC (6th Lok Sabha)].

Action Taken

There are two types of vessels being operated on the mainland and the inter-island routes viz. Government vessels and SCI's vessels. As regards Government vessels, full reimbursement of losses was being made to the SCI under an agreement signed between the Govt. and the SCI for operating these vessels on both the mainland as well as inter-island services. The agreement was last extended upto 31-3-1974. According to a decision taken at that time, all the Government vessels were deemed to have been transferred to the SCI from 1-4-1974 and as such no reimbursement in respect of Government vessel have been made to the Shipping Corporation of India Limited from 1-4-1974 onwards.

2. As regards SCI's own vessels, the SCI were being paid a subsidy @ 80% of the losses incurred by it on operating these vessels on both the Mainland as well as Inter-Island routes. The payment of subsidy to the SCI was discontinued under a Govt. decision w.e.f. 1-4-1974.

3. The SCI had been representing to Government for revival of subsidy on the ground that it continued to incur huge losses in its operation in the Andaman Sector. The matter was reconsidered by Govt. and it has been decided that the SCI may be subsidised to the extent of 80% of the losses incurred by it on the Mainland-Andaman Service, only if and when the Company is in overall losses. This decision does not cover the Inter-Island Services.

4. As regards observations made by the Estimates Committee, it may be stated that the said Committee had not made any specific recommendation regarding grant of subsidy to the SCI for running shipping services in the A&N Islands. They had only drawn the attention of the Govt. towards this issue for their consideration keeping in view the larger interest to provide dependable means of communication between the Island and the Mainland and in between Islands in the interest of integrity of the country.

5. Government had also taken a decision that the passenger fares and freight rates in the Andaman Sector be increased by 25%. The increased rates in the Andaman Sector have been given effect to from 22nd January, 1978.

6. On the recommendations of the Home Minister's Advisory Committee it has been decided to set up a high level Committee under the Chairmanship of Joint Secretary (Shipping), Ministry of Shipping and Transport, comprising two members of the Advisory Committee, a representative each of the Ministry of Home Affairs, the Chief Commissioner, Andaman and the SCI to study the various shipping problems of Andaman and Nicobar Islands and make recommendations to Government. This Committee will *inter alia* study the question of running these services efficiently.

7. The Secretaries Team which visited A&N Islands in December, 1976 had recommended that A&N Administration should take over complete operational responsibility for all the vessels engaged in the inter-island services and the SCI be released of the task with immediate effect. It further recommended that the Ministry of Shipping and Transport should bring up a paper for the phased transfer of the Mainland Island Shipping Services from SCI to a departmental agency. Necessary action in fulfilment of the Secretaries Team is under process in this Ministry.

[Ministry of Shipping & Transport O.M. No. SYO(II)-3/78, dated 30th August, 1978].

Recommendation

Although air service between Calcutta and Port Blair is more costly, it remains absolutely essential. By air, it takes some 5 hours and 30 minutes to reach Port Blair from Calcutta, as against 4 days by a ship. The figures regarding the over-all load factor during the months April to November 1975, furnished by the Ministry of Civil Aviation, indicate that the air service is quite popular. There are however two snags in this operation. The flight has to have technical halt at Rangoon because with the type of aircraft now used, it is not possible to have a straight run from Calcutta to Port Blair. This is irksome, since a technical halt at Rangoon requires the passengers to have to collect passports, health certificates and Customs clearances which are not called for in domestic flights. Secondly, on account of the meagre air port facilities at Port Blair bigger aircraft cannot at present fly to the Andamans. Thus, during the peak season many passengers have to forgo the air journey or wait in suspense for days before they can get their booking. If bigger aircraft is deployed on this route, not only can the need for a technical halt at Rangoon be avoided but also more traffic can be served by a direct flight, with more fuel capacity, from Calcutta or Madras or even Visakhapatnam. The Committee understand that the I.A.C. has already carried out a test for different short haul jet planes that can operate on this route directly from the mainland and the I.A.C. Board is expected to take a decision shortly. The Committee are, however, constrained to observe that decision in this matter has already been long delayed. Nothing clearly is known yet about whether the existing port facilities at Port Blair could be suitably expanded or a new air port needed to be built. It is urgent that decision on this subject is expedited.

[S. No. 75 Para 4.30 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

Earlier Indian Airlines were operating bi-weekly Viscount Service capable of taking 44 passengers at a time between Calcutta and Port Blair via Rangoon. From August, 1977 Indian Airlines are operating direct service bi-weekly between Calcutta and Port Blair with Boeing 737 aircraft. The capacity made available on the flights because of loan penalty is of the order of about 100 seats per flight. The traffic generated on the route has, however, not been to the expectations as the occupancy rate is about 55/60 passengers each way.

2. The existing runway which has been recently resurfaced is suitable for limited operations with Boeing 737 aircraft with soft landing tyres i.e., capable of taking about 100 passengers. The alternatives of improving the existing airport for normal Boeing 737 operations or constructing a new airport at an alternate site already selected is under active consideration of the Ministry.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II, dated 12-7-78].

Recommendation

The Study Group of the P.A.C. had met not only the tribal people but also the ex-servicemen settled in the islands, the refugees from the former East Pakistan rehabilitated in the area and other elements from the mainland who are now an integrated part of the population of the islands. They learnt of certain grievances, for example, of Bengal settlers who had some advances given after 1951, but were finding it difficult to repay the loans on account of inability to sell the products of their agriculture to the Government store. The Committee note that in this regard in particular there is considerable relevant information in Third Report of the West Bengal Legislative Assembly's Committee on the welfare of Scheduled Castes & Scheduled Tribes (1974-76) which required perceptive examination.

[S. No. 78 Para 4.53 of the 9th Report of the PAC (6th Lok Sabha)]

Action Taken

The restriction on movement of local products such as rice and paddy have since been lifted and the settlers settled under various schemes at various places are now free to carry their products to any places within this Union Territory and have better price for their products.

Inter-island ferry services have also improved considerably and the settlers are exporting their other products such as vegetables, fruits etc. etc. to other Islands and getting standard prices for their products. These people will be more benefited in the near future when the Inter-Islands Ferry Services will improve further.

Regarding difficulties for repayment of loans now being experienced by the settlers, it may be stated here that cases of really deserving persons are under scrutiny and consideration for writing off of portion of their loan in so far as colonisation loan is concerned.

[Ministry of Home Affairs O.M. No. U-16016/4/77-ANL dated the 3rd August, 1978].

Recommendation

The Study Group reported also some disquieting information to the effect that in some cases allottees of land did not themselves actually cultivate, but had the job done through what is known as Ranchi labour. This should be thoroughly looked into and in no case should encouragement be given to what may develop into the pernicious system of absentee land-lordism. In view of the enormous and untapped economic resources of the Andaman and Nicobar Islands it is necessary, no doubt, to utilise the presence of migrants from the mainland as well as the Indians already settled in the region, and ensure the kind of economic development which will bring benefit to the islands as well as to the entire country. The Committee urge, however, that every precaution should continue strictly to be taken to ensure that the human and the ecological angle is constantly kept in view and that in the name of so-called economic progress the uniqueness of the region is not jeopardized.

[S. No. 79 Para 4.54 of the 9th Report of the PAC (6th Lok Sabha)].

Action Taken

It is a fact that there are some cultivators who do not cultivate their land but give their lands to sub-tenants annually on share basis. But the number of such cases in this Union Territory is very negligible. There are adequate provisions in the A & N Land Revenue and Land Reforms Regulation, 1966 and Rules framed thereunder to tackle such cases. The Revenue Officers right from the level of Patwari up to the Sub-Divisional Officer are alert in this regard and they are taking action against all such cultivators under the provisions of the Regulation and the Rules. As a result of such action, the number of such cultivators who sub-let steadily declining.

