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HARYANA VIDHAN SABHA

PUBLIC ACCOUNTS COMMITTEE

1968-69

(First Report)

REPORT

ON THE

Appropriation Accounts of the Composite
Punjab Government for the years 1964-65
and 1965-66 and the Audit Reports,
1966 and 1967, in so far as these relate
to areas, now forming part of
the Haryana State



Report Presented on 12.8.69

Vidhan Sabha Secretariat, Chandigarh

March 1969

CHANDIGARH

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE

1968 69

CHARIMAN

- 1 Khan Abdul Ghaffar Khan

MEMBERS

- 2 Shri Bulwant Rai Tayal
- 3 Shri Banarsi Dass Gupta
- 4 Shri Mangal Sen
- 5 Shri Om Parkash Garg
- 6 Shri Partap Singh (Bahadurgarh)
- 7 Shri Raj Singh
- 8 Shri Ram Parkash
- 9 Shri Shanti Prashad

SECRETARIAT

Shri Raj Kumar Malhotra Secretary

INTRODUCTION

1 I the Chairman of the Public Accounts Committee having been authorised by the Committee in this behalf present this their First report on the Appropriation Accounts of the Composite Punjab Government for the years 1964 65 and 1965 66 and the Audit Reports 1966 and 1967

2 As there does not appear to be any likelihood of another Session of the Vidhan Sabha being held before the 31st March, 1969 this report is being presented to the Speaker with the request that he may be pleased to order its printing publication or circulation under rule 246 of the Rules of Procedure and Conduct of Business in the Punjab Legislative Assembly The Report may be presented to the Vidhan Sabha during its next session at the first convenient opportunity

3 The questionnaire on the paragraphs/notes appearing in the Appropriation Accounts and Audit Reports referred to in paragraph I above relating to areas now forming part of the Haryana State were framed and issued by the Public Accounts Committee for the years 1966 67 and 1967 68 Those Committees could not however complete the scrutiny of the Accounts and Audit Reports in question for want of time and, therefore, could not present any Report

4 The Committee for the year 1968 69 undertook the unfinished work of those Committees and also examined the representatives of the Departments concerned

5 A brief record of the proceedings of each meeting of the Committee has been kept in the Haryana Vidhan Sabha Secretariat

6 The Committee also visited the Government Live-Stock Farm, Hissar to have first hand information on the spot This helped the Committee in detailed examination of the Animal Husbandry Department

7 The irregularities pointed out in the Audit Reports 1966 and 1967 relating to the Bhakra Canals Administration Irrigation Department and Haryana State Electricity Board are also left over for examination by the successor Committee as due to non availability of sufficient time the present Committee could not take up this work

8 Besides the questionnaire on a number of paragraphs of the Audit Report, 1967 are yet to be framed by the Committee This work may also be taken up by the successor Committee

9 The action taken by the State Government with regard to the implementation of recommendations/observations contained in the previous reports of the Public Accounts Committee of the Composite Punjab relating to the area now forming part of the Haryana State has been left over to be examined by the successor Committee Such recommendations/observations are contained at Annexure I

10 The Committee place on record their appreciation of the valuable assistance given to them by the Accountant-General (Punjab Haryana and Himachal) and his staff and are thankful to the Secretary to the Government Haryana Finance Department and his representatives and the representatives of various Departments who appeared before them from time to time. The Committee are also thankful to the Secretary Haryana Vidhan Sabha and his staff for their whole hearted co operation and assistance given by them.

KHAN ABDUL GHAFFAR KHAN

Chairman

Chandigarh
The 21st March, 1969

REPORT

I The Public Accounts Committee for the year 1966 67 consisting of five Members including the Chairman was nominated by the Speaker, Haryana Vidhan Sabha under proviso to sub rule (3) of Rule 250 of the Rules of Procedure and Conduct of Business in the Punjab Legislative Assembly on the 9th December 1966 *vide* notification No C B Genl 2/66/9 dated the 12th January 1967 Shri Sita Ram Bagla was appointed Chairman of the Committee. The Committee held three sittings during its tenure. The Committee framed questionnaire on the paragraphs/notes appearing in the Appropriation Accounts of the Composite Punjab State for the year 1964 65 and Audit Report 1966 relating to the Industries Department and Public Works Department (B & R Branch) in so far as these related to Haryana State. The Committee could not examine the representatives of these Departments for want of time due to General Elections etc and therefore, could not present its Report.

II The Public Accounts Committee for the year 1967 68 consisting of eight Members including the Chairman was elected under Rule 250 of the Rules of Procedure and Conduct of Business in the Punjab Legislative Assembly on the 13th June, 1967 and notified, *vide* Haryana Vidhan Sabha Secretariat notification No CB/PAC EC Genl 2/67/46, dated the 27th June 1967. Shri Mangal Sein was appointed Chairman of the Committee. The Committee held 18 sittings during its tenure. The Committee framed the questionnaires on the remaining paragraphs/notes appearing in the Appropriation Accounts of the composite Punjab Government for the years 1964 65 and 1965 66 and the Audit Reports 1966 and 1967 in so far as these related to the Haryana State. The Committee could not complete scrutiny of the replies given by the Departments to the questionnaires and examine the witnesses in respect of the paragraphs/notes appearing in the said Reports except in regard to the Industries Department, the Public Works Department (B & R Branch), Forest Department, Medical Department, Food and Supplies Department and Animal Husbandry Department as the Assembly stood dissolved by the proclamation issued by the President of India under Article 356 of the Constitution on the 21st November 1967.

III The Public Accounts Committee for the year 1968 69 consisting of nine Members including the Chairman was elected under rule 250 of the Rules of Procedure and Conduct of Business in the Punjab Legislative Assembly on the 25th July 1968 and notified *vide* Haryana Vidhan Sabha Secretariat notification No CB PAC EC Genl/68/13 dated the 3rd August 1968. Khan Abdul Ghaffar Khan was appointed Chairman of the Committee. The Committee held 27 sittings after its constitution.

