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MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC
AFFAIRS—BUDGET SECTION

ESTIMATES COMMITTEE

1996-97

SECOND REPORT

ELEVENTH LOK SABHA



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SABHA SECRETARIAT
DELHI

SECOND REPORT

ESTIMATES COMMITTEE (1996-97)

(ELEVENTH LOK SABHA)

MINISTRY OF FINANCE (DEPARTMENT OF ECONOMIC AFFAIRS—BUDGET DIVISION)—ALLOCATION OF A SEPARATE BUDGET HEAD TO THE DEFENCE ESTATES ORGANISATION IN THE CIVIL ESTIMATES UNDER MINISTRY OF DEFENCE

Action taken by Government on the Recommendations contained in the Fifty-fifth Report of the Estimates Committee (Tenth Lok Sabha) on the Ministry of Finance (Department of Economic Affairs—Budget Division)—Allocation of a separate Budget Head to the Defence Estates Organisation in the Civil Estimates under the Ministry of Defence



Presented to Lok Sabha on 17.12.1996

LOK SABHA SECRETARIAT
NEW DELHI

December, 1996 / Agrahayana, 1918 (Saka)

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CORRIGENDA TO
 SECOND REPORT OF ESTIMATES
 COMMITTEE (ELEVENTH LOK SABHA)
 ON ALLOCATION OF A SEPARATE
 BUDGET HEAD TO THE DEFENCE ESTATES
 ORGANISATION IN THE CIVIL ESTIMATES
 UNDER MINISTRY OF DEFENCE

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**COMPOSITION OF THE ESTIMATES COMMITTEE
(1996-97)**

CHAIRMAN

Shri Rupchand Pal

MEMBERS

2. **Shri G.M. Banatwalla**
3. **Shri Pradceep Bhattacharya**
4. **Shri P.C. Chacko**
5. **Shri Ram Tahal Chaudhary**
6. **Shri Chandu Bhai Deshmukh**
7. **Dr. Ramachandra Dome**
8. **Shri Jagat Vir Singh Drona**
9. **Shri P. Pundlik Fundkar**
10. **Shri Udaisingrao Gaikwad**
11. **Shri Bijoy Krishna Handique**
12. **Shri Bhupinder Singh Hooda**
13. **Dr. G.L. Kanaujia**
14. **Shri Harinder Singh Khalsa**
15. **Shri Sanat Kumar Mandal**
16. **Shri Sanat Mchta**
17. **Shri C. Narasimhan**
18. **Shri Vishambhar Prasad Nishad**
19. **Shri Nitish Kumar**
20. **Shri Sarat Pattanayak**
21. **Shri Ramendra Kumar**
22. **Shri Kashiram Rana**
23. **Prof. Rasa Singh Rawat**
24. **Shri Basavaraj Rayareddy**
25. **Shri Mahadcepak Singh Shakya**
26. **Shri Mangat Ram Sharma**
27. **Col. Rao Ram Singh**
28. **Shri Thota Gopala Krishna**
29. **Shri Chun Chun Prasad Yadav**
30. **Shri Dinesh Chandra Yadav**

SECRETARIAT

1. **Shri S.N. Mishra** — **Additional Secretary**
2. **Smt. Roli Srivastava** — **Joint Secretary**
3. **Shri K.L. Narang** — **Deputy Secretary**
4. **Shri Raj Shekhar Sharma** — **Under Secretary**
5. **Shri R.C. Kakkar** — **Assistant Director**

INTRODUCTION

1. The Chairman of Estimates Committee having been authorised by the Committee to submit the Report on their behalf, present this Second Report on action taken by Government on the recommendations contained in the Fifty-fifth Report of Estimates Committee (Tenth Lok Sabha) on the Ministry of Finance (Department of Economic Affairs—Budget Division)—Allocation of a separate Budget Head to the Defence Estates Organisation in the Civil Estimates under the Ministry of Defence.

2. The Fifty-fifth Report was presented to Lok Sabha on 29th February, 1996. Government furnished their replies indicating action taken on the recommendations contained in that report on 3rd September, 1996. The Draft Report was considered and adopted by the Committee on 4th December, 1996.

3. The Report has been divided into the following chapters:—

- I. Report;
- II. Recommendation/Observations which have been accepted by Government;
- III. Recommendation/Observations which the Committee do not desire to pursue in view of Government's replies;
- IV. Recommendation/Observations in respect of which replies of Government have not been accepted by the Committee; and
- V. Recommendation/Observations in respect of which final replies of Government are still awaited.

4. An analysis of action taken by Government on the recommendations contained in the Fifty-fifth Report of Estimates Committee (Tenth Lok Sabha) is given in Appendix-I. It would be observed therefrom that all the 6 observations/recommendations made in the Report, i.e., 100% have been accepted by Government.

NEW DELHI;
December 12, 1996

Agrahayana 21, 1918(S)

RUPCHAND PAL,
Chairman,
Estimates Committee.

