

FIFTH REPORT
PUBLIC ACCOUNTS COMMITTEE
(1980-81)

(SEVENTH LOK SABHA)

**PURCHASE OF BITUMEN (MINISTRY OF TOURISM
AND CIVIL AVIATION AND MINISTRY OF WORKS
AND HOUSING)**

**CASH ASSISTANCE FOR EXPORT OF TRANSMIS-
SION LINE TOWERS**

MINISTRY OF COMMERCE

[Action Taken on 129th Report (Sixth Lok Sabha)]



Presented in Lok Sabha on—

Laid in Rajya Sabha on—

LOK SABHA SECRETARIAT
NEW DELHI

December, 1980/Agrahayana, 1902 (Saka)

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CORRIGENDA TO 5TH REPORT OF PUBLIC
ACCOUNTS COMMITTEE (1980-81)

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PUBLIC ACCOUNTS COMMITTEE
(1980-81)

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1. Shri H. C. Paranjpe—*Joint Secretary.*

2. Shri D. C. Pande—*Chief Financial Committee Officer,*

3. Shri K. C. Rastogi—*Senior Financial Committee Officer.*

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf, this Fifth Report on action taken by Government on the recommendations of the Public Accounts Committee contained in their Hundred and Twenty-Ninth Report (Sixth Lok Sabha) on strengthening and lengthening of Mohanbari runway relating to Ministry of Tourism and Civil Aviation and Ministry of Works and Housing and on Cash Assistance for export of transmission line towers relating to Ministry of Commerce. The 129th Report dealt *inter alia* with a case where hasty action on the part of the authorities in procuring bitumen for strengthening and lengthening of Mohanbari runway resulted in avoidable expenditure on transportation as also loss on account of leakage and deterioration in the quality of bitumen due to effect of weather. In this Action Taken Report, the Committee have desired that an inquiry should be conducted by Government at a senior level to find out the extent of leakage of bitumen and financial loss incurred thereby, as also the loss due to deterioration in quality, pilferage and misappropriation of bitumen.

2. On 20 August, 1980, the following 'Action Taken Sub-Committee' was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Public Accounts Committee in their earlier Reports:

Shri Chandrajit Yadav—*Chairman*.

- | | | |
|----------------------------|---|-----------------|
| 2. Shri K. P. Unnikrishnan | } | <i>Members.</i> |
| 3. Shri K. P. Singh Deo | | |
| 4. Shri V. N. Gadgil | | |
| 5. Shri Satish Agarwal | | |
| 6. Shri N. K. P. Salve | | |
| | | |

3. The Action Taken Sub-Committee of the Public Accounts Committee (1980-81) considered and adopted the Report at their sitting held on 15 November, 1980. The Report was finally adopted by the Public Accounts Committee (1980-81) on December, 1980.

4. For reference facility and convenience, the recommendations and observations of the Committee have been printed in thick type

(vi)

in the body of the Report, and have also been reproduced in a consolidated form in the Appendix to the Report.

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

NEW DELHI;
December 1, 1980.
Agrahayana 10, 1902 (S).

CHANDRAJIT YADAV,
Chairman,
Public Accounts Committee.

CHAPTER I

REPORT

1.1. This Report of the Committee deal with the action taken by Government on the conclusions/recommendations of the Committee contained in their 129th Report (6th Lok Sabha) presented to the Lok Sabha on 26th April, 1979, on paragraphs 24 and 2 of the Advance Report of the Comptroller and Auditor General of India for the year 1976-77, Union Government (Civil) regarding purchase of bituman—strengthening and lengthening of Mohanbari runway relating to Ministry of Tourism, and Civil Aviation and Ministry of Works and Housing, and cash assistance for export of transmission line towards relating to Ministry of Commerce.

1.2. Action Taken Notices in respect of all the conclusions or recommendations contained in the Report have been received from the Government and these have been categorised as follows:

- (i) Conclusions or Recommendations that have been accepted by Government:
Sl. Nos. 3, 7 and 9.
- (ii) Conclusions or Recommendations which the Committee do not desire to pursue in view of the replies received from Government:
Sl. Nos. 2, 5, 6 and 8.
- (iii) Conclusions or Recommendations replies to which have not been accepted by the Committee and which require reiteration:
Sl. No. 1, 4.
- (iv) Conclusions or Recommendations in respect of which Government have furnished interim replies:
Nil.

1.3. The Committee will now deal with the action taken by Government on some of their recommendations.

Procurement of Bitumen (Paragraph 1.56, Sl. No. 1)

1.4. Commenting on the hasty action of the officers concerned in placing orders for bitumen for special repair to Mohanbari

runway, the Committee in above paragraph of the Report had observed as under:—

“The Committee regard the action of the Executive Engineer in placing order for 300 tonnes of bitumen in March 1971 for execution of special repairs to the Mohanbari runway, on the basis of a mere agreement in principle for the execution of work by the DGCA in October 1970 as hasty. Even the revised order placed on the I.O.C. for 1000 tonnes of bitumen in December, 1971 was premature as by that time only a revised estimate for the work costing Rs. 16.47 lakhs was submitted to DGCA and the sanction therefore was still awaited. Further, a general ban on new works was imposed in August, 1973 and it was applied to this work also. Yet, no initiative was taken at any level to cancel the order for 537 tonnes of 60/70 grade bitumen of the value of Rs. 2.94 lakhs placed earlier and the supplies were received against this order between July and November, 1974. The Committee have taken adverse notice of these lapses on the part of the officers concerned and would like Government to suitably communicate the displeasure of the Committee to the officers concerned.”

1.5. In their reply dated 22nd November, 1979 the Ministry of Works and Housing have stated:

“The Committee have regarded the action of the Executive Engineer in placing order for 300 tonnes of bitumen in March, 1971 and also in placing revised order on the I.O.C. for 1000 tonnes of bitumen in December, 1971 as hasty. Such bitumen reached the site between May, 1972 to Dec. 1972. Sanction to the estimate amounting to Rs. 68.70 lakhs was accorded by the Government in December, 1972. Tenders were received in June, 1973 but the ban on expenditure on new works was imposed by the Government in August, 1973. The fact, therefore, remains that if such a ban had not been imposed, there would have been delay in actual commencement of the work after it was sanctioned if no supply order was placed in December, 1971, since bitumen in those days was in short supply. It is the primary responsibility of the Executive Engineer to ensure that materials required for the works under his jurisdiction are procured well in advance.