2 The Committee undertook the unfinished work of the Committees for the years 1966 67 and 1967 68 and also examined the representatives of the Animal Husbandry Department, Industries Department, Industrial Training Department, Housing Department, Forest Department and Agriculture Department in respect of paragraphs/notes appearing in the Appropriation Accounts for the years 1964 65 and 1965 66 and the Audit Reports, 1966 and 1967. The Committee also examined the recommendations/observations contained in the various reports of the Public Accounts Committee of the composite Punjab State in so far as

those related to the areas now forming part of the Haryana State as intimated by the Punjab Vidhan Sabha Secretariat *vide* their letter No FCB/PAC-47 66/23251, dated the 2nd November, 1967 (Copy at Annexure II)

3 The Committee regret to observe that a fairly large number of departmental representatives who appear before the Committee do not come well prepared, despite ample notice and often ask for further opportunity for furnishing the required information. The answers given by some of the departmental representatives were indefinite or evasive. The Committee wish to point out that in the absence of proper and exact replies it is difficult for them to arrive at the correct conclusions and to discharge their quasi judicial functions. The Committee also find that the written replies which were asked for within the specified periods were furnished in almost all cases after long delay or at the nick of time, thus depriving Members of the Committee of an opportunity of examining the replies. In some cases the written replies contained information which was factually incorrect and was later on revised by the Departmental representatives on further questioning. This type of approach on the part of the departments results in waste of considerable time of the Committee as well as of the departmental representatives. The Committee recommend that the Government should impress upon all the Secretaries the need for furnishing prompt and accurate replies to the Committee in connection with the examination of irregularities pointed out in the Audit Report and thus facilitate the smooth functioning of the Committee.

4 The Committee are extremely unhappy to note that in a considerable number of cases the schemes were undertaken without comprehensive survey investigation and the prospects of success.

5 The Committee recommend that a Committee consisting of technical experts and Administrators should examine in detail the suitability and feasibility of the schemes before actual implementation so that the chances of schemes proving a failure are minimised.

INDUSTRIES DEPARTMENT

6 Audit has pointed out that under a scheme for supply of suitable varieties of mulberry leaves to poor sericulturists for rearing silk worms for the development of the sericulture industry, a Sericulture Farm was set up at Panipat in March, 1959, on 9.28 acres of land taken on an annual lease of Rs 750.

Pages 25-26 Paragraph
22 of Audit Report
1966—Establishment of
a Sericulture Farm

As the condition of the Farm was considered to be far from satisfactory a Committee was set up in December 1962, to consider the suitability of the land and the location of the Farm. The Committee recommended in March, 1963 that the Farm should be abandoned because the land was not suitable on grounds of high water table, low lying area resulting in accumulation of rain water and consequent stagnation, presence of salinity and alkalinity, low fertility of the soil, disadvantageous location, unsuitability of water for irrigation, land being uneven requiring levelling which would be uneconomical, etc. Government ordered the winding up of the Farm in March 1964. The trees and other temporary structures on the Farm were auctioned for Rs 90 in May, 1964. The staff of the Farm however continued to be employed.

till December 1964. The expenditure incurred on the Farm from 1958-59 to 1964-65 was Rs 53,364 which included an expenditure of Rs 4,907 on account of establishment charges after the Farm had been wound up in May 1964. (The pay of the Senior Sericulture Operator amounting to Rs 2,251 for the period from May 1963 to December 1964 was charged to the Farm though he worked on other farms at Amritsar and Sangrur).

In July 1963 Government in a communication to the Director of Industries observed that if the factors for which the farm was found unsuitable had been taken into account before the land was acquired and the Farm was established labour and expense involved would have been saved. Additionally four precious years have also been wasted. They also directed that responsibility should be fixed for effecting recovery of the loss from the officers responsible for selecting the land for setting up the Farm. In September 1964 the Director of Industries held the Divisional Sericulture Officers entirely responsible for the loss and required the officer to explain as to why the amount of loss should not be recovered from him. Final action taken in the matter was not intimated to Audit till January 1966.

The Department in their written reply stated that although the farm for the development of sericulture was selected to be set up at Panipat (now in Haryana) yet the staff which made the selection of the site for the location of the farm was now either with the Punjab Government or the Himachal Pradesh Government and the relevant records also with them. Consequently necessary action was being taken by the respective States. When asked as to how the officer took the relevant records of the Farm to the Government other than Haryana the Departmental representatives stated in evidence that there was no sericulture activity in Panipat and a new farm was set up in Patiala. The entire records were taken over by the Director of Industries Punjab and they were examining the matter in regard to the fixation of responsibility. In order to give its finding the Committee asked the department to obtain the relevant records and to furnish a complete report to them. The department informed the Committee in a written reply that —

- (a) no survey of the land was conducted in regard to its soil, water table and fertility to determine its suitability for the farm. The Superintendent Sericulture Punjab had however recommended the establishment of the farm at this particular site.
- (b) the Assistant Director of Industries reported in October 1960 (after about 14 years of the establishment of the farm) and again in February 1961 that the land selected was not suitable.
- (c) the Sericulture Expert in his report of February 1961 held that the land was suitable but the mulberry plants had not grown because the malis did not attend to their work properly.
- (d) the Director of Industries agreed with the report of Assistant Director and recommended to the State Government in December, 1961 that the farm should be shifted to some other suitable place.
- (e) the Government desired in September 1962 that the responsibilities should be fixed and decided in December, 1962 on suggestion from the department to constitute a Committee to ascertain the suitability of land on which the farm was set up at Panipat.

- (f) the abandonment of farm was recommended by the Committee in March 1963 and the orders for winding up the farm were issued by the State Government in March 1964

From the above facts the Committee are left with no doubt that the original selection of the site without any analysis of soil and fertility was wrong and that the responsibility for this infructuous expenditure rests with the Superintendent Sericulture, Punjab who made the original selection. The Committee also observe that the Government and the department have been unnecessarily vacillating for four long years from 1960 to 1964 to take a firm decision in regard to the closure of the farm. The Committee regret to note that the Government of composite State of Punjab did not take adequate action for the wrong selection of the site and to initiate disciplinary action against the defaulting officer till 31st October 1966 (i.e. the date of the reorganisation of the State) although the report of the Special Committee declaring the selection of the site as wrong became available as early as March, 1963.

