

the first general election was over, the Election Commission constituted a number of election tribunals to deal with election petitions. As soon as they were constituted, some aggrieved persons, aggrieved with the decision of the returning officers, approached the courts, and in some cases they approached the high courts also against the decision of the returning officer. These cases were in regard to the elections, rejection of nomination papers and acceptance of nomination papers. On some grounds or other,—and they were taken to the court. There were various kinds of decisions, but in course of time, practically everything went to either the high courts or the Supreme Court.

The articles which I intend to amend through this amending Bill are those which give a special power to the high courts and the Supreme Court. Article 136 gives over-riding powers to the Supreme Court. I would like to quote it, though hon. Members might be knowing it. It reads like this:

“Notwithstanding anything in this Chapter, the Supreme Court may, in its discretion, grant special leave to appeal from any judgement, decree, determination, sentence or order in any cause or matter passed or made by any court or tribunal in the territory of India.”

Under this article, a large number of cases against the decisions of the returning officers and against *ad interim* orders of the election tribunals were accepted by the Supreme Court. In similar circumstances, the provisions of article 226 give the high courts the power to issue certain writs, and under the provisions of articles 227, the high courts get the power of superintendence over all courts.

We found that the objective of the Representation of the People Act,

1951 in which we have made provisions—the Constitution had made provisions—was to see that the election matters are decided by the Election Tribunals, and the courts having nothing to do with them. But, as I have pointed out, under the provisions of the articles I have just mentioned, they were entertained by the courts. Ultimately, what happened? In some cases it took two or three years before the cases pending before the tribunals were taken to the high court, and it took a long time when a decision was made by the high courts, and it took a long time in the Supreme Court also in cases of appeal under article 136.

Mr. Deputy-Speaker: The hon. Member might continue on the next non-official day. We will now take up half-an-hour discussion.

16.59 hrs.

INDIAN MISSIONS ABROAD*

Mr. Deputy-Speaker: Shri Hem Barua. Other hon. Members will be allowed only to put a question each. No speech.

Shri Hem Barua (Gauhati): I do not want to discuss the political aspects of our diplomatic missions abroad, although it concerns us vitally. I would like to discuss only the financial aspects of the working of these missions abroad, for due to the lack of vigilance on the part of those who are responsible for the work it has resulted in huge losses to our public exchequer.

I would very briefly catalogue the financial irregularities and the lapses committed in some of these missions. I would try to avoid identification of the missions as far as possible. Let me point out that one of our High Commissions purchased four plots of land measuring 10,470 sq. yards at a

*Half-an-hour Discussion.

cost of Rs. 3.03 lakhs. That was in May 1952 for the purpose of constructing the chancery building and other offices. Ground rent at the rate of Rs 2,547 per annum was being paid to the municipal corporation on this account. Subsequently in April, 1955, it was discovered that this land purchased at Rs. 3.03 lakhs in May 1952 for which ground rent at the rate of Rs. 2,547 per annum was being paid to the municipal corporation was considered as unsuitable for the chancery building. I am not concerned about the suitability or otherwise of this particular plot of land, but what I am concerned with is the infructuous expenditure involved in the whole matter.

17 hrs.

The High Commission purchased another plot of land in August 1955 at a cost of Rs. 2.69 lakhs. Remember, Sir, it was in August 1955. In September the same year, the High Commission decided to purchase three buildings and dispose of the land originally purchased in May 1952. But what happened? Unfortunately, this could not be done. The original plot purchased at Rs. 3.03 lakhs could not be disposed of, because a clear title thereto was not obtained by the Mission. As far as I know, that position continues till now.

My question is, why was it that the land that was purchased in 1952 with the definite purpose of constructing our chancery building and offices there was not considered suitable in 1955? The Special Secretary of the Ministry had a very cogent answer to my question. This is what he says:

“Subsequently it was felt that that area was rather too distant to be suitable for chancery and office buildings.”

Why is it that this light did not dawn upon the people when the original purchase was decided upon in 1952 and the land was purchased accordingly? These Buddhas of our diplo-

matic services take an inordinately long time to see light even under the shadow of Mr. Nehru's banyan tree!