Shri D. Patwary was the Executive Engineer who had placed orders for 300 tonnes of bitumen in March, 1971 and also

for 1000 tonnes of bitumen in December, 1971. He has since retired from Government service.

Regarding the procurement of 537 tonnes of 60/70 grade bitumen from Dum-Dum, as already stated above, the estimate amounting to Rs. 68.70 lakhs was sanctioned by the Government in December, 1972. With this new sanction, the quantity of bitumen which was already procured in 1972 was not sufficient. A further quantity of 537 tonnes of 60/70 bitumen was, therefore, brought to Mohanbari from Dum-Dum some time between July to November, 1974. Though the ban on new works was imposed by the Government in August, 1973, the decision to transport further bitumen from Dum-Dum to Mohanbari was taken after the DGCA assured in December, 1973 that a sum of Rs. 20.25 lakhs for construction of the airfield at Mohanbari would be made available during the year 1974-75 and desired that the department might complete the formalities for commencing the work. Action for procurement of materials required for the work is also one of the formalities to be completed for commencing the work. Under the circumstances it was not possible for CPWD to cancel the order for 537 tonnes of 60/70 grade bitumen placed earlier, which was already available in departmental store at Dum Dum. However, no fresh bitumen was received after September/November, 1974, when it was finally known that the work was not to be taken up."

1.6. At the instance of the Committee, the Ministry of Tourism and Civil Aviation have furnished the following note vide their O.M. No. 4-4/79-FI dated 3 June, 1980 clarifying the position further in regard to the assurance given by DGCA to CPWD that a sum of Rs. 20-25 lakhs for construction of airfield at Mohanbari would be made available during 1974-75:

"A copy of the D.O. No. AV.200014/30/71-ARII(P) dated the 27.12.1973 from late Shri A. K. Sarkar, Dy. Director General, addressed to Shri C. A. Shyam Sunder, Superintending Engineer, Assam Central Circle CPWD, Gauhati is enclosed. It will be seen that in December, 1973 DGCA intimated to the CPWD that a sum of Rs. 5.00 lakhs was allotted during the year 1973-74 and a further provision of Rs. 20.00 lakhs was made in the Budget Estimates for 1974-75. It was also stated in that letter that necessary action might be taken

to complete the formalities so that the work could be taken up in March, 1974.

It is not clear from the record as to at what level the decision as indicated in the D.O. letter dated 27-12-1973 referred to above was taken. The said D.O. letter was written by the Deputy Director General of Civil Aviation.

The basis on which the Dy. DGCA wrote the said D.O. letter is not clear from the record. It may, however, be stated that the ban was subsequently extended for the year 1974-75 also *vide* Ministry of Finance O.M. No. 5(1)/PF-II/74 dated 23.1.74."

D.O. No. AV. 20014/30/71-ARII(P) dated 27.12.1973 from Shri A. K. Sarkar, Deputy Director General, DGCA to Shri C.A. Shyam Sunder, S.E. Assam Control Circle, CPWD, Gauhati.

"Please refer to your letter No. 23(8)/73-ACC dated the 20th December, 1973, regarding strengthening of the runway of Mohanbari airfield.

A sum of Rs. 5 lakhs has already been allotted for the strengthening of the runway at Mohanbari during the current financial year. A provision has also been made for Rs. 20 lakhs for this work during the year 1974-75. You are, therefore, advised that necessary action may please be taken immediately to complete the formalities so that the work can be taken up in March, 1974 at the latest. In fact, as already intimated to you, this department is not in a position to allocate further funds according to your requirement during the current financial year provided you give a guarantee that the sum so allocated will definitely be spent during the present year. I shall be awaiting telegraphic confirmation from you in this regard indicating the sum so required."

1.7. From the reply of the Government it is clear that even though the ban on expenditure on new works was enforced in August 1973, a further quantity of 537 tonnes of bitumen (value: Rs. 2.94 lakhs) was brought from Store-cum-Aviation Division, Dum-Dum to Mohanbari between July and November, 1974. The Ministry of Works & Housing have stated that "the decision to transport further bitumen from Dum-Dum to Mohanbari was taken after the DGCA assured in

December, 1973 that a sum of Rs. 20—25 lakhs for construction of airfield at Mohanbari would be made available during 1974-75 and that the department might complete formalities for commencing the work." The Committee note that this assurance was conveyed by Deputy DGCA through a D.O. letter to CPWD in December, 1973. According to the Ministry of Tourism & Civil Aviation, the level at which this decision was taken and the basis on which Dy. DGCA wrote this D.O. letter is not clear from the record. Later, in September, 1974, the DGCA informed the Chief Engineer, CPWD that the work had not been approved by the Ministry due to financial stringency.

The Committee must, however, point out that the assurance given by the Dy. DGCA to the CPWD in December, 1973 regarding availability of funds for carrying out the repairs to the runway at Mohanbari, without first ascertaining whether the funds had actually been sanctioned, was imprudent and resulted in avoidable expenditure on transportation as also loss on account of leakage and deterioration in the quality of bitumen due to effect of weather.

Utilisation of Bitumen (Paragraph 1.59, Sl. No. 4)

1.8. While observing that substantial quantity of bitumen procured for the Mohanbari Airport and lying in stores for the last 5-6 years had deteriorated in quality due to weather effect and the stored material was also an easy prey to pilferage and misappropriation, the Committee had, in paragraph 1.59, recommended as under:

"There is no gainsaying the fact that substantial quantity of bitumen procured for the Mohanbari airport and lying in stores for the last 5-6 years has deteriorated in quality due to weather effect, particularly when it is admitted that the drums are thin and a large number of these have been leaking. The stored material is also an easy prey to pilferage and misappropriation. The Committee would, therefore, like Government to take urgent steps to utilise the material so as to gainfully retrieve as much of it as possible under the circumstances."