The department further explained in a written reply that the officer responsible for wrong selection of the site was allocated to Himachal Pradesh and the Officer responsible for retaining the staff up to September 1964 (after the orders for winding up were issued in March 1964) was allocated to Punjab. The Director of Industries Himachal Pradesh had not however sent any reply in regard to the action taken against the defaulting officer and as regards the officer allocated to Punjab the Director of Industries Punjab had informed that the control of the Farm was transferred in 1963 to an officer who had resigned and left service in September 1966 and as such no action could be taken.

The Committee desire that the question of taking suitable disciplinary action against the officer concerned should be pursued at high level as it would be really unfortunate if the officer alleged to be guilty of incurring infructuous expenditure escapes punishment merely as a result of reorganisation of the State.

7 Audit had pointed out that a Centre for providing training in the manufacture of druggets for 15 trainees a year was established in January 1962 at Panipat. After training the persons trained at the Centre were to be organised into co-operatives for manufacture of druggets. The maintenance expenditure of the Centre up to December 1963 was Rs 31,337.

Pages 30-31 Paragraph
25 of the Audit Report
1966—Training cum
Production Centre for
Druggets Panipat

Thirty four persons were trained during 1962-63 (14) and 1963-64 (20). The District Industries Officer reported to the Deputy Director of Industries in February 1963 that the articles made by the trainees were not druggets type but were only durries. The workmanship of a test piece of drugget got prepared by the technician imparting training in the Centre was adjudged as poor by the Director of Industries in October 1963. No co-operative society of the trained personnel was also formed.

In January 1964 the Centre was converted into a Production Centre to produce druggets on commercial basis. The Centre was expected to manufacture annually 30 000 square yards of druggets and yield a net annual income of Rs 36 000 square yards of druggets. Only 779 square yards of druggets of the estimated value of Rs 9 461 were however manufactured during the period from January 1964 to March 1965. The total expenditure incurred on pay and allowances and contingencies of the Centre during January 1964 to June 1965 was Rs 62 834.

Government decided in March 1965 to close the Centre as it was found that there was no scope for production of druggets on commercial basis.

Raw material costing Rs 16 258 finished goods of the value of Rs 7 774 and tools equipment and machinery costing Rs 6 153 were awaiting disposal (June 1965).

The Department stated in evidence that in the initial stage the centre was started as a training centre and later on it was converted into a production centre with the idea of exporting the druggets manufactured there. The department felt that there was great scope for production on commercial basis. The main markets where demand existed were Punjab Rajasthan Himachal Pradesh and Uttar Pradesh besides the countries of South America Australia and New Zealand. The scheme was expected to earn substantial amount of foreign exchange by export of druggets. When asked as to what were the reasons for the failure of the centre the departmental representative informed that the person who was the guiding spirit behind the scheme left the job in September 1964. The main reason for closing down the production centre was that in the original scheme it was contemplated to use waste wool of spinning/blanket units. Sufficient waste wool would be available for the purpose. In actual experience the use of waste wool was not found feasible and as such Bikaner Wool and Camel Hair Wool were purchased. These kinds of wool were costlier than the waste wool and in consequence the cost of druggets produced worked out to be more than that estimated. The department also conceded that the workmanship was poor and that the goods produced were not suitable for export. It was also felt that it was difficult to compete with similar products of the South where raw materials and skilled labour were cheaper and there was no scope of success of commercial production on economic basis.

From the facts of the case emerging as a result of departmental examination the Committee have come to the inevitable conclusion that the scheme of establishing the training centre was formulated without adequate investigation and scrutiny and was ill advised. The staff appointed was not technically qualified or competent and the training imparted was of poor standard. The Committee also feel that the centre was converted into a production centre without working out the economics of the scheme and without surveying the availability of raw materials in sufficient quantities or the real demand in the export market for manufactured goods. The Committee observe that there is at times a tendency on the part of the departments to present a rosy picture of the objectives of the scheme and to anticipate inflated results of economic working in order to get the scheme approved by Government, although on actual implementation the scheme turns out to be a complete flop. It is suggested that the Government may consider the desirability of setting up an effective machinery for examining such schemes more thoroughly at the initial stage. The Committee desire that the responsibility for this faulty and unimaginative planning based on unreliable data wrong assumptions and unrealistic prospects of exports should be fixed followed by suitable disciplinary action.

8 Audit had pointed out that the tenders for the purchase of pig lead for the Public Health Division Rohtak were opened on the 6th September 1962. All the offers were valid for acceptance within 4 to 10 days. The lowest tenderer whose offer was originally valid up to the 8th September 1962 agreed to extend it up to the 17th September 1962. Advance telegraphic acceptance of this offer for supply of 15 metric tonne of pig lead at the rate of Rs 1455 per metric tonne for Calcutta sales tax extra was communicated on the 17th September 1962. The Additional Controller of Stores approached the Director of Industries (Controller of Stores) only on the 10th October, 1962 for seeking the sanction of Government for placing a formal supply order.

Page 24 Paragraph 20
(11)—Avoidable expenditure in the purchase of Pig Lead—Audit Report 1967

The firm informed the Stores Purchase Organisation on the 29th November, 1962 that non-receipt of supply order within 15 days would entail cancellation of the advance telegraphic acceptance. The case remained under consideration with the Industries Directorate up to the 4th January 1963 when the Government was approached for necessary sanction with a condition that the firm should furnish certificate that the rate charged was not higher than that offered to the Director General Supplies and Disposals, or any other Government. Government desired on the 15th January 1963 to obtain the requisite certificate from the firm but when it was approached on the 25th January 1963 it stated that the advance acceptance of their offer stood cancelled.

Supply order was subsequently placed on another firm in April 1964, at Rs 2508 per metric tonne for Delhi/Calcutta sales tax extra (without insisting for the above certificate which involved an extra expenditure of Rs 16,111) less freight from Calcutta to Delhi. In response to the Government's direction to fix responsibility for avoidable loss it was stated by the Controller of Stores that the delay was procedural and as such no responsibility could be fixed on any body.