Let me point out another instance. In renting premises for residential accommodation, an Indian Mission abroad incurred an extra expenditure of about Rs. 1.58 lakhs over and above the rent paid at the controlled rate according to the local rules for the premises. Besides this, the beauty of the entire episode is that Rs. 40,000 were paid to an intermediary to arrange the transactions. Just see how money is being wasted by our diplomatic missions abroad! In 1956, this mission took on rent two furnished houses for a period of ten years on a monthly rental of Rs. 1,500 and Rs. 650 respectively. But the local controlled rents for these two very houses are Rs. 150 and Rs. 65 respectively!

Shri Joachim Alva (Kanara): Has the hon. Member read the article published today in the *Hindustan Times* about the rackrenting landlords in Delhi?

Shri Hem Barua: I do not bother about that. Do not justify wastage of money by shouting. Two wrongs do not make one right. The extra payment on these houses amounted to Rs. 1.14 lakhs up to March, 1962.

Then I will point out another instance. An expenditure of Rs. 14 lakhs was incurred on purchase and maintenance of furniture during 1961-62. Defects in the maintenance of furniture accounts are mentioned in paragraph 71 of the Audit Report. In as many as 9 Missions stock registers of furniture are not maintained and, according to Audit, it could not be verified if the items of furniture had been brought to account.

Now, may I point out another? When the office of the Deputy High Commissioner at Lahore and the office of the Assistant Commissioner in Hyderabad were closed down in July,

[Shri Hem Barua]

1958, the furniture and other stores were transferred to Karachi. Then what happened? This would be very revealing if I quote from the Public Accounts Committee report of 1962-63. The report says:

"It was noticed during local audit, March, 1961, that a part of the surplus furniture was distributed for safe custody amongst the officers and staff and the rest were stored wherever space was available. The furniture was badly damaged in storage and had eventually been disposed of at a loss the extent of which has not been assessed".

It is also a fact that no proper accounts of those furniture were ever maintained. It is also a fact that no list was prepared at the time of the despatch of this furniture from these two stations, Lahore and Hyderabad, and no list was prepared at the time of the receipt of this furniture in Karachi. But in justification of this what does the Special Secretary say? He says a very fine thing. He says: "It was so because things had to be done in a hurry". You might swallow this profound statement, but I am not here to swallow such a profound statement, that because things were done in a hurry no accounts of furniture were kept.

Now, Sir, the rules require an annual physical verification of furniture and other stores. But it was never done. No physical verification was conducted in as many as 12 Indian Missions abroad, and I am sorry to say that our External Affairs Ministry has never considered it necessary that this should be done. I have the names of these 12 diplomatic missions with me. In Dacca alone because of this gross disregard of the rules and lack of periodic physical verification a total shortage of furniture valued at about Rs. 10,000 was discovered in 1957—please see Audit Report.

All furniture are to be recorded in stock registers distinguished with distinctive marks, and regarding costly items like radio sets, silverware, carpets etc., the record is to be kept in the stock register in detail. May I tell you that in as many as 13 Indian Missions abroad nothing of this sort was ever done? Possibly it was sacrilegious for them to do so. I have all the names with me.

In the maintenance of consular accounts there are grave anomalies and irregularities. The Mission at Karachi, for instance, have not kept any accounts whatsoever of the receipt books which they have received, the receipt books which they have utilized and the balance that is in their possession. Never, anything of that sort was done. Likewise, no proper account of the visa forms issued to the public has been maintained by this Mission. Now, the Special Secretary has offered a plea before the Public Accounts Committee. And what did he say? He said that it could not be done. Due to what? "Owing to the misunderstanding of the rules, no proper accounts of the visa forms sold to the public was kept." This is his argument. Is it not a ridiculous argument to say that there was no proper understanding of the rules, therefore, no account is maintained? And what about the telegram charges? That also is not maintained.

Then I come to misappropriation cases. In one particular Mission, misappropriation of consular fees committed by a single individual amounted to Rs. 11,380, and this fact was mysteriously enough discovered through an accident when investigation was conducted to find out the causes of a fire in a safe in a consular section; it is only then that this particular instance was discovered.

Now, the question is, how is this fraud possible? It is because of the utter lack of supervision on the part of those officers responsible for their

jobs. And I may tell you that as far back as November 1958, Audit pointed it out that the state of the consular accounts in this particular Mission was far from satisfactory. And yet, this state of things was allowed to be continued, and this came to light only through an accident in July 1960. Sir, I will require another five minutes at least.

Mr. Deputy-Speaker: Then it will cease to be a half-an-hour discussion. Three other hon. Members have expressed their intention to put questions.