1.9. In their reply dated 7th December, 1979 the Ministry of Works and Housing have stated:

“Regarding utilisation of bitumen brought to Mohanbari, the present position is as under:

Sl. No.	Grade of Bitumen	Quantity brought to Mohanbari (in tonnes)	Quantity utilised till July 79 (in tonnes)	Balance lying at Site (in tonnes)
1.	80/100	926	358	568
2.	60/70	537	403	134
	Total :	1463	761	702

During the last working season, 403 tonnes of 60/70 grade bitumen was utilised in the work of strengthening etc., of the runway at Gauhati. The balance quantity of bitumen lying in Mohanbari is less than 50 per cent of what was originally brought at Mohanbari, which is expected to be utilised in the work of strengthening etc. of runway at Mohanbari, which has been sanctioned by the Government recently in June, 1979 *vide* DGCA's Memo No. APA|3-82|254|7 Pt. dated 13th June, 1979 for Rs. 1,38,78,000 (W.O.) plus Rs 13,87,800/- (D.C.).”

1.10. The Ministry of Tourism and Civil Aviation also furnished a reply to this recommendation on 7 July, 1980. The same is reproduced below:

“In regard to the above para it is stated that as per information received from the Chief Engineer (NZ), CPWD, R. K. Puram, New Delhi *vide* his Memo No. 29-43|76-AP (B)-Vol. II dated the 31-8-79, out of 926 M.T. Bitumen of grade 80|100 procured, 358 M.T. has since been transferred to other works and have been actually utilised on various works such as strengthening of the Runway to LCN-40 at Gauhati Works under Shillong Division, and for other miscellaneous maintenance purposes. Out of 537 M.T. Bitumen of 60|70 grade procured, 403 M.T. has been transferred to other work and have been actually utilised for strengthening of runway to LCN 40 at Gauhati. The entire balance quantity of Bitumen of both grades lying at Mohanbari will be utilised at Mohanbari with advantage on the work of extension, strengthening of runway apron and one taxiway to LCN 40 at Mohanbari which work

has since been sanctioned by the Ministry of Tourism and Civil Aviation *vide* their letter No. AP-3|82-84 76-336 VE, SFS|78 dated 5-6-1979 at a total cost of Rs. 153.66 lakhs. The stock verification was actually done by the Assistant Engineer, Mohanbari by counting of drums and there was no discrepancy and verification by weighment could not be done. It has also been stated that there is no financial loss."

1.11. The Committee are informed that out of a total quantity of 1463 tonnes of bitumen, 761 tonnes had been utilised till July 1979. The balance 702 tonnes lying at the site is expected to be utilised in the work of strengthening etc. of runway at Mohanbari which has been sanctioned recently by the Government. The Committee are further informed that there was no financial loss as the stock verification was actually done by the Assistant Engineer, Mohanbari by counting of drums and there was no discrepancy and that verification by weighment could not be done.

1.12. The Committee cannot accept the contention of the Ministry that there was no financial loss. During evidence, the representative of the Ministry of Works and Housing had admitted that "our assessment is that the quantity of leakage would be of the order of 5 per cent." As regards the number of drums which were leaking, he had stated: "We will not be able to say the exact number. It may be 50 per cent." The Committee would, therefore, like an inquiry to be made at a senior level to find out the extent of leakage of bitumen and the financial loss incurred thereby. The loss due to deterioration in quality, pilferage and misappropriation of bitumen should also be ascertained.

CHAPTER II

CONCLUSIONS OR RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

Bitumen worth Rs. 5.49 lakhs had already been procured by January, 1973. At that stage, to have regarded it as a new work and consequently deny funds therefor on the ground of financial stringency, was in the opinion of the Committee, nothing short of financial imprudence. Either this point was not sufficiently emphasised upon the Ministry of Finance and the Planning Commission by the Ministry of Tourism and Civil Aviation or if it was emphasised, the Ministry of Finance and the Planning Commission were oblivious of the financial loss due to the likely deterioration in the quality of the bitumen already procured for the work and the expenditure involved in storing it for a long time. This is highly regrettable.

[S. No. 3 (Para 1.58) of Appendix IV to 129th Report of
PAC (6th Lok Sabha).]

Action taken

Noted.

[Ministry of Tourism and Civil Aviation O.M. No. 4-4/79-
FI dated 24 November, 1979]

Recommendation

The Committee note that the rate of cash assistance on export of Transmission Line Towers was 20 per cent of f.o.b. realisation from 6.6.1966 to 31.3.1970. Additional assistance of 5 per cent was admissible from 1.3.1968 if an exporter increased his exports beyond a specified level. Assistance of another 5 per cent became admissible from 1.4.1969 on exports to North and South America and New Zealand. With effect from 1.4.1970, the rate of cash assistance was increased from 20 to 25 per cent plus 5 per cent on exports to North and South America and New Zealand. From 1.4.1973, cash assistance was admissible on a sliding scale ranging from 10 to 25 per

cent depending upon the percentage of production exported. Cash assistance on the export of Transmission Line Towers was abolished with effect from 23-2-1974. It was, however, again introduced at the rate of 10 per cent with effect from 1-10-1975. The Ministry of Commerce had admitted to Audit that no cost and f.o.b. realisation study was made before deciding the reintroduction of cash assistance on the export of this item as the decision was not related to the principles of marginal costing alone". It was maintained that the cash assistance was reintroduced w.e.f. 1-10-1975 "as a promotional measure taking into account the various factors, such as export prospects, production capability in the country, the competitive strength of our products *vis-a-vis* the international prices, and other relevant factors." The new criteria applied for the sanction of cash assistance for export had, it was stated, the approval of the Cabinet Committee on exports. The Ministry have stated that the decision was taken "in the context of acute foreign exchange shortage obtaining in the country" and on the consideration that "a detailed examination of financial aspects namely, marginal costing and trend in f.o.b. realisation of a large number of engineering products would have taken a long time and defeated the very purpose for which the reintroduction (of cash assistance) was resorted to." the Committee observe that many of the new criteria are in the nature of general assessments in which subjective considerations are more, likely to play a dominant part. In the absence of any quantifiable basis for the grant of cash assistance, the decision for the grant of assistance at a certain rate for the export of any particular commodity is incapable of any scrutiny. Such a situation, particularly where the decisions involve huge expenditure from the public exchequer and the beneficiaries are the businessmen and industrialists (c.f. Para 2.23, 2.24 and 2.30 of this report) is fraught with considerable danger lest the process may not degenerate) into *ad hoc* decisions based on extraneous factors and dubious considerations. The Committee, therefore, suggest that the new criteria evolved and being applied for the grant of cash assistance for the export of goods should be reviewed at the highest level in the light of the shortcomings and defects pointed out by this Committee.