The department stated in oral evidence that the pig lead was an imported item and the same was not on the rate contract list of the Director General Supplies and Disposals. The indent from the Public Health Division Rohtak for purchase of pig lead was received on the 30th June, 1962 and the last date fixed for opening the tenders was the 6th September 1962. The lowest tenderer whose offer was originally valid up to the 8th September 1962 agreed to extend it up to the 17th September 1962. The Additional Controller of Stores approached the Director of Industries (Controller of Stores) on the 10th October 1962 for seeking the sanction of the Government for placing a supply order. In order to avail of the lowest offer the Additional Controller of Stores placed a telegraphic order with the firm on the 17th September 1962 in anticipation of the Government sanction. The case was marked by the Director of Industries (Controller of Stores) to the Joint Director of Industries on the 15th October 1962 for verification of the market rates of pig lead. The Joint Director of Industries furnished the following reply to the Controller of Stores on the 1st December 1962 —

It is inferred that the suppliers are at liberty to quote any price of lead while submitting their tenders, as the controlled price is not levied on uniform basis on all types of lead,

The Controller of Stores passed the following orders on the 10th December 1962 —

The controlled rate of Russian lead is Rs 890 per tonne. In this case however a rate of Rs 1 456 has been paid. Similarly in another case placed below, the rate of Rs 2 070 per tonne has been paid for lead wool. These rates, obviously seem to be on the high side. Before approval is accorded, the Additional Controller of Stores may try to verify if the rates accepted or recommended in both these cases are reasonable.

The Additional Controller of Stores further proposed to the Director of Industries that a certificate might be obtained from the firm that the rates charged were not higher than those charged from the Director General Supplies and Disposals or any other State.

The Committee enquired whether there was any prescribed procedure or condition for asking a certificate regarding the reasonableness of rates. The departmental representative informed that there was no such procedure and the query made by the Director of Industries was only of academic character. In a written reply the department had informed the Committee that the real cause of loss was that the Additional Controller of Stores and his organization did not issue formal order immediately after the issuance of the telegraphic acceptance. According to them the contract was complete in strict legality as soon as the offer of the firm was accepted telegraphically. The Additional Controller of Stores was required to follow the telegraphic reminder with a formal order before taking any other action but would not do so for want of Government sanction due to delay in the office of Controller of Stores (Director of Industries) in processing the case for Government sanction. This was the main omission in this case. The second serious omission took place when the firm informed the Controller of Stores *via* his letter, dated the 29th November 1962 that the offer was open for 15 days more. This letter, unfortunately remained in the hands of two subordinate officials, i.e. the Assistant and the Record keeper and they put it up only after the 15 days period had already expired. The Secretary of the department conceded that both the Controller of Stores and the Additional Controller of Stores were accountable for the delay in placing the formal order with the firm and consequent loss to the State Government. He promised to conduct a departmental enquiry and to take departmental action against the defaulters.

The Committee have come to the following conclusions after the detailed examination of the departmental officers in this case —

- (i) that although the offer of the firm was accepted telegraphically on the 17th September 1962 the case was referred by the Additional Controller of Stores to the Director of Industries for obtaining sanction of the Government only on the 10th October 1962. There was delay of about 13 days in the office of the Additional Controller of Stores.
- (ii) that the case remained in the office of the Director of Industries from the 15th October 1962 to the 10th December 1962 in connection with the verification of reasonableness or otherwise of the rates quoted by the firm. There was thus an avoidable delay of more than two months particularly in view of the fact that there was no usual procedure or practice for obtaining a certificate regarding the reasonableness of rates. No such provision existed in the notice inviting tenders and

- (iii) that the letter dated the 29th November 1962 from the firm stating that the offer was open for 15 days more, was suppressed by the subordinate officials of the office of the Controller of Stores and was brought to the notice of the officers only after the expiry of 15 days period

The Committee recommend that responsibility be fixed on the defaulting officers/officials. The Committee also desire that suitable steps should be taken to avoid such lapses in future. The Committee observe that in cases of pig lead the market of which fluctuates rapidly and very short validity periods are quoted by the firms the offers are required to be examined promptly and the orders are required to be placed expeditiously within the validity periods so as to avoid extra expenditure to the State exchequer.

The Committee was subsequently informed in November 1968 by the Secretary Industries that the matter had been referred to the Chief Secretary Haryana for initiating necessary action against the officers responsible for delay in this particular case (Vide U.O. No. 20797/61B/68 dated the 28th November, 1968 from the Secretary to Government Haryana Industries Department to the Chief Secretary to Government Haryana).

Q. Audit had pointed out that a review of a Royalty Check Register in the office of Director of Industries Punjab in September 1965 showed that a sum of Rs 2.25 lakhs was outstanding for recovery from various lessees of major and minor minerals as on the 31st March, 1965.

Page 61 Paragraph
85—Outstanding
recoveries of lease
money—Audit Re
port 1967

	Rs
Prior to 1960-61	2 14 587
1963-64	2 854
1964-65	7 236
	<hr/>
Total	2,24 677
	<hr/>

The delay in recovery of revenue was attributed to the intricate nature of cases. The amount outstanding at the end of September 1966 was Rs 2.19 lakhs.