The Minister of State in the Ministry of External Affairs (Shrimati Lakshmi Menon): Probably, he does not want a reply.

Shri Hari Vishnu Kamath (Hoshangabad): It may be 35 minutes instead of 30 minutes.

Shri Hem Barua: In another Mission, a sum of Rs. 1.54 lakhs was misappropriated—I have the report of the Public Accounts Committee with me here—

Shri Raghunath Singh (Varanasi): We believe what you say. Please do not refer to the report of the Public Accounts Committee.

Shri Hem Barua: A sum of Rs. 1.54 lakhs was misappropriated from July 1960 to September 1960, in the course of barely three months, this was brought to the notice of the External Affairs Ministry in December 1960 and yet it was only in February 1962 that the External Affairs Ministry reported this matter to the Accountant-General, Central Revenues. From 1960 to 1962 the External Affairs Ministry was comfortably sleeping over this scandal.

I would say that drastic action must be taken against all those people who are responsible for irregularities of accounts and financial lapses, because that alone can introduce some element of health into the administration, which it is at present badly lacking.

May I say that at the Mission at Bonn two messengers were entrusted during 1956—59 with the entire work, from obtaining stationery to the stage of getting postal receipts in connection with the despatch of bulletins prepared by this Mission? Now, what happened? In 1959 it was discovered that these two messengers have misappropriated Rs. 62,653 out of the advances given to them from time to time to buy postal stamps.

This might be brushed aside as a minor incident because incidents of this sort occur in our internal administrations also. But I would say that this particular incident pinpoints certain significant facts. One is the utter lack of supervision over years, from 1956 to 1959, making this scandalous state of things possible. Another is that these bulletins that were prepared for a purpose, and the very purpose of the preparation of the bulletins was defeated.

May I submit that our Missions abroad are not noted particularly for their mental and physical alertness in the dissemination of information? I would only cite two instances of two officers only. I shall mention two instances of officers involved in this sort of shady conduct.

An officer of the Indian Foreign Service, drew advances of Rs. 8,000/- and Rs. 61 only in September 1959 and February 1960 respectively towards travelling allowance on his transfer from Ghana to Shanghai. The officer joined work at Shanghai on 25th February, 1960, but did not submit his adjusted travelling allowance bill till January, 1962. If it is not temporary misappropriation what would it be? I would say that it is temporary misappropriation.

Shri Sham Lal Saraf (Jammu and Kashmir): In legal language what is 'temporary misappropriation'?

Shri Hem Barua: Similarly, another officer drew advances of Rs. 7,383|- and Rs. 2,515|- in January 1960 and April 1960 respectively towards travelling allowance on his transfer from Addis Ababa to Bangkok. He joined work at Bangkok on 1st May 1960, but submitted the adjusted travelling allowance bill for Rs. 7,152|- only in March, 1961. The excess advance of Rs. 2,696|- was not refunded by him till March, 1962.

The non-submission of the adjusted bill for a long time is a clear violation of the rules. But who cares for rules? I have only picked up a few instances and placed them before the House, that is, instances of irregularities and all that. I am unhappy particularly to see that the hon. Prime Minister is not here because I expected the hon. Prime Minister to stand up, bang the table and tell us, that "I am thoroughly dissatisfied with the working of some of our Missions abroad particularly in financial matters". The hon. Prime Minister should know that there is something rotten in his State of Denmark and I would urge upon him not to stop at that but to work hard to cleanse our diplomatic stables of the dirt and dross that have accumulated in their portals over years.

Shri Hari Vishnu Kamath: Which is the machinery in the External Affairs Ministry—is it the inspectorate teams which visit the embassies and missions abroad periodically or some other machinery—which brings to the notice of the Heads of Missions abroad the various financial irregularities and other similar malpractices listed by the Public Accounts Committee of Parliament, and during the last five years, or a shorter period if she has got the figures, say for three years, how many officers or members of the staff in our Missions abroad who have been found guilty of irregularities by the Public Accounts Committee have been punished and how many, instead of being punished, have actually been promoted?

Shri D. C. Sharma (Gurdaspur): What is the total amount spent on

these Missions per year and is it a fact that...

Mr. Deputy-Speaker: Only one question.

Shri D. C. Sharma: I am coming to that.

Shri Raghunath Singh: He is copying Shri Hem Barua.