[Ministry of Home Affairs O.M.No.U-16016/4/77-ANL dated the 3rd August, 1978].

Recommendation

The Estimates Committee of Lok Sabha in their 128th Report, more than 5 years ago, recommended that the dilapidated condition of the Cellular Jail should be improve and it should be maintained as a national monument. The Committee regret that progress in this direction has been far from satisfactory and the Cellular Jail building still continues even to house various offices and stores, and was partly being used as a Jail for ordinary prisoners. It is preposterous that what is virtually a national monument, cherished as a shrine of our freedom struggle should be used in such unworthy fashion. The Committee urge that the country's desire for a national memorial at the Cellular Jail should be soon fulfilled and no part of the structures where our patriots languished for years should be tampered with or utilised unimaginatively. There should also be, as often demanded by public opinion, a correct and adequately respectful display of the names of freedom fighters who had served their term in the Cellular Jail. The estimates Committee of Lok Sabha was told in 1973 that the Government had collected full information about the relevant names. It is unfortunate that it has not been possible so far for Government to display accurately that scroll of national honour in an appropriate place. The Study Group of the P.A.C. noticed inaccuracies in regard to some names

and also the States to which they belonged. The Committee trust that it would be possible for Government to make amends in this matter without delay.

[S. No. 81 Para 4.73 of the 9th Report of the PAC (6th Lok Sabha)].

Action Taken

The latest position with regard to vacation of various wings of the Cellular Jail at Port Blair is indicated in the succeeding paragraphs.

Wing No. 1. At present the District Jail is housed in this wing. In order to vacate this wing, a new jail will have to be constructed. The Andaman and Nicobar Administration have drawn up a scheme for construction of a new jail complex at an estimated cost, i.e. Rs. 70-75 lakhs which is considered to be high. The Ministry of Works and Housing have desired some more information which is being collected from the Andaman and Nicobar Administration.

Wing No. 6. This wing is presently being used as residential accommodation for bachelor or single officials. A new building for the above purpose is expected to be ready by the end of 1978 and this wing will be vacated.

Wing No. 7 and Entrance Block. This wing is occupied by the Medical Department who have kept medical stores, registers, forms, stationery etc. in it. In view of the dearth of space in the store block of the newly constructed medical complex, it has not been possible to shift the medical stores etc. from this wing. However, the Andaman and Nicobar Administration are further examining the manner in which this wing can be vacated.

Three jail warders are living with their families in the Entrance Block of the Jail. It has been decided to shift them to the Old Isolation Ward building which is presently occupied by the CRPF personnel. As soon as the Andaman and Nicobar Administration are able to find suitable accommodation for the CRPF personnel the three Jail Warders and their families would shift to the Old Isolation Ward building thereby vacating the Entrance Block.

The list of names of the Freedom Fighters has been finalised by the Andaman and Nicobar Administration in consultation with the Freedom Fighters fraternity Circle, Calcutta. The names of Freedom Fighters as finally approved have been inscribed on 30 marble plaques of size 7' in length and 3'-6" width. These will be installed in the Cellular Jail.

[Ministry of Home Affairs O.M.No. U-16016/4/77-ANL dated 3rd August, 1978].

CHAPTER IV

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

Recommendation

The Committee stress that care should invariably be taken not to encroach on the land traditionally occupied by the tribes nor to interfere in forest which are the source of their livelihood. There is plenty of room in the Andamans for developmental work to be undertaken without unduly disturbing the tribals in their natural habitat. It would only be by means of patient and truly sympathetic dealing with them that they can be won over to the idea of coming to terms with what we normally call 'civilization'. In this task, the Committee are of the view that Government should, by a special effort, enlist the cooperation of dedicated social worker ready to brave exacting conditions of life and work. One laudable case of such cooperation has come to the Committee's knowledge, but the task requires a team of the right type of persons who would go to the islands and live and work in a truly missionary spirit.

[S.No. 6 Para 2.55 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action taken

No one is allowed encroach on and in tribal areas. The interest of the tribals in land and trade are fully protected under the A & N Islands (Protection of Aboriginal Tribes) Regulation, 1956. Whenever any plot of land in the tribal area is required for unavoidable administrative purposes, tribals are consulted, and in case of primitive tribes, the Administration takes careful decision.

There are two tribal settlements of the primitive tribes in the islands. These are known as Great Andamanese Settlement in Strait Island and Angles Settlement at Dugong Creek in Little Andaman.

At Great Andamanese Settlement in Strait Island there is only one Social Worker to look after the Great Andamanese tribe. The wife of this social worker is working as a part-time instructor in the Balwadi running in the settlement for the benefit of Andamanese children. The Social Worker belongs to Bhartiya Adim Jati Sevak Sangh. A livestock attendant is posted to the Great Andamanese Settlement to look after the rearing of pigs, cows etc.

At Onges Settlement at Dugong Creek in Little Andaman, two teams are provided. One team consists of Senior Social Executive, Social Worker-cum-Teacher and their Assistants. The team looks after Onges multi-purpose cooperative society and other works connected with the welfare of the Onge tribals. Senior Social Executive and Social Worker are not in

position now. Action is being taken to fill these posts. The other team posted to Dugong Creek is a Medical Team. It consists of a Doctor, a Staff Nurse and a Ward Attendant. Staff Nurse is no longer in service. The doctor is being assisted presently by a Senior Male Nurse of Medical Department.

[M.H.A. O.M.No. 14014/2/78-TD 15th September, 1978].

Recommendation

The Committee find that not only for the tribal population but for all who reside in the region, the communications problem is acute. The several hundred islands have perennial sea roads but very few vessels to ensure communication. A well thought out instrument on varied forms of shipping seems urgently called for. The Committee Study Group saw for instance a village where there was just one compounder and any one falling gravely ill had to be taken to Port Blair two or three days journey away, and in the case of the tribals there was the further trouble that, even if willing for transportation, they might not get accommodation in the steamers plying. In spite of the Estimates Committee in their latest report asking for an Extension Centre to be set up in the islands by the All India Institute of Medical Sciences, all that the Public Accounts Committee could elicit was that in Little Andamans there is one doctor and a compounder and that a lady medical officer has also been posted. The Rehabilitation Departments' proposal to set up a 30 bed hospital and in due course a chain of dispensaries one catering to every 200 families awaits sanction. The Committee urge that these and all possible ameliorative scheme should be implemented without delay.

[S. No. 9 Para 2.58 of the 9th Report of the P.A.C. (6th Lok Sabha)].

Action Taken

Under the Medical & Health Department of Andaman & Nicobar Administration there are at present 11 Hospitals, 62 Dispensaries (including one Homoco Dispensary) and 2 Primary Health Centres spread over different islands. Facilities for specialised treatments are available only in the G.B. Pant Hospital, Port Blair as the Andaman and Nicobar Administration have only one specialist in various branches other than surgery. The second surgeon however has been posted at Car Nicobar and is also visiting other islands to extend specialist services.

To overcome the difficulty for transportation of patients from the tribal areas and to provide better medical facilities, the proposal for a hospital-cum-banking-cum-supply ship has been agreed to by the Planning Commission. A total outlay of Rs.89.9 lakhs has been approved for the scheme for 1978—83 with provision of Rs. 12.75 lakhs for 1978-79. This would also enable frequent movement of specialists to various islands. With the acquisition of this ship medical facilities would also be extended even to those islands which have very thin population and where regular dispensaries cannot be established.