The departmental representative stated in oral evidence that it was not possible at this belated stage to ascertain whether the procedure adopted for collection of royalty or lease money was defective or not. It was also difficult to say whether the arrears were due to any lapse or negligence on the part of the departmental officers. Some cases were pending in the Courts of Law and litigation was going on for recovery of arrears. A sum of Rs 18,000 had since been recovered and a sum of Rs 48,256 was lying with the Government as security deposits which were being adjusted against the last instalment of the contract money. Cases for recovery of Rs 39,941 were pending with the Collectors at various stages. Similarly a substantial amount of outstanding arrears, that is Rs 1,39,000, comprising six cases, was pending for recovery.

with the Courts. The departmental representative brought to the notice of the Committee a case of Narraul District in which a recovery certificate of Rs 1 772 was issued by the erstwhile Pepsu Government. The lessee had served a notice to the Government to appoint an Arbitrator in accordance with the terms and conditions of the lease deed. The State Government did not agree to the arbitration clause and the lessee appointed his own Arbitrator, who assumed the character of a sole Arbitrator and gave his award on the 22nd May 1960. The award was against the interests of the State. The lessee approached the Court to make the award a rule of the Court. The award was challenged by the State Government on the ground that the Arbitrator should have been appointed with the consent of both the parties. It was further explained that there was no provision of arbitration in the Minerals Concession Rules although the provision did exist in the agreement. The view of the Government was that the provision in the agreement being contrary to the statutory rules was invalid. The Law Department of the State Government also held that since the statutory law did not provide for arbitration the arbitration clause in the agreement was wrong. The Court however, did not accept the contention of the Government and the appeal was dismissed. The State Government accorded sanction to write off the amount of Rs 1 772. A sum of Rs 9 852 was further recoverable from the same contractor on account of lease money. In June 1965, the case was referred to the District Attorney Sangrur for filing a suit for recovery of this amount. The lessee, however served the Government again with a notice on the 6th January 1967 for appointment of an Arbitrator in accordance with the terms of the agreement. This notice was ignored by the State Government. The Arbitrator appointed by the lessee gave his award in his favour on the 3rd May 1967 and the lessee filed the same in the Court for making it a rule of the Court. This case was being contested by the State Government and defended through the District Attorney Gurgaon. The final decision in the case was awaited. The Committee enquired whether the accumulation of arrears was due to any defect or drawback in the procedure and the rules adopted in regard to the auctioning of these leases. The departmental representative stated that instructions had already been issued by the Government for recovering 25 per cent as security money in addition to 25 per cent of the lease money or the auction money realized at the time of auction. The relevant rules have already been amended to incorporate this requirement. In regard to the Minor Minerals Rules the department conceded that the amount of Rs 200 at present provided in the rules as security deposit was too small an amount to provide an adequate safeguard against the accumulation of arrears. They therefore proposed to amend the Minor Mineral Rules so as to provide a penalty clause that in case of default in the payment of royalty instalment double the amount will be charged. The Committee further suggested that the value of the particular concession for the year should be worked out and 50 per cent thereof should be taken in advance. The department agreed to examine the suggestion.

The department assured the Committee that the recoveries were being pursued with diligence and perseverance and reminders were being issued at suitable levels. In the case of one party of Rajasthan the property was to be attached for recovery of outstanding arrears. As the Revenue authorities in Sikar district (Rajasthan) were competent to attach the property 36 reminders were issued to the Collector but with no results. The Committee suggested that this particular case should be taken up at the Government level.

The Committee recommend that effective steps should be taken to liquidate the arrears at an early date. The Committee further desire that the relevant rules and the standard forms of agreements for granting leases etc should be reviewed so as to ensure that the same provide a foolproof check against accumulation of arrears.

INDUSTRIAL TRAINING

10. Audit had pointed out that the Agricultural Implements Work Centre at Rohtak was closed in June 1955 due to its uneconomic functioning. Two advertisements for its sale issued in September, October 1954 and November 1955 failed to attract suitable offers. The centre was sold in January 1957 to a firm of Delhi for Rs 1.95 lakhs after negotiations with interested parties. The price was reduced to Rs 1.49 lakhs in January 1960 on account of rebate allowed to the firm for variation in the value of stores and machinery and damaged equipment noticed on joint inspection in March 1957. The following points were noticed in audit —

Page 29 Paragraph
28—Scale of a Work
centre—Audit Report
1967

- (a) The possession of the centre was given to the firm in June 1957 without executing a sale deed. The deed has not yet (January 1967) been executed as the firm is demanding areas of land of the centre originally advertised for sale which subsequently was found deficient by 3,509 square yards. The matter is under consideration of Government since January 1963.
- (b) 15 per cent of the price was payable by the firm before acceptance of their offer and the balance in 10 years in half yearly equated instalments with interest at $5\frac{1}{4}$ per cent. A sum of Rs 29,250 was deposited by the firm and another sum of Rs 18,752 was adjustable against the verified claim due from Ministry of Rehabilitation. The amount fallen due for recovery from the firm up to March 1966 is Rs 78,987 (Rs 54,466 principal and Rs 24,521 interest). The department stated in June 1966 that action to recover the amount would be taken after the decision referred to in (a) above is taken by the Government.
- (c) The terms of sale required the firm to offer unencumbered security equal to 150 per cent of the deferred payment. The security of the value of Rs 1.52 lakhs should have been taken, but the firm has furnished none (January 1967).

The departmental representative stated in evidence that the centre was advertised for sale and the quotations were called in September, 1954. One firm offered Rs 6.25 lakhs for two work centres, viz. Agricultural Implements Works Centre Rohtak and General Engineering and Foundry Works Centre Panipat. The firm, however, withdrew their offer and consequently the Work Centres were re-advertised. The offer received from the various parties for purchase of this centre ranged from Rs 80,000 to Rs 1.31 lakhs. The offers made by various parties were considered unfavourable and the Government decided to make further efforts to achieve better results through negotiations with interested parties. In pursuance of the Government's decision, negotiations were held and the highest offer of Rs 1.95 lakhs was received from a firm of Delhi. Government accepted the offer. According to the decision of the Cabinet Sub Committee, the variation in the position of stock and stores of the centre were to be accounted for and allowed to the prospective buyers. The District Industries Officer Rohtak verified the position of stores and stock along with the representative of the firm and prepared a statement of variation in the stores existing at the time of actual sale. As a result of these variations, the price was revised from Rs 1.95 lakhs to Rs 1.52 lakhs. A further rebate of Rs 3,393 was allowed on account of difference between the book value and the assessed value. It was under these circumstances that the amount was revised from Rs 1.95 lakhs to Rs 1.49 lakhs. As regards the handing over of