Shri D. C. Sharma: What is the very, very small fraction of the irregularities brought out by Shri Hem Barua in his very magnificent oration? What is the percentage of the irregularities?

Shri Joachim Alva: I do not think I will be able to finish it in one question but I will put it in one sentence if you like.

Mr. Deputy-Speaker: It should be short.

Shri Joachim Alva: Is it not true that work in Africa and South America has increased very much and that we had to spend a lot of money for counteracting the enormous amount of money poured for propaganda by China in Africa?

Secondly, is it not that our UN team that we have sent is smaller than that of many other countries though in accordance with our statute, commercial importance, political importance and other considerations, we should have had a larger UN team? We have sent out the smallest team compared to many other countries including Malaya, the next-door country.

Mr. Deputy-Speaker: We are here concerned with our Missions abroad.

Shri Joachim Alva: I am accounting for the expenditure for 1957-58 which had shot up from 1.8 per cent to 21 per cent in 1961-62.

Thirdly,...

Mr. Deputy-Speaker: Only one question.

Shri D. C. Sharma: Sir, if you give him a chance to put three questions, I would also put three questions.

Shri Joachim Alva: Thirdly, the work of the Commercial Attache has increased very much on account of our increase in exports. We have shown a good progress during the last two or three years. Is it not that you had to increase the expenditure on the Commercial Attaches in order to increase our exports and step up the export promotion work?

Finally....

Mr. Deputy-Speaker: You have not put any question. You are making certain statements.

Shri Joachim Alva: Finally, I want to know from the hon. Minister whether these three types of engagements have not increased the expenditure enormously.

Shrimati Lakshmi Menon: Mr. Deputy-Speaker, Sir, two questions have been posed by the hon. Member. One is, the financial loss incurred by the Government due to the irregularities, like, embezzlement, lack of supervision in the Missions and also improper handling of furniture, etc. The hon. mover did a lot by repeating what is already found in the Public Accounts Committee's report. Nothing new has been said and, therefore, I recommend to the House to go back to the report so that we can....

Shri Hem Barua: I have also said something that is not to be found in the Public Accounts Committee's report.

Shrimati Lakshmi Menon: I will give an answer for those things. It is true that various irregularities have occurred in our various Missions and the reasons are also given by our officers when they were examined by the Public Accounts Committee. The reasons are obvious. To begin with, these Missions were started almost in a hurry immediately after we attained Independence. We did not have adequate number of trained personnel who could

run them in the way the Government of India is run at home. The way the Mission works is quite different from the way the Government at the headquarters works. There is a constant change of personnel and it is very difficult to detect even cases that the hon. Member mentioned till after a lapse of time or till an inspectorate goes there or till the audit takes control of it.

A question was asked by Mr Kamath as to whether there is a machinery for detecting these things. Yes there is one—the Comptroller and the Auditor General of India. He is ultimately responsible for detecting whatever irregularities happen in our Missions.

A question was also asked whether we have punished them or promoted them. Well, I cannot give you the exact number of people involved in it. But I can tell you in the case of the officer who was responsible for the Consul Office in Paris—the House will remember it was detected as a result of fire—he was dismissed from service.

Shri Hari Vishnu Kamath: What happened to him?

Shrimati Lakshmi Menon: He is no longer in service. He has been sent away. He was on probation. He was a probationer, a young man who did not know exactly what he was expected to do. He accumulated money in the Consul Office itself without remitting it to the Bank and when he was to be transferred to India and he needed some money, he thought he would open the safe and take the money and set fire to the rest of the documents. Further to what I have said about the normal established machinery for detecting irregularities, there is the Central audit, the A.G.C.R. Apart from this, we had the system of Foreign Service Inspectorate till 1959 when it was kept in abeyance, and we are now reviving the inspectorate again.

With regard to the other things about properties etc., it is true that in a

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number of cases, infructuous expenditure was involved, as a result of lack of knowledge of local laws or the disability of the Government concerned in giving us the proper paper. For instance, in Karachi the *sanad* was not given, and the regular papers were not handed over to the officer concerned, and the officer concerned was perhaps not aware of the rules etc., and the result was that we were . . .

Shri Hem Barua: What a sad commentary! The officers do not even know the rules, even when huge sums are involved.

Shrimati Lakshmi Menon: Then, a question was asked about the increase in expenditure. As was pointed out the other day, the total increase in expenditure has nothing to do whatever with the irregularities. The irregularities were losses which took place. . . .