At present there are two medical dispensaries in R. K. Puram and Vivekanandapur in Little Andaman. These dispensaries cater to the needs of all the settlers settled in the villages. In addition to this there is another

dispensary managed by a Medical Officer at Hut Bay. Serious patients can be brought from the villages to this dispensary by departmental jeep or by the State Transport Bus. There is also a proposal to open a 30 bed hospital at Hut Bay (Little Andaman).

As regards setting up of an extension centre by All India Institute of Medical Sciences, the Andaman and Nicobar Administration have taken up the matter with them.

[M.H.A. O.M.No.U-16016/4/77-ANL dated the 15th September, 1978.]

Recommendation

The Committee find that not only for the tribal population but for all who reside in the region, the communications problem is acute. The several hundred islands have perennial sea roads but very few vessels to ensure communication. A well thought out instrument on varied forms of the shipping seems urgently called for. The Committee Study Group saw for instance a village where there was just one compounder and any one falling gravely ill had to be taken to Port Blair two or three days journey away, and in the case of the tribals there was the further trouble that, even if willing for transportation, they might not get accommodation in the steamers plying. In spite of the Estimates Committee in their latest report asking for an Extension Centre to be set up in the islands by the All India Institute of Medical Sciences, all that the Public Accounts Committee could elicit was that in Little Andamans there is one doctor and a compounder and that a lady medical officer has also been posted. The Rehabilitation Departments proposal to set up a 30 bed hospital and in due course a chain of dispensaries one catering to every 200 families awaits sanction. The Committee urge that these and all possible ameliorative schemes should be implemented, without delay.

[S.No. 9 Para 2.58 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken by the Ministry of Shipping and Transport

The Shipping problems of Andaman were also discussed in the meeting of the Home Minister's Advisory Committee held on 27-2-78. It was decided that Ministry of Shipping and Transport should set up a Committee comprising *inter-alia* of two members of the Home Minister's Advisory Committee, a representative of the Ministry of Home Affairs and a representative of the Chief Commissioner, Andaman to study the various shipping problems of Andaman and Nicobar Islands and to make up their recommendations. Necessary action to set up the Committee is being taken by this Ministry. The said Committee will take into account the requirements of this recommendation.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78].

Recommendation

The Nicobarese are from all accounts comparatively advanced and development blocks are said to be functioning well at Car Nicobar and

Nancowary, with special stress on the improvement of agriculture and animal husbandry. Demonstrations on improved methods of raising coconut and arecanut in plantations are known to have been held. For stepping up housing facilities, building materials have been supplied to the Nicobarese at Port Blair rates. The Committee have learnt also of improved poultry practices introduced there. However, this apparently pleasant picture is disturbed by the fact of economic exploitation which has been commented upon by the Estimate Committee (para 4.85 of 87th Report, 5th Lok Sabha) and will be discussed later in this report also.

[S.No. 11 Para 2.60 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action Taken

Please see Government's reply under recommendation No. 80*—para 4.61."

[M.H.A. O.M. No. 14014/2/78-TD dated the 15th September, 1978]

Action Taken by Department of Culture

It is true that in the first half of the present century, the Nicobarese were economically exploited by the traders who used to give credits to the tribals and did not press for speedy recovery. Exchanges on credit amounted to enormous indebtedness compelling many a Nicobarese to work for the traders without remuneration. Many of the Nicobarese remained in perpetual indebtedness. The position has changed since then. There are at present two co-operative societies, one in Car Nicobar Island and the other in Nicobar Island, which purchase copra and betel-nut from the tribals at approved rates. The scope of economic exploitation of the Nicobarese by traders has, therefore, been minimised. The Anthropological Survey of India has no empirical data on the economic exploitation of the present-day Nicobarese. An area study of the Nicobar Islands is, however, in progress and the information, that is being collected, is likely to throw further light on this problem.

[Department of Culture O.M. No. G.25015/2/77/1F.4 dated 19-8-78]

Recommendation

The Public Accounts Committee share the anxiety of the Estimates Committee on this score. The Committee's Study Group have also reported their unhappiness at the hierarchical authority (through the system of 'captains') reportedly exercised by certain Nicobarese leaders and the power they have over the entire tribe, power now augmented by their grip also over the amenities introduced, by the administration. The Nicobarese are a hardy, gifted people who are an asset to the entire country and must not continue to live under such undesirable constraints. The Committee are of the view that in the context of the country's present-day aspirations for rapid development, special attention should be directed towards an understanding of the socio-economic situation of the Nicobar islands and a fuller utilization of their potentialities.

[S. No. 12 Para 2.61 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

*Pl. See Chapter II.

Action Taken

Every Nicobarese village has a headman who is called Captain of the village. Captains are traditional headmen. They are elected by their villagers. The election is tradition based. Generally sons and daughters of Captains are elected to succeed their parents. The tradition is working well. The Captain is the leader of the village community, he commands great respect from the village folk. No doubt, he consults village elders for taking any decision in respect of his village but his will may prevail upon the rest of the village community.

How long this system will continue cannot be foretold. It will change with the spread of education among the Nicobarese.

However, as indicated earlier, Government policy is that we will not interfere with the way of life of the tribal people. The headman is their institution and it will be better to allow the Nicobarese to operate upon it as long as they wish to.

In the Andamans group of islands, elections to panchayats are held under the Andaman & Nicobar Islands Gram Panchayat Regulation, 1961. Pradhans are elected from among elected members of gram panchayat.

[M.H.A. O.M. No. 14014/2/78-TD, dated the 15th September, 1978].

Action taken by Department of Culture

In the Nicobar village organisation, headman (Captains) play very useful and important roles. It would not be desirable to curb drastically their authority or activities without first having a close look into the matter. Action can be taken only after obtaining first-hand information through field investigation in the Nicobarese villages. The Anthropological Survey of India is engaged in conducting an investigation in the Nicobar Islands which is likely to yield information that may throw light on this problem. The report is expected to be available by the end of 1978.

Recommendation

An important aspects of tribal welfare is the problem of educational and social needs. A worker of Bharatiya Adimjati Sewak Sangh is said for some years to have been living and working among the Andamanese in Strait Islands. Plans for the construction of living quarters for some 30 families, a community hall, maternity and Women's Centres, are proposed to be undertaken. A 'Balwadi' has been started for the Onge children. The Estimates Committee in their 43rd Report had recommended that social Service organisations of proven merit, and genuinely dedicated to the cause of tribals, might be persuaded to take part in welfare work in the Islands. That Committee, after observing that nothing had been done on such lines over the years, had, in their 87th Report (1975-76) urged Government to approach organisations like the Ramakrishna Mission again without delay. The Committee feel strongly the imperative necessity of getting a truly devoted band of social workers recruited from the youth of India to work among the tribals and help them to cooperate in evolving a new free life for themselves. The so-called hostile tribes should also be gradually brought within the purview of such work. The committee have every hope that given the will such noble and necessary tasks can well be undertaken by our people.

[S. No. 13 Para 2.62 of the 9th Report of the Public Accounts Committee (6th Lok Sabha)].

Action Taken

We have already commented on this in earlier paras. Dedicated Social and Medical Workers have been recruited from main land and they are posted to tribal settlements for training the tribals in settled way of life.

Applications were invited by the Andaman Adim Janjati Vikas Samiti from among eligible persons both in the mainland and in the islands for appointment as social workers, medical workers etc. Their cases were thoroughly examined and screened by the Samiti and then selected people were appointed under the Samiti to work among the Onges in Little Andaman.