[S. No. 7 Appendix IV Para 2.75 of Hundred and Twenty Ninth Report]

Action taken

The observations of the Committee have been noted.

On the basis of the recommendations of the Alexander Committee, Government have adopted new principles for selection of

items for cash compensatory support and determination of the rates thereof, for the period from 1.4.1979 onwards. Broadly speaking these principles are:

- (i) Neutralisation of the handicaps encountered by exporters in the shape of (a) indirect taxes, including sales tax on inputs imported or domestically purchased that remain unrefunded after duty drawback. (b) Higher rate of interest payable in India on working capital on export production etc. (c) Higher cost of capital goods etc.
- (ii) The nature of industry producing the item—whether small scale and cottage sector etc.
- (iii) Labour-intensive and selected agriculture based products.
- (iv) Cost of entry into the new markets.
- (v) Cost of development of new products.

The basic principle, for grant of cash compensatory support is to remove the disadvantages suffered by Indian exporters vis-a-vis their competitors abroad.

In the light of the new principles, detailed information and data were collected on various commodities from the concerned Export Promotion Councils and other such bodies. On the basis of the analysis of the data thus received new rates of cash compensatory support for various commodities were determined and announced in most cases for three years with effect from 1-4-79. These rates, however, will be subject to periodic reviews as per decision of the Cabinet.

[Ministry of Commerce and Civil Supplies (Deptt. of Commerce)
O.M. No. 5(88)/79-E.P. (Engg.) dated 3 April, 1980]

Recommendation

The Committee further note that all the export incentives available for general exports including cash compensatory support of 10 per cent was, w.e.f. 7-1-1970, extended to supplies made by Indian firms to International Development Association (IDA) aided projects in India "provided the orders were won by them in the context of global tenders." It is stated that this decision was taken "with a view to ensure that the Indian industry manufacturing the various types of products required by the State Electricity Boards for their projects was not plughed under by competition from better organised manufacturers abroad." The

Committee were subsequently informed that before taking such a decision, Government did not care to ascertain from the Electricity Boards whether Indian suppliers of the products required by the State Electricity Boards were actually facing any competition from foreign manufacturers. Audit has pointed out that although global tenders had been invited in all cases of Transmission Line Towers supplies for the IDA aided projects, no bid was received from any foreign country. Viewed in the context of other concessions extended to Indian suppliers for IDA aided projects, the extension of cash export assistance to them appears to the Committee highly irregular. Worse still, while extending the operation of the scheme from time to time, no separate review was made as to the justification for its continuance and an omnibus decision was taken on an *ad-hoc* basis. This enabled the Indian suppliers of Transmission Line Towers to earn profits quite out of proportion to their cost of production as can be seen from Appendices II and III of this report. The Committee desire that the justification of continuing the application of incentive schemes for export of Transmission Line Towers to the supply of this item for IDA aided projects in India should be fully gone into at the time of deciding its further continuance.

[S. No. 9 Appendix IV Para 2.77 of Hundred and Twenty Ninth Report]

Action Taken

It was in 1972 that a decision was taken at the highest level that supplies made against contracts for Projects financed by loan assistance from International Financial Institutions like World Bank and IDA will be treated as deemed exports and that these supplies will be entitled to full export benefits. Although the original decision was taken in the context of projects undertaken by State Electricity Boards, the decision was applicable to all types of projects financed by World Bank/IDA.

The Committee's recommendation that justification for continuance of the incentive scheme for export on these supplies should be fully gone into has been noted. The Ministry of Commerce has already initiated in exercise for reviewing the justifications for continuing this facility to supplies made within India against International Development Association/World Bank aided projects. A final decision based on the review is expected to be taken soon.

[Ministry of Commerce and Civil Supplies (Deptt. of Commerce)
O.M. No. 5(68)/79—E.P. (Engg.) dated 3 April, 1980]

CHAPTER III

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

Recommendation

The Committee find that the administrative approval and expenditure sanction for the work costing Rs. 68.70 lakhs was accorded by the Ministry of Tourism and Civil Aviation in December 1972. Thereafter, CPWD took nearly seven months (January to July 1973) to invite the tenders. The Committee consider the time taken by the CPWD as too long. The Committee would like the C.P.W.D. to re-examine its procedure of work so as to cut scope for delays in inviting of tenders and award of work to contractors.

[S. No. 2 (Para 1.57) of Appendix IV to 129th Report of PAC
(6th Lok Sabha)]

Action Taken

Regarding delay in invitation of tenders, it may be stated that:—

- (i) sanction to the estimate amounting to Rs. 68.70 lakhs was accorded by the Government in December, 1972.
- (ii) Detailed estimate was submitted by the SSW (Avn.) CPWD New Delhi on 20-1-73 to the Chief Engineer (Eastern Zone) CPWD Calcutta for accord of technical sanction.
- (iii) Detailed estimate was technically sanctioned by the Chief Engineer (Eastern Zone) CPWD Calcutta on 13-3-73.
- (iv) N.I.T. was approved by the Chief Engineer (Eastern Zone) CPWD Calcutta on 3-5-73.
- (v) N.I.T. was sent to the Executive Engineer by the Superintending Engineer on 13-5-73.
- (vi) Notice for release of tenders was finalised by the Executive Engineer in May 1973 for advertisement in the Press during June 1973.

From the above, it will be seen that CPWD took nearly six months (January to June, 1973) to invite the tenders. Considering

the volume of work, it is felt that time taken by CPWD in invitation of tenders cannot be said to be too long and there may not be any scope to reduce this time gap further.

[Ministry of Works & Housing O.M. No. 4-4/79-FI dated 22 November, 1979]

Recommendation

"As Mohanbari airport had become unserviceable, the nearby defence airport at Chabua is being used for civilian air traffic for the last 5-6 years. This arrangement, particularly in a sensitive area so close to the international border, is fraught with danger from the point of view of national security. The Committee are at a loss to understand as to how this strategic need for an alternative serviceable airport in the area came to be neglected and the existing facilities allowed to languish for want of funds for so long. The Committee consider that the work on renovation of the Mohanbari airport deserves priority."