the possession of the centre to the firm without executing a sale deed the departmental representative explained that the party approached the Director of Industries in April 1957 to allow them to undertake cleaning and repairing of the machines of the centres to save time to start production. The party was allowed to undertake cleaning and repairing of the machines of the centres to save time to start production. The party was allowed to undertake cleaning and repairing of the machinery of the centres on the 3rd July 1957. The Officer concerned at the Directorate, who issued the orders for allowing possession was late Shri B M Gupta. The District Industries Officer who actually handed over the possession, was Shri Bal Mukand Vohra, who had since retired from service. The departmental representative conceded that it was the responsibility of the District Industries Officer/Deputy Director Industries, to ensure that the party did not start the manufacturing process without the execution of the sale deed. It was pointed out by the Committee that the Government of the composite State of Punjab had asked the Director of Industrial Training in July, 1966 to fix responsibility for handing over of the centre without the execution of the sale deed. The Committee wanted to know as to what action was taken by the department during the period from July, 1966 to October, 1968. The departmental representative stated that soon after July 1966, reorganisation took place and the case was not pursued further. The departmental representative agreed that a departmental enquiry was warranted into the following four lapses —

- (i) Security amount was not obtained from the party according to the terms of the contract,
- (ii) the entire assets were not pledged with the Government in accordance with the terms of the contract,
- (iii) the possession of the premises was given without the execution of the sale deed, and
- (iv) there was a delay of 12 years in the completion of the sale transactions

The Committee was, later on, informed by Government that the Deputy Secretary (Industries) had been deputed to conduct the departmental enquiry into these lapses and to furnish a report to the Government as early as possible. The departmental representative informed the Committee in evidence that on receipt of representation from the party the Government agreed to refer the matter to arbitration. A formal agreement covering the terms of reference for arbitration, has been signed by the representative of the party and the Government. The arbitration proceedings are likely to be started soon and the decision of the Arbitrator that is the Director of Industrial Training, will be final and binding on both parties. The Committee enquired whether it was possible at this stage to revoke the contract. The departmental representative informed the Committee that a reference had been made to the Legal Remembrancer for considering the desirability of revoking the contract. Subsequently the Secretary to Government Haryana Industries Department letter No 22077-31B 68/34369, dated 23rd December 1968 informed that the Legal Remembrancer had advised that it would not be legally possible to revoke the contract in view of the terms contained in the agreement executed on 10th October, 1968.

The Committee recommend that the departmental enquiry into the lapses should be finalised at an early date and a report sent to them. The Committee further desire that a copy of the award of the Arbitrator should be sent to them in due course, for reference.

FOREST DEPARTMENT

11. Audit had pointed out that a scheme for formation of fuel plantations in Karnal and Hissar districts was started in 1956-57. It was extended to other districts during 1961-62 under the nomenclature Raising of Economic Plantations in Plains (Irrigated and Unirrigated). The total expenditure incurred during 1961-62 to 1964-65 amounted to Rs 14.62 lakhs, this was met out of loans received from the Government of India.

The following points were noticed on a review of the expenditure on the scheme in Karnal Division —

- (a) 9,229 acres of land were acquired in March 1957 at an expenditure of Rs 13.44 lakhs. Of this only 3,636 acres were brought under plantation up to March, 1964. According to the information furnished by the Divisional Forest Officer Karnal, plantation on 1,395 acres totally failed while on 867 acres the plantations succeeded up to 50 per cent only. The poor results of the plantations were attributed by the department to (i) fires in 1,326 acres during 1959-60 to 1963-64, (ii) floods in the area on account of very poor drainage, (iii) damage by domestic and wild animals, (iv) selection of the species without determining their suitability with reference to the type of soil, (v) nature of soil, and (vi) break down in machines which remained idle frequently for want of repairs and spare parts.

4,393 acres acquired for about Rs 6.04 lakhs remained unplanted. The remaining 1,200 acres of land remained under unlawful possession of squatters till November 1964, when the encroachers were evicted and their standing crops confiscated. The net receipt from the sale of crops was Rs 54,714. For the period the land remained under unlawful occupation the Government were entitled to recover compensation equal to the one third of the value of the average produce of the land, this was not recovered. The loss on this account according to Government was about Rs 2.72 lakhs.

- (b) During the period from June 1960 to June, 1963, 15 fires broke out, resulting in an aggregate loss of Rs 1.79 lakhs. Four of these fires, involving a loss of Rs 1.21 lakhs, were attributed by the Divisional Forest Officer to the deliberate mischief on the part of villagers of adjoining villages. Information about the results of police investigation if any, in the cases has not been furnished.

Reports of losses by fire exceeding Rs 5,000 in 6 cases, involving Rs 1.69 lakhs, were not made to Audit as required under the rules.

The department informed the Committee that the total area brought under plantation up to March, 1967, was 6,843 acres and the total expenditure incurred up to that day was Rs 22.85 lakhs. The plantation totally failed in 969 acres while in 1,329 acres the plantation was very poor. The department gave the following reasons for the failure and poor growth of plantation —

(a) *Major reasons*

Fires

(b) *Other reasons*

- (i) Damage by wild animals and stray cattle,

- (ii) Excessive draught ,
- (iii) Floods,
- (iv) Frost,
- (v) Untimely canal closure,
- (vi) Saline soil patches
- (vii) Delayed supply of polythene bags and
- (viii) Damage by settlers on leased or encroached lands, which still continues

The departmental representative stated in evidence that fire lines and fire paths were cleared in the forest in order to guard against the outbreak of fire. Fire-watchers were also employed for a period of five months during the fire seasons that is (i) from April to June and (ii) from December to January, each year who visited places of fire and made immediate reports regarding the outbreak of fires. Recently the department had constructed two watch-towers for detection and relay of information of occurrence of fire immediately after it is noticed. The department further proposed to have telephone installations at important points in the forest plantation and hoped that with all these measures they would be able to guard against the outbreak of fires. The department further informed the Committee in a written reply that during the period from 1959-60 to 1964-65 41 fires broke out affecting an area of 1,941 acres out of which 1,088 acres of area was covered with plantation and 853 acres area was covered with grass. The total loss suffered by the department on account of these fires was Rs 1,82,550. In regard to the damage by floods, the departmental representative explained that the construction of drainage work was the responsibility of Irrigation Department which had already taken up the construction of Saraswati Drain and the work was likely to be completed in the near future. On completion the drain was expected to take care of the flood water and it would reduce the flood hazard in the area to a large extent. In regard to the damage by wild animals and stray cattle the departmental representative held that there were no absolute safeguards against the damage of this nature. However, the department had taken the following measures, subject to the availability of limited funds at their disposal in the plantation areas to guard against such a damage —