While medical workers were given medical side of the work to look after the Onges, social workers were engaged on training the Onges in personal and public hygiene imparting simple lessons in games, as also in primary agriculture, stitching etc. The Senior Social Executive also looks after a co-operative meant for Onges. A Social Worker of the BAJSS Unit is working among the Great Andamanese at their settlement in Strait Island. He is looking after their cooperative, food supply etc. He is training them in kitchen gardening and plantations. He is also running a Balwadi at the Great Andamanese Settlement for the benefit of the Andamanese children.

(M.H.A. O.M. No. 14014/2/78-TD dated the 15th September, 1978)

Recommendation

An important aspect of tribe welfare is the problem of educational and social needs. A worker of Bharatiya Adimjati Sevak Sangh is said for some years to have been living and working among the Andamanese in Strait Islands. Plans for the construction of living quarters for some 30 families as community hall, maternity and Women's Centres, are proposed to be undertaken. A 'Balwadi' has been started for the Onge children. The Estimates Committee in their 43rd Report had recommended that social services organisations of proven merit and genuine dedication to the cause of tribals, might be persuaded to take part in welfare work in the Islands. That Committee, after observing that nothing had been done on such lines over the years, had, in their 87th Report (1975-76) urged Government to approach organisations like the Ramkrishan Mission again without delay. The Committee feel strongly the imperative necessity of getting a truly devoted band of social workers recruited from the youth of India to work among the tribal and help them to cooperate in evolving a new free life for themselves. The so-called hostile tribes should also be gradually brought within the purview of such work. The Committee have every hope that given the will such noble and necessary tasks can well be undertaken by our people.

[P.A.C. Recommendation No. 13 (Para 2.62) PAC (1977-78) Sixth Lok Sabha, Ninth Report-Ministry of Agriculture and Irrigation].

Action taken by the Department of Social Welfare

The Department of Social Welfare is implementing the following two schemes : which may help in achieving the objective underlying in the recommendation :

- (i) Welfare of Children in need of Care & Protection and Foster Care Services;

- (ii) Welfare of Women and Children and handicapped persons belonging to all communities i.e. Socio-economic, condense course of education for adult women, and general grant-in-aid.

2. Under scheme No. (i) the Department gives financial assistance to the State Government/Union Territories for disbursement to Voluntary organisations interested in starting services for children. The organisations have to apply for financial assistance in the prescribed proforma through the State Government/Union Territory Administrations for grant-in-aid to be given for the purpose.

3. The Andaman and Nicobar Island Admn. has been requested from time to time to forward proposals from voluntary organisation but despite these efforts only one organisation viz. "Seva Niketan" has come forward to implement the scheme for welfare of children in the Andaman and Nicobar Islands. This institution is receiving maintenance grant for 45 children. The Fifth plan ceiling fixed for Andaman and Nicobar Islands was 425 children, against which only 45 children have been covered till now. The Andaman and Nicobar Administration has again been addressed in June 1978 to forward proposals, duly recommended, of voluntary organisations covering not only the ceiling in terms of the number of the beneficiaries fixed for the current year but also the unfilled quota in respect of the Fifth Plan period.

4. As regards scheme No. (ii) above, 80 voluntary institutions in the Islands were given grant amounting to Rs. 5,46,950/- by the Central Social Welfare Board during 1977-78 for implementing the programme of socio-economic condensed courses of education for adult women and general grant-in-aid. These programmes have necessarily contributed to the welfare of Scheduled Tribes inhabited in Andaman and Nicobar Islands. The programmes of the Board, though meant to cover women, children and handicapped persons in all communities, cater to the needs of Scheduled Tribes also.

[Ministry of Education & Social Welfare, Department of Social Welfare
O.M. No. 25015/1/77-IF dated 15 July, 1978].

Action taken by Department of Culture

The Andaman Adim Janjati Vikas Samiti took up important Welfare activities during the period from April 1976 to March 1978. The Samiti has acquired a vessel for interisland movements for tribal welfare work. Plantation-cum-orchards were raised in the Dugong Creek and South Bay areas of Little Andaman Island and also in Strait Island under the supervision of the Samiti. It has purchased a generator and has built up a shed in Dugong Creek for the generator for producing electricity. The Co-operative Society for Strait Island is functioning under the supervision of the Samiti. A Community hall has been constructed in Strait Island, and another such hall has also been built in the Onge settlement in the Dugong Creek area of Little Andaman Island. Educational programme for the tribal children has been taken up. A team of social and medical workers are engaged in tribal welfare work in Little Andaman Island

[Department of Culture O.M. No. G-25015/2/77-IF.4 dated 19-8-78].

Recommendation

If, of course, the quality of logs fed into the mills is poor the percentage of wastage is bound to increase. But the Committee cannot appreciate why measures have not been taken to improve the quality of logs in spite of precise suggestions to that effect made in 1972 by the Cost Accounts Officer. As for the outmoded nature of the equipment, the Committee would blame the Forest Department itself for not pursuing the replacement programme vigorously and in time. The Study Group of the Committee visiting the Chatham mills have gathered an uphappy but positive impression that the mill was being simply mismanaged. The Committee, would therefore re-emphasise their earlier observation in the 96th Report (Fourth Lok Sabha) that Government should take immediate steps to tone up the supervision at the operational levels and rationalise the scale of operations by installing upto-date equipment and adopting better management and other techniques.

[S. No. 31 Para 3.118 of 9th Report of Public Accounts Committee (6th Lok Sabha)].

Action Taken

The Public Accounts Committee's remarks requiring Government to take immediate steps to tone up the supervision at the operational levels and rationalise the scale of operations by installing upto-date equipment to minimise wastage would certainly be borne in mind by this Department and suitable action would be taken wherever necessary.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78].

Recommendation

The Committee regret that the programme for conversion of circular saw at both the mills with indigenous band saws has not made any headway. It was as early as March, 1970 that the Inspector General of Forests himself suggested that Circular saws in the mills should be replaced early by indigenous band saws. In June, 1973, the Ministry informed Audit that important items like break-down units and other valuable parts were still required to be imported, and as such the implementation of the proposal would take quite some time longer. The Committee were, however, informed by the Department that though the order was placed in 1973 the supplier could not supply the machine by 31st July, 1975 and to make the position worse, the date for the supply had been further extended. As far as Betapur Mill was concerned, it was a small mill and catered mostly to the local requirements. The Committee were assured in a note that the Department was being asked to expedite replacement of these circular saws at Betapur and effect overall improvement. However, there has been already a lot of avoidable delay in completing modernisation of the Chatham Mill. In the Committee's views if these mills are to function as economically viable units, urgent steps must be taken to modernise the mills and replace the existing old and obsolete equipment. The Committee would also stress that simultaneous steps should be taken to modernise and upgrade the management of the Chatham Mill which happens to be "the

largest single industrial unit in these islands and is also one of the largest of its kind”.

[S. No. 33 Para 3.120 of 9th Report of Public Accounts Committee (6th Lok Sabha)].

Action Taken

In Chatham Saw Mill, a 54" Band Saw Mill of indigenous make has been installed in February, 1977 and the Mill is working satisfactorily. Quotations for purchase of a modern and sophisticated 72-inch Band Mill from abroad have been finalised and the Ministry of Agriculture and Irrigation has been approached to release foreign exchange *vide* Administration letter No. 41/76-77/1964 dated 30-11-1977.