[S. No. 5 (Para 1.60) of Appendix IV to 129th Report of PAC (6th Lok Sabha)]

Action Taken

An estimate of expenditure amounting to Rs. 1.52 crores was sanctioned by Government on 1-6-79 for strengthening and lengthening the runway and strengthening and widening the associated pavements to make the aerodrome suitable for regular operations with Boeing 737 aircraft. The development of Mohanbari aerodrome could not be accorded priority earlier due to financial constraints and also due to the fact that the IAF permitted civil air services from Chabua. However, facilities like the radio navigation and air-safety services continued to be available at Mohanbari aerodrome which is continuously used by IAF for their operations. Only the runway and the associated pavements were not fit enough to permit regular operations with bigger aircraft like HS-748 or F. 27 or Boeing 737. The strategic need for having an alternative serviceable aerodrome in the area is one which is to be taken care of by the Defence authorities and they have other airfields of their own in the area. They merely stated that Chabua airfield could not be permitted for use by Civilian aircraft permanently. They did not ask the Civil Aviation Department to develop Mohanbari aerodrome to serve as an alternative aerodrome in this strategic area.

[Ministry of Tourism and Civil Aviation O.M. No. 4-4/79-FI dated 13 June, 1980]

Recommendation

The Committee had desired from the Ministry of Tourism and Civil Aviation information regarding aerodromes owned by the Civil Aviation Department which are not being used either by Defence or Civil Aviation and the dates from which they have fallen in disuse and the expenditure incurred on them yearwise since that date. The Ministry of Tourism and Civil Aviation have, instead of giving a pointed reply stated that some aerodromes have been continuously in use by scheduled or non-scheduled operations, some as alternative stand-by aerodromes for night-mail service (which have since stopped) and some are used by flying clubs aircraft for cross-country flights etc. They have further stated that in many cases it may not be possible to obtain exact information due to old records having been destroyed. It is regrettable that the Ministry of Tourism and Civil Aviation should be unable to furnish to the Committee such basic information.

[S. No. 6. (Para 1.61 of Appendix IV to 129th Report of PAC
(6th Lok Sabha)]

In regard to the above para it is reiterated that we have 85 aerodromes under the control of D.G.C.A. as per list already furnished. 82 of these aerodromes have been listed in the Aeronautical Information Publication (AIP) India, which are open for public use subject to conditions published or notified in the NOTAH (Notice to airman). The operational status of each of these aerodromes is given in the Aerodrome and Ground Aid portion of the Aeronautical Information Publication. The availability of these aerodromes falls under the following categories:—

- (i) Open for 24 hours' use.
- (ii) Available from sunrise to sunset.
- (iii) Open to meet operational requirement.
- (iv) No specified working hours.

The airfields listed under 'No specified working hours' are available on request for use by aviators. Therefore, as long as these aerodromes are listed in the A.I.P., their status is operational even if no flight operates. In an emergency a pilot makes for the nearest airfield and those listed in the AIP, are for the choice of the pilot.

As regards the remaining three aerodromes, viz. Barapani, Jogbani and Hassan which are not listed in the AIP, they are also

available for public use on request, although not officially notified. Notification regarding these are under issue.

However, it is submitted that we have leased out the following aerodromes to Food Corporation of India for storage of their food-grains, etc. for which the NOTAMS have already been issued (copies enclosed).

Cuddapah	(Closed to all operations w.e.f. 24.3.1976)
Rajamundry	-Do-
Warrangal	(Closed for operations w.e.f. 13-4-1976).
Tanjore	(Closed for all operations w.e.f. 3-11-1976).
Lalitour	(Closed for aircraft operations w.e.f. 19-3-1977).

The operational utility of these aerodromes has temporarily been suspended and can be made available for use in case these are properly maintained. However, the expenditure on the above aerodromes is given below:—

Name of the Aerodrome	Expenditure incurred departmentally			Expenditure Incurred by C.P.W.D.			Remarks
	1976	1977	1978	1976	1977	1978	
1. Cuddapah	25,255	25,344	26,213	Still awaited from CPWD
2. Rajam ndry	15,223	15,875	16,733	Do.
3. Warrangal	53,828	41,410	32,082	42,000	29,140	19,287	Do.
4. Tanjore	34,039	24,683	1,538			..	Do.
5. Lalitp r	—	*	23,997			11,200	*Awaited from RD Delhi.

[Ministry of Tourism and Civil Aviation O.M. No. 44-79-FI
datel 13 June, 1980]

TRUE COPY

- G128/77 19-3-77 : Lalitpur WIE airfield not available for aircraft operations.
- G117//76 24-3-76 : VOMM FIR Cuddapah and Rajamundry aerodromes closed to all operations WIE and UFN.
- G376/76 3-11-76 : Tanjore land aerodrome closed for all operations WIE and UFN—03110805.
- G147/76 13-4-76 : Warrangal runway 09/27 closed for operations.

Recommendation

So far as the viability of the decision taken by the Ministry of Commerce to reintroduce the scheme of Cash Assistance for export of Transmission Line Towers is concerned it has been stated that Transmission Towers was "identified" as commodity for which reintroduction of cash compensatory support was "eminently called for." The supporting case was made out by citing figures which showed a declining trend in exports during the period (October 1974 to September 1975) following the withdrawal of cash support in February 1974. The Audit paragraph has, however, pointed out the following facts which vitiate the fairness of the decision of the Ministry:

- (i) The Ministry of Commerce had relied on the figures showing a decline in exports from Rs. 134.78 lakhs during April-September 1974 to Rs. 112.42 lakhs during October 1974—March 1975. Audit has, however, pointed out that according to the export statistic published by the DGCIS, during the same period quantity-wise the exports had actually increased (from 3952 tonnes during April-September 1974 to 4264 tonnes during October 1974—March 1975). In regard to the discrepancy, the Ministry of Commerce have stated that "it has not been possible for us to reconcile the figures obtained from the individual exporters and those published by DGCIS."
- (ii) The export figures cited which showed a declining trend were for exports contracted for during the period when cash assistance was available.
- (iii) Even after the cash assistance was withdrawn in February 1974, the overall exports of Transmission Line Towers increased from Rs. 1.27 crores in 1973-74 to Rs. 2.47 crores in 1974-75.
- (iv) The net Joint Plant Committee (JPC) prices (excluding excise duty since duty drawback was admissible) at which steel (which constituted the bulk of the raw material requirement) was being supplied to exporters from April 1973 onwards were consistently far lower than the international prices of steel, giving them a price advantage varying from Rs. 267 to Rs. 1078 per tonne of Transmission Line Towers.