CHAPTER I

REPORT

1.1 This Report of the Estimates Committee deals with action taken by Government on the recommendations contained in their Fifty-fifth Report (10th Lok Sabha) on the Ministry of Finance (Department of Economic Affairs Budget Division)—Allocation of a separate Budget Head to Defence Estates Organisation in the Civil Estimates under the Ministry of Defence, which was presented to Lok Sabha on 29th February, 1996.

1.2 Action taken notes have been received from the Ministry in respect of all the recommendation/observations contained in the Report.

1.3 Taking into consideration the reasons and the necessity for shifting of budget provisions from Defence Services Estimates for independent Budget allocation for Defence Estates Organisation, the Committee recommended as follows:

“The Committee after taking into consideration the reasons and the necessity as explained by the Ministry for shifting of budget provisions from Defence Services Estimates for independent Budget allocation for Defence Estates Organisation, approve the proposal of the Government for a separate Budget Head of Defence Estates Organisation in Civil Estimates under the Ministry of Defence. The Committee accordingly recommend that a separate Budget Head may be allocated to the Defence Estates Organisation in the Civil Estimates under the Ministry of Defence.”

1.4 The Ministry in their action taken reply have stated as follows:

“A separate Budget Head has since been allocated to the Defence Estates Organisation in the Civil Estimates for the Year 1996-97 (Regular Budget) under Grant No. 15 Ministry of Defence (Civil).”

1.5 The Committee note with satisfaction that their recommendation has been accepted by Government and “a separate Budget Head has since been allocated to Defence Estates Organisation in the Civil Estimates for the year 1996-97 (Regular Budget) under Grant No. 15, Ministry of Defence (Civil)”.

CHAPTER II

RECOMMENDATION/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation/Observations (Sl. No. 1, Para No. 1.3)

The Committee note that the Defence Estates Organisation is one of the oldest organisations under the direct administrative control of the Ministry of Defence. It is entrusted with the task of administration of Cantonments, management of Defence lands both inside and outside Cantonment, acquisition, requisition and hiring of immovable properties for Defence purposes and administration of Urban and Ceiling & Regulation Act, 1976 in 24 Cantonments to which the Act applies. The Defence Estates Department is also responsible for the acquisition/requisition and hiring of immovable property for the Army, Navy and Air Force and also for other inter Services organisation of the Ministry of Defence including Defence Research and Development Organisation. The role and functions of this organisation are civil oriented and have no direct relationship with the military.

Action taken by Government

The observations made by the Estimates Committee are based on facts and, therefore, no action is called for.

Recommendation/Observations (Sl. No. 2, Para No. 1.4)

The Committee are informed that under the existing budgetary arrangement the Defence Estates Department is dependent on the allocations made by the Directorate of Financial Planning in the Army Hqrs. and the other wings of the Army supporting Services. The concerned budget heads are controlled by the Army Hqrs. This has made the department perpetually dependent on the planning and budgeting by an agency which has no direct responsibility for the performance of the statutory role/functions assigned to the department.

Action taken by Government

The observations made by the Estimates Committee are based on fact and hence no action is called for.

Recommendation/Observations (Sl. No. 3, Para No. 1.5)

The Committee are also informed that the entire Defence Estates Organisation is accountable to the Ministry of Defence and not to any other Services Hqrs. The Services Hqrs. are only users. The success of this task would depend on the existence of an organisation which is out of the administrative and financial control of any user organisation.

Action taken by Government

The observations made by the Estimates Committee are based on facts agreed to by this Ministry. Hence, no action is called for.

Recommendation/Observations (Sl. No. 4, Para No. 1.6)

The Committee further note that the proposal for allocation of a separate Budget Head to the Defence Estates Organisation in the Civil Estimates under Ministry of Defence have already been examined and approved by the Defence Secretary in consultation with the Financial Adviser, Defence Services. The said proposal was also approved by the Ministry of Finance (Department of Economic Affairs — Budget Division) and also by Controller General of Civil Accounts and the Comptroller and Auditor General of India.

Action taken by Government

The Observations made by the Estimates Committee are based on facts. Hence no action is called for.

Recommendation/Observations (Sl. No. 5, Para No. 1.7)

The Committee are agree with the views expressed by the Government that an independent budget allocation out of civil Estimates of the Ministry of Defence to Defence Estates Organisation will help proper maintenance and growth of the Organisation and also ensure the requisite fund allocation *vis-a-vis* requirements.

Action taken by Government

The Observations made by the Estimates Committee are based on fact and hence no action is called for.

Recommendation/Observations (Sl. No. 6, Para No. 1.8)

The Committee after taking into consideration the reasons and the necessity as explained by the Ministry for shifting of Budget provisions from Defence Services Estimates for independent Budget allocation for Defence Estates Organisation, approve the proposal of the Government for a separate Budget Head to Defence Estates Organisation in Civil Estimates under the Ministry of Defence. The Committee accordingly

recommend that a separate Budget Head may be allocated to the Defence Estates Organisation in the Civil Estimates under the Ministry of Defence.

Action taken by Government

A Separate Budget Head has since been allocated to the Defence Estates Organisation in the Civil Estimates for the year 1996-97 (Regular Budget) under Grant No. 15 Ministry of Defence (Civil).