The Public Accounts Committee's remarks requiring Government to take steps to modernise and upgrade the management of the Chatham Saw Mill and to replace the existing old and obsolete equipment would be borne in mind by this Department and suitable action would be taken wherever and whenever necessary.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78].

Recommendation

The Committee note that the then Ministry of Commerce and Industry decided in July 1951 to supply plylogs from the Andaman Forests to the members of the Plywood Manufacturers Association of India and the Plywood Manufacturers Association of West Bengal on the basis of quotas fixed by the Ministry of Agriculture. The supply continued to be made till 1967. No agreement in this regard, was entered into either with the Associations or the individual members, and the Ministry is unable even to find out the reasons, why it had been decided that no agreement was called for.

[S. No. 38 Para 3.189 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

No comments except that the interest of Government was fully safeguarded to the extent of the security Deposit collected in the form of G.P. Notes.

(Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78].

Recommendation

3.190 Although the Plywood Manufacturers Association of India and the Plywood Manufacturers of West Bengal were required to deposit the sum of Rs. 20,000 and Rs. 5,000 respectively for each member as security deposit, the amount was accepted directly from the member. In one case, a sum of Rs. 15,000 instead of Rs. 20,000 was accepted. A sum of Rs. 1.54 lakhs thus was out standing from different members at the time

when the scheme of supply to the members was discontinued *i.e.* in 1968 the Department informed Audit that the possibility of adjusting the total security deposits against the amount due from some members of the Association was under consideration. In June 1973 the Ministry informed Audit in more definitive terms that the outstanding amount would be adjusted against the security amount deposited by all the members taken together. This expectation, however has been foiled. In reply to a specific query, the Committee have now been informed that as the members had furnished the security deposit in their individual names and not in the name of the Association, it was not possible to recover the dues of one member from the security deposit of another members.

3.193, The Committee are constrained to observe that they are not happy over the casual manner in which replies are given to important points raised by Audit. They would strongly recommend that the circumstances in which Audit was wrongly informed in 1973 about the adjustment of outstanding dues from the security deposits of all the members taken together (when this was not possible), should be investigated and responsibility fixed.

[S.No. 39 and 42, Paras 3.190 and 3.193 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

Though security Deposit was collected from individual members, it was considered that the entire amount could be adjusted against the amounts due from some members. Audit was informed accordingly in 1969. Before such adjustment action was taken, legal opinion was obtained in May, 1973 and it was opined that the outstanding amount could not be recovered by adjustment from the Security Deposit furnished by individual members for the dues payable by other members of the Association.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78].

Recommendation

The Committee regret the absence of any formal agreement with the carriers, with the result that responsibility in the matter of recovery of the value of logs and sawn timber shortlanded is a point of dispute. This is yet another instance where the Andaman Forest Department entered into an arrangement with a party without formal agreement. The Committee would like Government to investigate why such lapses occurred and to remedy the situation.

[S. No. 45 Para 3.196 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

By mutual arrangement between the Forest Department and Shipping Corporation of India, Port Blair Branch, timber carrying vessels are placed at the disposal of the Forest Department at periodical intervals as

agreed to, as far as practicable by them. Timber is loaded by the department against which a bill of lading is issued by the Shipping Corporation. This system is working quite satisfactorily and the timber shortages are also reduced to the minimum as a consequence of several corrective steps taken both by Forest Department and the Shipping Corporation.

As recommended by the Public Accounts Committee, action has been taken with the Shipping Corporation of India with regard to formal agreement and their comments are awaited.

(Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-78].

Recommendation

The Committee regret that the quantity actually despatched during 1969-70 to 1972-73 has been consistently below the annual target fixed for the despatch of timber to the mainland. The shortfall has been attributed by the Forest Department to non-provisioning of special loaders by the Shipping Corporation of India.

The difficulties in achieving the targets of export of timber to the mainland were considered by the Public Accounts Committee in para 1.1—1.7 of their 74th Report (4th Lok Sabha—April, 1969). The Committee had emphasised that (i) the requirements for additional ships should be carefully assessed and the fleet for transport of timber augmented and (ii) the existing shipping space should be fully and adequately used and frequency of trips improved by minimising delays in loading and unloading operation.

In November/December 1969, the Ministry of Agriculture informed the Public Accounts Committee that while one of the existing passenger-cum-cargo vessels viz., "M. V. Nicobar" had been converted into a cargo vessel, a special timber carrier "M. V. Shompen" had been put to service from February, 1968 to meet the special needs of timber/log shipments from the Islands to the mainland. An additional passenger-cum-cargo vessel "State of Bombay" had also been introduced in the mainland island service from June 1967. Regarding the utilisation of existing shipping space, it was stated that the construction of two permanent jetties at Haddo and Chatham was expected to be completed by 1972. A wharf in Phoneix Bay was also planned to be completed by 1972-73 and with these facilities, it was expected that the harbour facilities and the utilisation of existing shipping facilities would improve. The Committee, however, regret to note from the figures of the targets of export and the quantity actually exported that there was shortfall in the quantities exported during 1969-70 to 1972-73.

As regards the failure to convert "M. V. Nicobar" into a full cargo ship due to small hatch opening and limited derrick capacity, the Committee are constrained to point out that in reply to their earlier recommendations on the subject, the Ministry had not placed the correct facts before them in 1969 in regard to "M. V. Nicobar" being used for transporting timber logs to the mainland after its conversion into a cargo ship. Audit has pointed out that the two vessels made available by the Shipping Corporation of India, in addition to "M. V. Nicobar" and "M. V. Shompen", were also not capable of carrying timber logs because of small opening and the hatch and derricking. The Committee deplore the desultory to manner in which the problem

of shipping facilities has been dealt with by the Forest Department. It is surprising that it was not before 1973 that the Ministry of Transport and Shipping made a detailed study of the problems faced in the export of timber to the mainland. Efforts, it is learnt, are still being made to procure an additional timber carrier. The Committee would like a more earnest approach of Government in the matter and better expedition in work.

The Committee stress strongly the urgent need for augmenting shipping facilities so that the entire targetted quantity of timber can be sent efficiently to the mainland. It is relevant in this connection to recall that the representative of the Forest Department had admitted before the Public Accounts Committee in 1969 that it was more remunerative selling timber in the mainland market. The Cost Accounts Officer had also clearly expressed the view that it was advantageous to sell the timber in the shape of logs rather than in the shape of sawn timber for which increase in shipping facility was essential.

[S. Nos. 47 to 51, Paras 3.198 to 3.202 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

The annual targets for the despatch of timber to the mainland and the quantity actually sent during 1971-72 to 1976-77 are shown below :

(Figures in Cubic Metres)

Year	Despatch Target	Quantity despatched	Shortfall
1971-72	28,500	24,771	3,729
1972-73	31,000	24,468	6,532
1973-74	32,500	26,834	5,666
1974-75	32,500	28,511	3,989
1975-76	34,000	30,043	3,957
1976-77	47,500	39,508	7,992

It would be seen from the above that the total quantity shipped to mainland from the Islands rose from 24771 Cubic Metres in 1971-72 to 39,508 O.M. in 1976-77, thereby registering a percentage increase of 59.49. The targets of shipment were increased as may be seen from the above Table keeping in view the provisioning of timber carrying vessels regularly as agreed to by the Shipping Corporation. The vessel "M. V. Shompen" made only 9 trips during each of the year 1975-76 and 1976-77 against the provision of 12 trips during 1975-76 and 1976-77 respectively. No loader was made available by the Shipping Corporation of India during the period Mid-April, 1975 to Mid-August 1975. Non provisioning of vessels continue to be the main factor contributing to the shortfall in shipments of timber. The matter of augmenting Shipping facilities is always pursued vigorously with Shipping Corporation of India by the Andaman Forest Department.