- (v) The average f. o. b. unit value per tonne realised on exports was consistently rising and the rise was maintained even during the period following the withdrawal of cash assistance. It rose from Rs. 1936 in 1973-74 to Rs. 3009 in 1974-75. In the first half of 1975-76, i.e. upto September 1975, the average unit value realised was Rs. 4020 per tonne. Further a test check conducted by Audit had revealed still higher f. o. b. unit value obtained in respect of export contracts entered into by some major exporters during the period September 1974 to September 1975.
- (vi) A test check conducted by Audit of the production returns of the major manufacturer-exporters of Transmission Line Tower showed that the average ex-factory value loss duty drawback had left, with reference to the average f. o. b. unit value realisation of Rs. 4020 per tonne, a sufficient profit margin with the manufacturer-exporters. (c.f. Paras 2.24 and 2.29).

The Committee also note that when reintroduced in October 1975, the cash assistance for export of Transmission Line Towers was sanctioned initially for the period upto 31-3-1976 only. This concession was extended from time to time on an *ad-hoc* basis. That while extending this concession beyond March 1976, the Ministry had not gone into the economic justification therefore, is evident from the data given in the Audit paragraph on f. o. b. unit value realisation from exports and average ex-factory cost relating to this period which indicates the availability of a reasonable margin of profit for the manufacturer-exporters. (c.f. paras 2.63 to 2.65 of this report).

The forgoing facts amply prove that the cash compensatory support for export of Transmission Line Towers was reintroduced with effect from October 1975 without adequate examination of its justification and that in taking the decision the Government relied largely on the case built up and the data supplied by the manufacturer-exporters without bothering to cross-check it from other data collecting agencies inside or outside Government. Once it was introduced in October 1975, the decisions for its continuance from time to time were also taken on *ad-hoc* basis without at any stage going into the justification for its continuance. The gravity of the lapse can be gauged by the fact that on export of Transmission Line Towers during October 1975 to April 1977, the cash compensatory support alone works out to Rs. 1.27 crores. This is highly

deplorable. The Committee would like Government to review the various incentives including cash compensatory support available for export of Transmission Line Towers and see whether these are fully justified by unimpeachable data.

[S. No. 8 Appendix IV, Para 2.76 of Hundred & Twenty Ninth Report]

Action Taken

The Committee has pointed out that Government has granted Cash Compensatory Support without adequate justification and had relied on a case built up with data furnished by the manufacturer-exporter. Further the decision to continue the Cash Compensatory Support without at any stage going into the justification for its continuation is highly deplorable. As already pointed out to Audit the re-introduction of cash assistance was done as a promotional measure taking into account the factors such as export prospects, production capability in the country, the acute foreign exchange shortage, the competitive strength of our products *vis-a-vis* the international prices, etc. It may also be stated that the decision to continue Cash Compensatory Support from time to time without analysing the cost data etc. was taken not only for Transmission Line Towers alone but other engineering goods and other commodities as well. However, on the recommendation of Dr. Alexander Committee on Import-Export Policies and Procedures, new guidelines for determining the Cash Compensatory Support had been drawn.

New rate of cash compensatory support effective from 1-4-1979 on export of various engineering goods including Transmission Line Towers (TLT) have been announced. The rates have been fixed on the basis of new criteria which were evolved on the recommendations of the Alexander Committee. Brief details of the principles on the basis of which the rate of cash compensatory support is determined are given in reply to para 2.75.

Based on the new criteria, the cost data received from manufacturers/exporters of Transmission Line Towers through the Engineering Export Promotion Council were examined and a rate of 10 per cent, *i.e.* the same rate available till 31-3-1979, was recommended *w.e.f.* 1-4-1979 for a period of three years. This rate is, however, subject to periodic review.

As per Cabinet directive, it has also been decided that a special Cell will be set up in the office of the C.C.I.&E. for the purpose of

undertaking price analysis, monitoring of export for which Cash Compensatory Support is being given with particular reference to f.o.b. realisation, analysis of the implication of tariff and cash compensatory support etc. The data to be collected by this Cell will assist the Cash Assistance Review Committee to review cash compensatory support rates from time to time.

In the meantime, the Ministry has taken steps to review the cash compensatory support in response to the observation made by the Committee.

[Ministry of Commerce and Civil Supplies (Deptt. of Commerce)
O.M. No. 5(68)/79-E.P. (Engg.) dated 3 April, 1980]

CHAPTER IV

CONCLUSIONS OR RECOMMENDATIONS REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation

The Committee regard the action of the Executive Engineer in placing order for 300 tonnes of Bitumen in March 1971 for execution of special repairs to the Mohanbari runway, on the basis of a mere agreement in principle for the execution of work by the DGCA in October 1970 as hasty. Even the revised order placed on the I.O.C. for 1000 tonnes of bitumen in December 1971 was premature as by that time only a revised estimate for the work costing Rs. 16.47 lakhs was submitted to DGCA and the sanction therefor was still awaited. Further, a general ban on new works was imposed in August 1973 and it was applied to this work also. Yet, no initiative was taken at any level to cancel the order for 537 tonnes of 60/70 grade bitumen of the value of Rs. 2.94 lakhs placed earlier and the supplies were received against this order between July and November 1974. The Committee have taken adverse notice of these lapses on the part of the officers concerned and would like Government to suitably communicate the displeasure of the Committee to the officers concerned.

[S. No. 1 (Para 1.56) of Appendix IV to 129th Report of PAC
(6th Lok Sabha)]

Action Taken

The Committee have regarded the action of the Executive Engineer in placing order for 300 tonnes of bitumen in March, 1971 and also in placing revised order on the I.O.C. for 1000 tonnes of bitumen in December, 1971 as hasty. Such bitumen reached the site between May, 72 to December, 72. Sanction to the estimate amounting to Rs. 68.70 lakhs was accorded by the Government in December, 1972. Tenders were received in June, 1973 but the ban on expenditure on new works was imposed by the Government in August, 1973. The fact, therefore, remains that if such a ban had not been imposed, there would have been delay in actual commencement of the work after it was sanctioned if no supply order was

placed in December, 1971, since bitumen in those days was in sort supply. It is the primary responsibility of the Executive Engineer to ensure that materials required for the works under his jurisdiction are procured well in advance.