CHAPTER III

**RECOMMENDATION/OBSERVATIONS WHICH THE COMMITTEE
DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S
REPLY**

—NIL—

CHAPTER IV

**RECOMMENDATION/OBSERVATIONS IN RESPECT OF WHICH
REPLY OF GOVERNMENT HAS NOT BEEN ACCEPTED BY THE
COMMITTEE**

—NIL—

CHAPTER V

**RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH
FINAL REPLY OF GOVERNMENT IS STILL AWAITED**

—NIL—

NEW DELHI;
December 12, 1996

Agrahayana 21, 1918(S)

RUPCHAND PAL,
Chairman,
Estimates Committee.

APPENDIX I
MINUTES OF SITTING OF THE ESTIMATES COMMITTEE
(1996-97)

THIRD SITTING

The Committee sat on Wednesday, the 4th December, 1996 from 1500 to 1530 hours.

PRESENT

Shri Rupchand Pal—Chairman

MEMBERS

2. Shri G.M. Banatwalla
3. Shri Pradcep Bhattacharya
4. Dr. Ramchandra Domc
5. Shri Jagat Vir Singh Drona
6. Shri Bijoy Krishna Handique
7. Dr. G.L. Kanaujia
8. Shri Sanat Kumar Mandal
9. Shri Sanat Mchta
10. Shri C. Narasimhan
11. Shri Vishambhar Prasad Nishad,
12. Shri Sarat Pattanayak
13. Shri Kashiram Rana
14. Prof. Rasa Singh Rawat
15. Shri Mahadcepak Singh Shakya
16. Shri Mangat Ram Sharma
17. Col. Rao Ram Singh

SECRETARIAT

1. Shri K.L. Narang—Deputy Secretary
2. Shri R.C. Kakkar—Assitant Director

2. The Committee considered the following Draft Reports and adopted them:

- (i)
- (ii) Draft Report on action taken by Government on the recommendations contained in the Fifty-Fifth Report of EC (10th Lok Sabha) on the Ministry of Finance (Department of Economic Affairs — Budget Division) Allocation of a separate Budget Head to the Defence Estates Organisation in the Civil Estimates under the Ministry of Defence.

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The Committee then adjourned.

APPENDIX II

(Vide Introduction to Report)

Analysis of the action taken by Government on the recommendations contained in the 55th Report of the Estimates Committee (Tenth Lok Sabha)

| | | |
|------|--|-----------|
| I. | Total number of recommendation/observations | 6 |
| II. | Recommendation/Observations which have been accepted by Government (Nos. 1,2,3,4,5 and 6) Percentage | 6 100% |
| III. | Recommendation/Observations which the Committee do not desire to pursue in view of Government's reply | NIL |
| IV. | Recommendation/Observations in respect of which Government's replies have not been accepted by the Committee | NIL |
| V. | Recommendation/Observations in respect of which final replies of Government are still awaited | NIL |

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| 2. | M/s. Crown Book Depot, Upper Bazar, Ranchi (Bihar). | 13. | M/s. Madimala, Buys & Sells, 123, Bow, Bazar Street, Calcutta-1. |
| GUJARAT | | DELHI | |
| 3. | The New Order Book Company, Ellis Bridge, Ahmedabad-380 006. (T.No. 79065) | 14. | M/s. Jain Book Agency, C-9, Connaught Place, New Delhi, (T.No. 351663 & 350806) |
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| 6. | The International Book Service, Deccan Gymkhana, Poona-4. | 19. | M/s. Ashok Book Agency, BH-82, Poorvi Shalimar Bagh, Delhi-110 033. |
| 7. | The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-400 001. | 20. | M/s. Venus Enterprises, B-2/85, Phase-II, Ashok Vihar, Delhi. |
| 8. | M/s. Usha Book Depot, Law Book Seller and Publishers' Agents Govt. Publications, 585, Chitra Bazar, Khan House, Bombay-400 002. | 21. | M/s. Central News Agency Pvt. Ltd., 23/90, Connaught Circus, New Delhi-110 001. (T.No. 344448, 322705, 344478 & 344508). |
| 9. | M & J Services, Publishers, Representative Accounts & Law Book Sgllers, Mohan Kunj, Ground Floor, 68, Jyothi Fule Road Nalgaum, Dadar, Bombay-400 014. | 22. | M/s. Amrit Book Co., N-21, Connaught Circus, New Delhi. |
| 10. | Subscribers Subscription Service India, 21, Raghunath Dadaji Street, 2nd Floor, Bombay-400 001. | 23. | M/s. Books India Corporation Publishers, Importers & Exporters, L-27, Shastri Nagar, Delhi-110 052. (T.No. 269631 & 714465). |
| TAMIL NADU | | 24. | M/s. Sangam Book Depot, 4378/4B, Murari Lal Street, Ansari Road, Darya Ganj, New Delhi-110 002. |
| 11. | M/s. M.M. Subscription Agencies, 14th Murali Street, (1st Floor), Mahalingapuram, Nungambakkam, Madras-600 034. (T. No. 476558) | | |