The Forest Department is aware that it is remunerative to sell round logs in the mainland markets and accordingly the shipment of logs has progressively increased from year to year as can be seen from the Table below :

(Figures in Cubic Metres)

Year	Quantity of log and Sawn timber shipped	Quantity of Round logs.	Percentage of logs shipped on the total quantity shipped
1973-74 . . .	26,834	20,951	78.08
1974-75 . . .	28,511	21,769	76.35
1975-76 . . .	30,043	25,212	83.92
1976-77 . . .	39,508	35,950	91.00

From the above it will be seen that the quantities of logs shipped during the years from 1973-74 to 1976-77 rose from 20,951 to 35,950.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-1978].

Action Taken by the Ministry of Shipping and Transport (Recommendation No. 50)

The observations made by the PAC in its Report is on the basis of positions capacity viz. M. V. 'Diglipur' obtained and put on this service. Thus 'Nicobar' has been scrapped (in 1974) and a new timber carrier of 5000 tons capacity viz. M.V. 'Diglipur' obtained and put on this service. Thus there are at present 2 cargo vessels viz., M.V. 'Shompen' of 3500 tons capacity and M.V. 'Diglipur' of 5000 tons capacity operating on Mainland Andaman Sector.

[Ministry of Shipping and Transport O.M. No. SYO(II)-3/78 dated the 10th August, 1978].

Action Taken by the Ministry of Shipping & Transport (Recommendation No. 51)

As already stated in reply to the earlier recommendation (No. 50), the position has since changed. M.V. 'Nicobar' was scrapped in 1974 and a new timber carrier M.V. 'Diglipur' of 5,000 tons capacity has been put on this service. After the introduction of 'Diglipur' available timber and timber products have been carried without any difficulty. Even the available shipping space on this vessel is not always fully utilised at times.

[Ministry/Department of Agriculture. O.M. No. 9—29/77-F.II dated 12-7-78].

Recommendation

It is disturbing that out of 2 tractors (against 5 purchased from the Department of Rehabilitation and declared uneconomical for further use) one tractor did not work at all since the very date of its purchase i.e., from

January 1966 to July 1973 and the other tractor worked for only 958 hours and that too after major repairs. The third tractor which also did not work at all is being technically surveyed. It is strange that before transferring such old and unserviceable tractors neither the Department of Rehabilitation nor the Ministry of Finance cared to consult the Ministry of Agriculture and the misgivings reported to have been expressed by the Andaman Forest Department were ignored. What is even more surprising is the fact that the terms of this transaction were not spelt out in advance, with the result that a clear discussion was not available as to whether the Forest Department was to pay hire charges on book value. It was only in May, 1968 that a debit against the Andaman Forest Department for the book value and transport cost was raised. The Committee feel that Government should not somewhat carelessly have saddled the Forest Department with tractors which were both old and unserviceable. The Committee recommend that responsibility should be fixed for this unpleasant transaction.

[S. No. 57 Para 3.224 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

The purchase of the two tractors from the Rehabilitation Department which have not worked at all was made pursuant to the decision of Government of India in the Ministry of Rehabilitation and the Ministry of Finance and Andaman Forest Department which objected to the transfer of the two tractors is, therefore, not responsible for the transaction.

[Ministry/Department of Agriculture O.M. No. 9-29/77-F.II dated 12-7-1978].

Recommendation

The Committee regret that having entered into an agreement, Government did not take proper steps to ensure its implementation by the private firm. On Government's own admission, the said firm could not accept the timber-extraction target right from the outset, on account of their own shortcomings like financial instability and lack of adequate equipment. Government, however, never thought of any drastic action till 1961 when the defaulting firm chose to go in for arbitration. On the other hand, even supplemental agreements were entered into successively with the firm on 6-10-1953, 20-10-1956 and 23-4-1958. The agreement was not terminated till December 1968 i.e. after a period of more than 17 years, although there was provision for its termination in the event of failure on the part of the firm to pay its dues within a period of 12 months. The Committee would like Government to ascertain whether there were any tenable reasons for allowing an unduly long time to the firm to fulfil their contractual obligations in spite of their repeated failures and sorry experience of arbitration proceedings. This is necessary for not only punishing those at fault in this case but also for taking remedial measures to ensure that such default does not recur.

[S. No. 64 Para 3.269 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

From this office records it has not been possible to ascertain whether there were any tenable reasons for allowing an unduly long time to the firm to fulfil their contractual obligations, especially in view of the fact that the agreement with the firm was entered into over two decades ago. However, remedial measures have been taken so that such default does not recur in future.

[Ministry/Department of Agriculture. O.M. No. 9—29/77-F.II dated 12-7-1978].

Recommendation

The Committee are of the view that if timely action had been taken to terminate the contract as soon as failure were noticed on the part of the private firm, huge amounts would not have accumulated against them and the possibility of the departmental working of these forests could have been considered. This delay has proved very costly in as much as Government have not been able to realise adequate revenue even on the timber actually extracted by the private firm not to speak of other benefits provided for in the agreement in the form of royalty on shortfall in extraction.

[S. No. 65 Para 3.270 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

Please see reply against item No. 3.269.

[Ministry/Department of Agriculture. O.M. No. 9—29/77-F.II dated 12-7-1978].

CHAPTER V

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

Recommendation

The Committee note that only 40 per cent of the total volume of wood in the felled trees is extracted and there is, as a result, considerable wastage and increase in the cost of extraction. The Committee also find that the cost of timber extraction has been increasing year after year. The Department, however, does not work out the cost of extraction of timber at various points of disposal and is merely content by regulation of the actual costs of different operations like felling logging, rafting, transportation, milling etc. They have also, it appears, certain practical difficulties in working out cost of extraction at different disposal points. While non-unmindful of such difficulties, the Committee feel that since price ultimately realised by the sale of extracted timber, both in the island as well as in the mainland, has to be linked with the cost of extraction, the Department should regularly work out the estimated cost of extraction at the time of preparing annual budgets.

[S. No. 26 Para 3.87 of 9th Report of Public Accounts Committee*
(Sixth Lok Sabha)].

Action taken

The recommendation will be implemented in consultation with Audit.

[Ministry/Department of Agriculture. O.M. No. 9—29/77-F.II dated
12-7-1978].

Recommendation

It is a matter of concern that the cost of logs upto various delivery depots and also the average ex-mill costs and ex-depot costs at Howrah and Madras have shown continuous increase since 1969-70, there having been only a slight improvement in the year 1974-75. This, as admitted by the Ministry itself, has been on account of a change in the accounting procedure. The committee stress the need of reducing the cost and making sure of the proper utilisation of forest wealth. This aspect should be thoroughly examined and suitable steps taken so that heavy losses being incurred as at present can be avoided. The figures of the cost of extraction furnished by Audit as also subsequently by the Department, based on proforma Account would indicate that the Department could, with a little effort, estimate such costs at the time of preparation of the budget itself, and then proceed in a more efficient and business like way. The Committee would also like Government to evolve some procedure in consultation with Audit whereby costing at each stage of operation could be worked out in the existing system of accounting and budgeting. This would facilitate the Government to exercise effective control on the actual cost of extraction of timber at different points of disposal of timber to obviate losses.

[S. No. 27 Para 3.88 of 9th Report of Public Accounts Committee
(Sixth Lok Sabha)].

Action Taken

As recommended, attempts will be made in consultation with Audit to work out costs at each stage of operation.