Shri D. Patwary was the Executive Engineer who had placed orders for 300 tonnes of bitumen in March, 1971 and also for 1000 tonnes of bitumen in December, 1971. He has since retired from Government service.

Regarding the procurement of 537 tonnes of 60/70 grade bitumen from Dum Dum, as already stated above, the estimate amounting to Rs. 68.70 lakhs was sanctioned by the Government in December, 1972. With this new sanction, the quantity of bitumen which was already procured in 1972 was not sufficient. A further quantity of 537 tonnes of 60/70 bitumen was, therefore, brought to Mohanbari from Dum Dum some time between July to November, 1974. Though the ban on new works was imposed by the Government in August, 1973, the decision to transport further bitumen from Dum Dum to Mohanbari was taken after the DGCA assured in December, 1973 that a sum of Rs. 20—25 lakhs for construction of the airfield at Mohanbari would be made available during the year 1974-75 and desired that the department might complete the formalities for commencing the work. Action for procurement of materials required for the work is also one of the formalities to be completed for commencing the work. Under the circumstances it was not possible for CPWD to cancel the order for 537 tonnes of 60/70 grade bitumen placed earlier, which was already available in departmental store at Dum Dum. However, no fresh bitumen was received after September/November, 1974, when it was finally known that the work was not to be taken up.

[Ministry of Works and Housing O.M. No. 4-4/79-FI dated
22 November, 1979]

Further reply

A copy of the D.O. No. AV. 20014/30/71-ARII(P) dated the 27-12-1973 from late Shri A. K. Sarkar, Dy. Director General, addressed to Shri C. A. Shyam Sunder, Superintending Engineer, Assam Central Circle CPWD, Gauhati is enclosed (Annexure). It will be seen that in December, 1973 DGCA intimated to the CPWD that a sum of Rs. 5.00 lakhs was allotted during the year 1973-74 and a further provision of Rs. 20.00 lakhs was made in the Budget Estimates for 1974-75. It was also stated in that letter that

necessary action might be taken to complete the formalities so that the work could be taken up in March, 1974.

It is not clear from the record as to at what level the decision as indicated in the D.O. letter dated 27-12-73 referred to in (1) above was taken. The said D.O. letter was written by the Deputy Director General of Civil Aviation.

The basis on which the Dy. DGCA wrote the said d.o. letter is not clear from the record. It may, however, be stated that the ban was subsequently extended for the year 1974-75 also *vide* Ministry of Finance O.M. No. 5(1)/PF-II/74 dated 23-1-1974.

[Ministry of Tourism and Civil Aviation O.M. No. 4-4/79-FI
dated 3 June, 1980]

ANNEXURE

No. AV. 20014/30/71-ARII(P)

Dated, New Delhi, the 27-12-1973

Dear Shri Shyam Sunder,

Please refer to your letter No. 23(8)/73-ACC dated the 20th December, 1973, regarding strengthening of the runway of Mohanbari airfield.

2. A sum of Rs. 5 lakhs have already been allotted for the strengthening of the runway at Mohanbari during the current financial year. A provision has also been made for Rs. 20 lakhs for this work during the year 1974-75. You are, therefore, advised that necessary action may please be taken immediately to complete the formalities so that the work can be taken up in March, 1975 at the latest. In fact, as already intimated to you, this department is now in a position to allocate further funds according to your requirement during the current financial year provided you give a guarantee that the sum so allocated will definitely be spent during the present year.

3. I shall be awaiting telegraphic confirmation from you in this regard indicating the sum so required.

Yours sincerely,

Sd/- A. K. Sarkar.

Shri C. A. Shyam Sunder,
Superintending Engineer,
Assam Central Circle, CPWD,
Gauhati-21.

Recommendation:

There is no gain saying the fact that substantial quantity of bitumen procured for the Mohanbari airport and lying in stores for the last 5-6 years has deteriorated in quality due to weather effect particularly when it is admitted that the drums are thin and a large number of these have been leaking. The stored material is also an easy prey to pilferage and mis-appropriation. The Committee would, therefore, like Government to take urgent steps to utilise the material so as to gainfully retrieve as much of it as possible under the circumstances.

[S. No. 4 (Para 59) of Appendix IV to 129th Report of PAC
(6th Lok Sabha)]

Action taken**(i) Ministry of Works and Housing**

Regarding utilisation of bitumen brought to Mohanbari, the present position is as under:

Sl. No.	Grade of Bitumen	quantity brought to Mohanbari (in tonnes)	quantity utilised till July 79 (in tonnes)	Balance lying at Site (in tonnes)
1.	80/100	926	358	568
2.	60/70	537	403	134
	Total	1463	761	702

During the last working season, 403 tonnes of 60/70 grade bitumen was utilised in the work of strengthening etc., of the runway at Gauhati. The balance quantity of bitumen lying in Mohanbari is less than 50 per cent of what was originally brought at Mohanbari, which is expected to be utilised in the work of strengthening etc. of runway at Mohanbari, which has been sanctioned by the Government recently in June '79 vide DGCA's Memo No. APA/3-82/254/7 Pt. 13-6-79 for Rs. 1,38,78,000 (M.O.) Plus Rs. 13,87,800/- (D.C.),

[Ministry of Works and Housing O.M. No. 12011/4/79-WZ dated 7 December, 1979]

(ii) Ministry of Tourism and Civil Aviation

In regard to the above para it is stated that as per information received from the Chief Engineer (NZ), CPWD, R. K. Puram, New Delhi vide his Memo No. 29-43/76-AP(B)-Vol. II dated the 31-8-79 (copy alongwith copy of signal referred to therein enclosed as annexure, out of 926 M.T. Bitumen of grade 80/100 procured, 358 M.T. has since been transferred to other works and have been actually utilised on various works such as strengthening of the Runway to LCN-40 at Gauhati Works under Shillong Division, and for other miscellaneous maintenance purposes. Out of 537 M.T. Bitumen of 60/70 grade procured, 403 M.T. has been transferred to other Work and have been actually utilised for setrengthening of runway to LCN 40 at Gauhati. The entire balance quantity of Bitumen of both grades lying at Mohanbari will be utilised at Mohanbari with advantage on the work of extension, strengthening of runway appron and one taxiway to LCN 40 at Mohanbari which work has since been sanctioned by the Ministry of Tourism and Civil Aviation vide their letter No. AP-3/82-84/76-336-VE, SFS/78 dated the 5-6-79 at a total cost of Rs. 153.66 lakhs. The stock verification was actually done by the Assistant Engineer, Mohanbari by counting of drums and there was no discrepancy and verification by weighment could not be done. It has also been stated that there is no financial loss

ANNEXURE

Copy of Memo No. 29-43/76-AP(B)-Vol. II dated 31-8-79 from the Chief Engineer (NZ), CPWD, R. K. Puram, New Delhi addressed to Shri P. K. Ramachandran, DDG(P) O/O the D.G.C.A., New Delhi.