- (i) Fencing with barbed wire
- (ii) Catching of stray cattle by cattle catching parties, and
- (iii) Engagement of night watchers

It was brought to the notice of the Committee by Audit that the Conservator of Forests had conceded, in his reply to the Audit paragraph that the land was acquired without obtaining a report from the Soil Chemist regarding the nature of the soil, as this facility was available on a very limited scale during 1957. The departmental representative stated that the officer who sent the aforesaid reply had actually worked in the hills and was not aware of the normal facilities available in the plains. The correct position according to the department was that for forestry purposes soil testing facilities were not required and the suitability of soil is determined by soil indicators i.e., what grows on the soil and what vegetation comes up in that soil. It was enquired from the departmental representative as to why only 3,630 acres could be brought under plantation by March, 1964 against the total area of 9,229 acres acquired in March 1957. The departmental representative informed that the entire area could not be brought under plantation due to technical considerations paucity of funds staff and irrigation facilities. It was explained that keeping in view the 'Multiple Use Concept' in forestry, the rest and protection of land was essential to improve soil conditions as plantations could not be raised on relatively deteriorated soils. It was further argued that the investment made by the Government in 1957 was sound as the prices of the land had been rapidly rising since that year. The committee enquired the reasons for which the department effected recoveries from the illegal squatters at a flat rate of Re 1 per bigha for the period

of unlawful possession instead of recovering compensation equal to one-third of the value of the average produce on land. The Committee also invited the attention of the departmental representative to the Memorandum prepared by the Government for the meeting held in March 1965 for discussing the problems arising out of eviction of the encroachers wherein the loss suffered by the Government was estimated to be to the extent of Rs 2.72 lakhs by way of one-third share of average yield according to the settlement rates. The departmental representative explained that the encroachers had taken the area on lease from the panchayats before its acquisition by the Government. These persons had lease deeds with the panchayats allowing them to cultivate the area at a nominal rate of Re 1 per *kuchha* bigha. The Government finally decided to accept the lease deeds and to recover the lease money at the agreed rates. The total amount recoverable on the above basis worked out to Rs 28,006 against which recovery of Rs 3,900 had already been effected. Besides this an amount of Rs 54,713 representing the net value of standing crops realised at the time of removal of unlawful possession was also lying with the Government pending adjustment of the balance recovery due to the Government. The departmental representative further informed that the total revenue realised from the plantation during 1956-57 to 1966-67 was Rs 1,56,885.

The Committee, after going through the detailed facts brought out as a result of the examination of the department feel that the implementation of the scheme for raising of economic plantations in Karnal and Hissar districts, presents the following disquietening features —

- (i) Out of 9,229 acres of land acquired in March 1957 only an area of 6,843 acres was brought under plantation up to March 1967.
- (ii) the plantations failed on an area of 969 acres while the plantations in an area of 1,329 acres were very poor and
- (iii) loss to the State Government on account of fires in the plantation area was alarming.

The Committee also do not feel convinced that the analysis of the soil was not necessary as the selection of species of plants for the purpose of plantation could not be made efficiently without determining their suitability with reference to the type of soil. The Committee further feel that there has been an abnormal delay in making arrangements for proper drainage which could have prevented the extensive loss on account of damage by floods. The Committee therefore recommend that the Government should conduct a thorough probe into the reasons for the failure of plantation and alarming losses on account of fires etc. and should take effective and comprehensive steps to improve the working of the scheme.

12 The standing trees in certain forest area of Chandigarh Forest Division were auctioned in October 1964. The standard agreement deed executed

Pages 31-32 paragraph
33—Extra expenditure—Audit Report
1967

with the purchaser required him to clear fell the area of all trees and bush growth. The agreement deed did not provide that in case of failure on the part of the contractor to clear the entire bush growth, the work would be got done at his risk and cost. The contractor failed to clear the entire bush growth although he cleared the trees, part of the work of clearing bushes was got done departmentally at a cost of Rs 7,535 and an estimated further expenditure of Rs 2,900 was to be incurred on the remaining work. The extra expenditure could not be recovered from the contractor only liquidated damages of Rs 400 were recovered for breach of the terms of the contract.

The department stated in July 1966, that there was no loss to the Government as the contractor had bidden and worked according to the agreement. This was not however correct as the auction notice, on which the bid was based specifically provided for 'clear felling' of area by the contractor.

The defective clause of the standard agreement was modified in 1965.

The departmental representative conceded in evidence that according to clause 13 of the contract agreement the purchaser was to clear fell the area of trees and bush growth and it was, therefore, necessary to make a provision in the agreement that in the case of failure on the part of the contractor to clear the entire bush growth the work would be got done at his risk and cost. He also informed the Committee that he had issued orders that the reasons for the omission should be investigated and the explanation of the officer concerned should be called for. The State Government had earlier issued instructions in August 1963 to the Chief Conservator of Forests that all agreement forms, etc. should be gone through and omission of this kind if existing should be removed. The Chief Conservator of Forests however argued that there was no loss to Government as the bid would have been lower had the desired penal clause been included in the conditions of sale or in the standard agreement. This view point was not however accepted by the Secretary of the Department who reiterated that there was an omission in not providing the penal clause in the agreement and *prima facie* there had been a loss to the Government. The attention of the Chief Conservator of Forests was also invited to the letter addressed by the Divisional Forest Officer Chandigarh to the Conservator of Forests in November 1965 pointing out that there was no provision in clause (8) of the agreement to carry out the work departmentally at the risk and cost of the contractor and seeking guidance whether appropriate action could be taken against the contractor under some other clause of the agreement. The Secretary explained that the agreement, in this particular case, was based on a similar agreement executed in 1961. As the records of 1961 were not readily available it was not possible for him to say whether the standard form of agreement had actually been vetted by the Legal Remembrancer. He promised to take immediate steps for fixation of responsibility.