Shri Hem Barua: Has any action been taken against the officers concerned?

Shrimati Lakshmi Menon: The question that was asked the other day as well as today is whether the increase in expenditure is really due to the irregularities or due to other reasons. As was pointed out by Shri Joachim Alva, a number of missions have been. . . .

Shri Hem Barua: That was not the subject of debate which I wanted to raise.

Shri Joachim Alva: The question is one of increase in expenditure.

Shri Hem Barua: No, that was not the subject of discussion which I wanted to raise.

Shri Hari Vishnu Kamath: Shri Alva has come to her rescue.

Shri Hem Barua: She has gone off the mark.

Shrimati Lakshmi Menon: As was pointed out the other day, increase in

expenditure has been due to various other reasons, and not as a result of these irregularities. It is true that these irregularities did take place and Government have incurred a lot of loss. Nobody is denying that. The whole thing is described in great detail in the reports of the Public Accounts Committee. Our officers have been examined and they have given the necessary answer. There is no point in repeating it.

But, I would like to say that to say that the Ministry or the Government do not take adequate care is wrong. We are taking adequate care. We learn by mistakes. It is true that these mistakes have occurred as a result of our inexperience, as a result of the special set-up of these missions, where, as I pointed out, there is no continuity and people go on changing, and naturally these things have happened, but we are taking the necessary steps to see that the culprits are punished, that these things do not occur again, and that instructions are issued to our Heads of Missions and to the various officers concerned that proper vigilance is kept so that these things do not occur again at all.

You will notice also that the work of our Missions has increased considerably. They do not only the political or diplomatic work, but they have also got to do educational work; they have also got to do information work; they have also got to do commercial work, and they have also got to do various other things, such as military work, defence work, purchasing work and many other things. . . .

Shri Hem Barua: Does increase of work amount to increase of irregularities also?

Shrimati Lakshmi Menon: As has been pointed out, we did not have enough staff to cope with the expanded work, and naturally these things occurred. But, as I said, every care is taken according to the suggestions

made by the Public Accounts Committee to see that these things do not occur.

Shri Hari Vishnu Kamath: More work means more lapses?

Shrimati Lakshmi Menon: Then, the hon. Member said a lot about furniture. After all, when the missions were closed, the furniture had to be kept somewhere. Everyone of us who has to handle things like furniture knows that if a piece of furniture is kept unused for some time, it decays and its value goes down. So, what happened in Karachi was nothing new. Two missions were closed down, and the furniture had to be shifted somewhere. Some were distributed among the officers, and some were kept in storage, and those that were kept in storage had gone down in price and they were sold.

Shri Hem Barua: But no account of the furniture was maintained.

Shri Raghunath Singh: Were the stock-books kept or not?

Shri Hem Barua: There was nothing of that sort.

Shrimati Lakshmi Menon: Of the 90 missions that we have, the number of defaulting missions is about 12 or 13, and strict instructions have been issued by Government, and quarterly checks or half-yearly checks are being done now according to the instructions given by the Public Accounts Committee; periodic checking of our stock-books is being done. It is true that it was not done in the earlier years, but it is being done now. I want to assure the House that whatever recommendations have been made have been very strictly followed. Of course, there may be lapses, as I said earlier, not deliberately, but as a result of individual mis-handling or individual irregularities, but even these are being looked into.

Then, to say that people are promoted because they committed some offence is....

Shri Hari Vishnu Kamath: In spite of, and not because.

Shrimati Lakshmi Menon: It means the same thing.

Shri Hem Barua: She is very honest in her statement.

Shrimati Lakshmi Menon: They are not promoted. If an officer is found guilty of anything, the whole matter is referred to the UPSC and there is a long procedure. Every care is taken to see that justice is meted out. Therefore, the hon. Member has really no cause for complaint. Perhaps he wanted to focus attention on the working of the missions.

Shri Hari Vishnu Kamath: I will table a separate question on that.

Shri Hem Barua: You have admitted it.

Shrimati Lakshmi Menon: Of course, I admit it.

Shri Hem Barua: That is a great thing.

Shrimati Lakshmi Menon: It is admitted in great detail in the Public Accounts Committee. There is nothing secret about it. I admit everything that he had said, I also want him to know that the Ministry takes every care to see that the recommendations of the Public Accounts Committee are implemented.

17.32 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, September 16, 1963|Bhadra 25, 1885 (Saka).