[Ministry/Department of Agriculture O.M. No. 9—29/77-F.II dated 12-7-1978].

Recommendation

The Committee find that the Andaman Forest Department had to incur an additional expenditure of Rs. 90,000/- on the extraction of 6,000 cu. ms. of timber on account of a re-invitation of tenders. According to the Audit Report and the facts revealed during evidence, the department received only two tenders for this job, which were opened on 19-1-1970. The tender of Contractor 'A' was for Rs. 41/- per cubic meter for hard wood and that of Contractor 'B' for Rs. 43/- per cu. m. The tender of Contractor 'A', though lower than that of Contractor 'B' was rejected by the Department on the ground of "financial instability" and "unsatisfactory performance" against contracts awarded to him by other Government departments in the islands. The tender of Contractor 'B' was negotiated by the Department and the rate brought down to Rs. 41/- per cubic meter. In August, 1970, the Department recommended to the Ministry of Agriculture for acceptance of the negotiated tender. On 22-2-1971, the Ministry required whether financial soundness of contractor 'B' had been verified but was informed by a wireless message dated 3-3-1971 that no such verification had been done. According to a report of the Department, its interests were said to have been fully protected by the earnest money, security deposit, guarantee fees and income tax deduction provisions. The Ministry, however, was not convinced with this plea and felt that this argument could equally have applied also in the case of Contractor 'A'. On 13-4-1971, the Ministry informed the Department that fresh tenders might be invited. Three Contractors, including Contractor 'B' responded, but this time the lowest bid of Rs. 56/- for hardwood was from Contractor 'C'. This was accepted after obtaining the approval of the Ministry of Agriculture and the work completed to the satisfaction of the Department. Earlier, the Ministry had received a complaint from the father of Contractor 'A' to the effect that Contractor 'B' was a foreign national and bad character and of unsound financial stability, and had been black-listed by the Forest Department. The police enquiries, however, revealed that there was nothing of criminal import found against contractor 'B' in police records and that Government of India had already remarked that the rules relating to foreigners need not be insisted upon in view of the peculiar circumstances of the case. To a question asked by the Committee it was answered that Government was not aware of any relationship between Contractor 'A' and 'C'. A new dimension to this case, however, was added by the Forest Department having first included an additional area of 24 hectares at the time of calling for fresh tenders but subsequently excluding it on the ground that the area was "precipitous, inaccessible and extracts of timber from these would have resulted in soil erosion."

[S. No. 28 Para 3.89 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action Taken

The matter is under examination and appropriate action will be taken.
[Ministry/Department of Agriculture O.M. No. 9—29/77-F.II dated 12-7-1978].

Recommendation

The Committee are not satisfied with the way of the whole case was handled. If, in such instances, the Forest Department does not verify the financial soundness of contractors, it is not clear why financial soundness was cited as one of the grounds for rejecting the tender of contractor 'A'. If the Department's interests could be sought to have been protected by the earnest money, security deposit etc., of Contractor 'B', it is not clear why the Department penalised Contractor 'A' who had also deposited the requisite earnest money and furnished the security deposit under the term of the contract. What is more surprising that even when the Ministry of Agriculture had enquired whether the Department had gone into the financial soundness of Contractor 'B' the Department contented itself with only intimating that it had not done so. The Committee are also perplexed that an area which was allegedly precipitous and inaccessible was included in the contract area only to be excluded later on. If this area had not been originally included, the Department might well have been able to attract a lower rate for the execution of this job. The Ministry of Agriculture cannot also in this case be complimented for its role in this business. When it transpired that the Department had apparently tried to favour Contractor 'B' without even verification of the financial soundness, the ministry should have given a clear direction that the tender of 'B' could only be accepted after such verification. Instead of it, the Ministry advised the Department to reinstate the tenders which again did not prove to be a sound proposition. The Committee fear that there might have been some hidden and undesirable interests behind the entire story. The matter requires to be probed thoroughly, so that responsibility for the additional expenditure of Rs. 90,000 can be fixed. The Committee would like to be assured that no malafides were involved at any level in this sorry episode.

[S. No. 29 para 3.90 of 9th Report of the Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The matter is under examination and appropriate action will be taken.
[Ministry, Department of Agriculture. O.M. No. 9—29/77-F.II dated 12-7-1978].

Recommendation

The Committee were at one stage informed that after examining all aspects of the matter it had been decided to write off shortlandings where fixation of responsibility was not possible. But presumably after the Committee had taken up the matter, the Ministry of Agriculture thought it fit to advise the Andaman Administration to obtain legal opinion on the issue. The Committee would like the Administration to pursue the matter further and if it is found that there was negligence on the part of the Forest Department responsibility must be fixed and all necessary remedial measures taken.

[S. No. 46 Para 3.197 of 9th Report of Public Accounts Committee (Sixth Lok Sabha)].

Action taken

The Public Accounts Committee's remarks requiring the Administration to obtain legal opinion in the matter would be kept in mind and necessary action would be taken wherever necessary.

[Ministry/Department of Agriculture O.M. No. 9—29/77-F.II dated
12-7-1978]

APPENDIX

Conclusions and Recommendations

Sl. No.	Para No.	Ministry/Department Concerned	Recommendations
1	2	3	4

1. 1.4. Home Affairs
Agriculture
Shipping & Transport
Law
Culture

1.4 The Committee except that final replies to those recommendations or observations in respect of which only interim replies have so far been furnished will be submitted to them, duly vetted by Audit without delay. The Committee have been informed by Audit that out of 81 recommendations contained in the 9th Report Action Taken notes on only 16 recommendations (4, 5, 7, 10-14, 50, 66-69, 73, 74 and 76) have been got vetted from them (Audit) by the concerned Ministries and Departments. Even in these cases, the consolidated notes were not furnished to Audit by the Ministry of Agriculture and Irrigation. The Committee take a serious view of the matter and would like to know the reasons why the Action Taken Notes in respect of the remaining recommendations which constitute 80% of the total recommendations were not got vetted by Audit till the date of submission of replies to the Committee in accordance with the prescribed procedure.

2. 1.8. Home Affairs
Deptt. of Agriculture

The Committee are happy to note that the interests of the tribals in land and trade are protected under the Andaman and Nicobar Islands (Protection of Aboriginal Tribes) Regulation, 1956. However, they would like to stress that the provisions of these regulations should be enforced in letter and spirit, so as to ensure that the tribals are least disturbed in their natural habitat.

1.9 The Committee are however distressed to note that but for a solitary case of a social worker belonging to Adim Jati Sewak Sangh working at Great Andamanese Settlement in Strait Island, Government have failed to

solicit the cooperation of dedicated social workers who can go to the Islands and live and work there for the uplift of the tribals in a missionary spirit. In the case of Onges settlement at Dugong Creek in Little Andaman the position is also not a happy one as some of the posts provided for the welfare of Onge tribals remained vacant. The Committee urge the Government to take steps to fill up these posts urgently.

The Committee regret that the decision of the Home Minister's Advisory Committee taken on 27-2-1978, for setting up a Committee by Ministry of Shipping and Transport for looking into the shipping problems of the Island is yet to be implemented. The Committee hope that Government will give the matter serious consideration and set up the proposed Committee without loss of further time. The Committee further desire that the recommendations of the said Committee should be given urgent consideration and implemented within a stipulated period.

The Committee are happy to note that to overcome the difficulty for transportation of patients from the tribal areas and to provide better medical facilities, the Planning Commission has agreed to the proposal for a hospital-cum-banking cum-supply ship. As regards the setting up of an extension centre by the All India Institute of Medical Sciences in the Islands the Committee would like the proposal to be pursued vigorously for early implementation.