Subject:—Para 24 and 2 of the audit report for 1976-77

DDG(P) wanted me to give a small note on the following two points.

1. Bitumen procured for Mohanbari.
2. Expenditure incurred towards maintenance of Civil Aerodromes not in use.

The same is furnished as below:—

1. As per the information received from the Executive Engineer Assam Aviation Works Division C.P.W.D., Gauhati through signal contained at page 47 of File No. G 25015/2/79-Bud, 926 M.T. bitumen of grade 80/100 was procured. 358 M.T. was transferred to other works. Balance 568 M.T. is available in stock. There has been no loss of bitumen.

537 M.T. bitumen of 60/80 grade was also procured. Out of this 403 M.T. was transferred to other works. Balance in stock is 134 M.T. There was no loss of bitumen.

The balance bitumen available will be utilised, with advantage, on the work of extension, strengthening of runway apron and on taxiway to LCN 40 at Mohanbari sanctioned *vide* No. AP/3-82/84/76/336-BV SFS/78 dated 5-6-79 for Rs. 153.66 lakhs. No financial loss will thus be involved.

2. Regarding the expenditure on Civil Aerodromes not in use, as contained in DGCA's letter No. G. 25015/2/79-Bud, dated 27-7-79, the same is being procured from the Executive Engineers who are in charge of maintaining these aerodromes. They were addressed *vide* this office letter No. 29-46/74-APB. Pt. dated 3-8-79 copy endorsed to the Directorate of Finance and Accounts, D.G.C.A. It is, however, pointed out that CPWD do not maintain the record of maintenance expenditure aerodrome-wise. It may be possible to abstract this information from account records. However, it will be time consuming and may not be forthcoming in number of cases. It may be desirable to bring this fact to the notice of the government. As soon as information is forthcoming from the concerned divisions it will be compiled and sent to D.G.C.A.

Sd/-

(S. C. Goel)
Engineer Officer I,
for Chief Engineer (NZ)

DD VIDDYAAP

AD Gauhati

310944 VEGTYD

GT 19.(.) REF YA551 THI 250955 (.)

FOLLOWING INFORMATION IS RECEIVED FROM THE ASSAM AVN WORKS DIV CPWD GAUHATI(.)

80/100 GRADE BITUMEN PROCURED FOR VEMN 926 MTCMA TRANSFERRED 358 MT LOSS NIL BALANCE 568 M.T.

60/70-GRADE BITUMEN PROCURED FOR VEMEN 537 MT CMA TRANSFERRED 403 MT LOSS NIL BALANCE 134 MT TOTAL BITUMEN PROCURED FOR VEMN 1463 MT CMA TRANSFERRED 761 MT CMA LOSS NIL AND BALANCE 702 M.T.(.)

CHAPTER V

CONCLUSIONS OR RECOMMENDATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

NIL

NEW DELHI;
December 1, 1980.

Agrobhaya 10, 1982 (S).

CHANDRAJIT YADAV,
Chairman,
Public Accounts Committee.

APPENDIX

Statement of Conclusions or Recommendations

Sl. No.	Para No. of the Report	Ministry/Deptt. Concerns	Conclusion or Recommendation
1	2	3	4
I.	1.7	Tourism and Civil Aviation (Works & Housing)	<p>From the reply of the Government it is clear that even though the ban on expenditure on new works was enforced in August 1973, a further quantity of 537 tonnes of bitumen (value: Rs. 2.94 lakhs) was brought from Store-cum-Aviation Division, Dum-Dum to Mohanbari between July and November 1974. The Ministry of Works & Housing have stated that "the decision to transport further bitumen from Dum-Dum to Mohanbari was taken after the DGCA assured in December 1973 that a sum of Rs. 20—25 lakhs for construction of air field at Mohanbari would be made available during 1974-75 and that the department might complete formalities for commencing the work." The Committee note that this assurance was conveyed by Deputy DGCA through a D.O. letter to CPWD in December 1973. According to the Ministry of Tourism & Civil Aviation, the level at which this decision was taken and the basis on which Dy. DGCA wrote this D.O. letter is not clear from the record. Later, in September 1974, the DGCA informed the Chief Engineer, CPWD that the</p>

work had not been approved by the Ministry due to financial stringency.

The Committee must, however, point out that the assurance given by the Dy. DGCA to the CPWD in December, 1973 regarding availability of funds for carrying out the repairs to the runway at Mohanbari, without first ascertaining whether the funds had actually been sanctioned, was imprudent and resulted in avoidable expenditure on transportation as also loss on account of leakage and deterioration in the quality of bitumen due to effect of weather.

2. I. 11 Tourism and Civil Aviation
(Works & Housing)

The Committee are informed that out of a total quantity of 1463 tonnes of bitumen, 761 tonnes had been utilised till July 1979. The balance 702 tonnes lying at the site is expected to be utilised in the work of strengthening etc. of runway at Mohanbari which has been sanctioned recently by the Government. The Committee are further informed that there was no financial loss as the stock verification was actually done by the Assistant Engineer, Mohanbari by counting of drums and there was no discrepancy and that verification by weighing could not be done.

3. I. 12 -do-

The Committee cannot accept the contention of the Ministry that there was no financial loss. During evidence, the representative of the Ministry of Works and Housing had admitted that "our assessment is that the quantity of leakage would be of the order of 5 per

cent." As regards the number of drums which were leaking, he had stated: "We will not be able to say the exact number. It may be 50 per cent. The Committee would, therefore, like an inquiry to be made at a senior level to find out the extent of leakage of bitumen and the financial loss incurred thereby. The loss due to deterioration in quality, pilferage and misappropriation of bitumen should also be ascertained.