The Committee have been informed that during the past some years Government have taken some positive measures such as setting up of two cooperative societies which have helped in checking the economic exploitation of Nicobarese by traders. However, in the absence of any empirical data to substantiate the fact, the Committee find it difficult to subscribe to Government views that the scope of economic exploitation has been

3. 1.13 Home Affairs
Deptt. of Agriculture
Shipping & Transport
Department of Health

4. *1.16 Home Affairs
Deptt. of Agriculture
Deptt. of Culture

minimised. Since an area study of Nicobar Island is in progress and the information so collected is likely to throw light on this problem, the Committee would watch with interest the findings of the area study and the remedial steps that the Government may take in this connection. The Committee would also like to know the manner in which these cooperative societies are helping in popularising the local products.

5. 1.20

Home Affairs
Deptt. of Agriculture
Deptt. of Culture

The Committee are unhappy to note that the Government do not appear to share their concern over the hierarchical authority (through the system of 'Captains') exercised by certain Nicobarese leaders and the arbitrary power they have over the tribe. While recognising, of course, some force in Government reasoning of not to curb drastically the authority or activities of such 'Captains', the Committee cannot avoid an impression of near-complacency over the issue. The fact of obtaining first-hand information through field investigation in the Nicobarese villages is not contestable, but this requirement should have been complied with much earlier. The Committee are afraid that with their powers now augmented are their grip over the amenities introduced by the Administration, the hierarchical authority would emerge stronger in the future to the detriment of citizens of Nicobar in particular and the country in general. The Committee, therefore, reiterate that special attention should be directed towards an understanding of the socio-economic situation of the Nicobarese Islands and a fuller utilisation of their potentialities keeping in view the fundamental democratic right of the citizens of these islands as envisaged by our Constitution.

6. 1.24

Home Affairs
Deptt. of Agriculture
Education,
Social Welfare and Culture

The Committee regret that in spite of the efforts made by the Andaman and Nicobar Island Administration only one voluntary organisation namely 'Seva Niketan' has come forward to implement the scheme of child welfare in Andaman and Nicobar Islands. It is distressing that only 45 children have been covered against the Fifth Plan ceiling of 425 children. The Committee feel that the observations made by the Estimate Committee in their 87th Report (1975-76) urging Government to approach organisa-

tions like the Rama Krishna Mission in this connection have remained unheeded. Keeping in view the magnitude of the problems involved, the Committee strongly urge the Government to make an all out effort to approach such organisations without delay and involve them in the implementation of child welfare and other tribal welfare schemes in the Islands.

7. 1.27 Deptt. of Agriculture
Home Affairs

The Committee wish that the Ministry of Agriculture and Irrigation had been more forthcoming with detailed information on the steps taken in pursuance of the Committee's recommendation than merely stating that these "would certainly be borne in mind." The Committee would require to be satisfied that immediate steps have been taken to tone up the supervision at the operational levels and the scale of operations has been rationalised by installing upto-date equipment and adopting better management and other techniques in the saw mills.

8. 1.30 Deptt. of Agriculture
Home Affairs

The Committee are not at all impressed by the Government's reply that Committee's remarks 'would be borne in mind by this Department and suitable action would be taken wherever and whenever necessary.' The Committee would like to know the positive steps taken by the Ministry in pursuance of its recommendation to modernise the mill.

9. 1.33 Deptt. of Agriculture
Home Affairs

The Committee are not convinced by the reasoning of the Department of Agriculture that the interest of the Government was fully safeguarded. It is strange that no agreement was entered into with the members of the Plywood Manufacturers Association of India and the Plywood Manufacturers Association of West Bengal for the supply of plylogs from the Andamans forests without any valid reason for this departure from the established procedure. The Committee are inclined to believe that this was an act of negligence on the part of officials concerned. The Committee urge the Government to investigate the matter in depth and fix responsibility for this lapse to take necessary action against the delinquent officials.

10. 1.36

Deptt. of Agriculture
Home Affairs

The Committee are greatly perturbed over the casual and perfunctory manner in which the Audit was wrongly informed in June, 1973, 'that the outstanding amount would be adjusted against the security amount deposited by all the members taken together' without getting the matter examined thoroughly. The fact of furnishing wrong and misleading information to Audit cannot be taken lightly. The Committee reiterate that the circumstances in which Audit was wrongly informed in 1973 about the adjustment of outstanding dues should be investigated to fix responsibility. The Committee would like to be apprised of the action taken against the delinquent officials.

11. 1.39

Deptt. of Agriculture
Home Affairs

The Committee are happy to note that as a result of corrective steps taken by Forest Department Andaman and the Shipping Corporation timber shortages have been reduced to the minimum. The Committee, however, would reiterate that the Forest Department Andaman should take urgent steps to execute an agreement with the Shipping Corporation of India for the carriage of timber so that the losses due to short-landing of timber are further reduced and responsibility fixed therefor in future. The Committee would, however, like to be appraised of the results of investigation conducted to probe as to why such lapses occurred in the past.

12. 1.43

Deptt. of Agriculture
Home Affairs
Shipping and Transport

The Committee are unhappy to note that targets set for the despatch of timber to the mainland for the years 1971-72 to 1976-77 could not be achieved and the shortfall has risen from 3,729 cu. metres in 1971-72 to 7,992 cu. metres in 1976-77, in spite of the improvement in the availability of vessels claimed by the Ministry of Shipping and Transport. According to the Department of Agriculture, non-provisioning of vessels continues to be the main factor contributing to the shortfall in shipments of timber. The Department have contended that the vessel 'M.V. Shompen' made only 9 trips during each of the years 1975-76 and 1976-77 against the provision of 12 trips each year. In the light of these facts, the Committee find it difficult to share the views of the Ministry of Shipping and Transport that "the position has since changed" and that "after the introduction of M.V.

'Diglipur' available timber and timber products have been carried without any difficulty." The Ministry of Shipping and Transport's contention that "even the available space on this vessel is not always fully utilised at times" is contrary to the views expressed by the Department of Agriculture. The Committee are greatly concerned at the failure on the part of Ministry of Shipping and Transport to provide sufficient vessels for the carriage of timber from Islands to the mainland and would reiterate a more earnest approach in the matter.

13. 1.46 Deptt. of Agriculture
Home Affairs

The Committee are unhappy to note that sale of defective and unserviceable tractors had been thrust upon Forest Department, Andaman much against its wishes by the Ministry of Finance and Ministry of Rehabilitation. It is distressing to note that objections raised by the Forest Department, Andaman against the transfer of defective tractors had been ignored without any justification. The Committee are, therefore, constrained to reiterate that responsibility for this unwelcomed transaction may be fixed and action taken against the erring officials.

14. 1.49 Home Affairs
Deptt. of Agriculture

The Committee are distressed to note that Government have tried to circumvent the recommendations stating that "it has not been possible to ascertain whether there were any tenable reasons for allowing an unduly long time to the firm to fulfil their contractual obligations." The Committee are not at all impressed by the reasoning that the agreement "was entered into over two decades ago." While welcoming the measures taken by the Government to avoid recurrence of such defaults in future, the Committee reiterate that Government should investigate whether there was any lapses on the part of its officials in allowing an unduly long time to the firm to fulfil their contractual obligations in spite of their repeated failures and sorry experience of arbitration proceedings. The Committee would also like to know the specific remedial measures taken or are proposed to be taken by the Government to prevent recurrence of such defaults in future.