The defective clause of the standard form was, however modified by the Government in 1965 providing that in case of failure on the part of the purchaser to clear fell the bush growth the work will be got done departmentally at the cost of the purchaser after giving him a week's notice. The Committee recommend that as promised early action should be taken to fix responsibility on the defaulting officers and after taking necessary action, the matter should be reported to the Committee.

The Committee also observed that the Law Department at the time of drafting the agreements should take timely notice of such omissions.

MEDICAL DEPARTMENT

13 Audit had pointed out that an *ad hoc* payment of Rs 6 000 was sanctioned to a re-employed lady doctor in October 1963, to compensate her for the loss suffered by her for not being allowed to join another appointment outside the State.

Pages 45/157 paragraph
44 (iii) of Appendix VI
of Audit Report 1966—
Grant of Compensation
to a Lady Doctor

Government stated in November 1964 that the Lady Doctor had not actually been offered any post outside the State and no assurances had been given to compensate her on this account but in 1953 (more than 10 years earlier) her application for a certain post under the Government of India had not been forwarded. Government also explained that another consideration for the grant of compensation was the popularity of the Lady Doctor in the *Ilaga*

Regarding the basis on which the amount of compensation was assessed Government stated that this was arrived at on an *ad hoc* basis after taking into account all the aspects of the matter

The departmental representative while explaining the circumstances under which the peculiar order was passed stated that the Lady Doctor was employed on the 27th August 1930 in the Lady Hailey Woman Hospital Bhiwani. The Hospital was then a private institution, it was provincialised with effect from 1st April, 1948. At that time the lady doctor's pay was Rs 595 in the grade of Rs 240—20—500 550—15—700. After provincialization her pay was fixed at Rs 610 with effect from 27th August 1948. She became due for retirement on the 10th December 1958, but she was immediately re-employed and given extensions of service one year after another till the 10th December 1964. There was nothing on record to show that she applied for re-employment. The re-employment was given to her at the instance of Government. It was further stated that the Hospital was started as a 20 bed hospital as a result of donation by Sir Chhaju Ram but the Lady Doctor after she was appointed as in charge of the Hospital, by donations was able to have additions made to it as below —

- (i) An additional ward of 12 beds (before provincialization)
- (ii) An additional ward of 12 beds (after provincialization)
- (iii) A building for the training of nurses. This was also after the provincialization of the Hospital

It was stated that all this were made possible because of the efforts of the Lady Doctor, and the Inspector General of Civil Hospitals had recorded as follows —

This Hospital has progressively grown in popularity under the charge of Miss Sapre who is capable, sympathetic and energetic has collected funds for different specific purposes from time to time and thus it has been possible to make both ends meet

The Deputy Commissioner Hissar had also written about her that The Lady Doctor has earned great fame in her illaga and has become an institution by her good work

The departmental representatives further stated that the lady doctor applied for treating her period of service before provincialization as government service for purposes of pension but her request could not be acceded to due to the Service Rules. Secondly she applied that the period of her re-employment be treated as Government service for purposes of pension but this request could not also be acceded to due to the service Rules. Thirdly she wanted to go as a Lady Staff Surgeon in the Contributory Health Service Scheme of the Government of India in 1953, but her application was not forwarded. Keeping in view of all the facts about her efforts for maintaining and improving the Hospital and also the fact that she could not be

given under the rules the benefit either of treating her period of service before provincialization as Government Service or of treating her period of re employment as period spent on Government service for purpose of pension. The Government decided that the only way to compensate her for her good service was to give her an *ad hoc* grat of Rs 6 000

The Committee has no recommendation to make in the matter

ANIMAL HUSBANDRY DEPARTMENT

14. Audit had pointed out that the over all financial results of the farm including those of the various breeding operations undertaken by it during the last three years i.e. 1962 63, 1963 64 and 1964 65 were as under —

Pages 130 131 Para
graphs 155 Government
Live stock Farm Hisar
Financial result of Audit
Report 1966

Net profit (+)/loss (—) as per *Pro forma* accounts

1962 63	1963 64	1964 65
Rs	Rs	Rs
(+) 1,74,140	(+) 4,86 172 (including Rs 4 56 670 on account of increase in the value of livestock)	(+) 1,13 018

The rent of land (Rs 6 86 lakhs during 1962 63 Rs 6 90 lakhs during 1963 64 and Rs 9 17 lakhs during 1964 65) was one of the main sources of income of the Farm

The profits of the Farm were over stated, as no provision or allowance was made for the following expenses —

- Till the end of 1963 64 interest on capital was not provided on the plea that the Farm was not a commercial concern though such a provision is necessary in the *pro forma* accounts for arriving at the correct financial results. Interest worked out to Rs 1 92 lakhs for the year 1962 63 (at $4\frac{1}{2}$ per cent) and Rs 2 12 lakhs for the year 1963 64 (at 5 per cent). During the year 1964 65 however the interest on capital was provided at $4\frac{1}{2}$ per cent instead of the prescribed rate of $5\frac{1}{4}$ per cent resulting in over statement of profit by Rs 0 34 lakh,
- Direction charges and cost of printing and stationery supplied by the Controller of Printing and Stationery were not assessed and charged in the accounts
- Shortages in foodgrains of the value of Rs 53,914 found on physical verification, conducted during 1958 59 to 1964 65 had not been adjusted in the accounts

The outstanding recovery on account of credit sale of livestock, fodder land, etc as on the 31st March 1965, amounted to Rs 30 69 lakhs. The amount was due from Government Departments, Zila Parishads, etc

(Rs 29.99 lakhs, which includes a sum of Rs 26.90 lakhs recoverable from the Ministry of Defence on account of cost of land transferred to them during 1964-65) and private concerns and Government servants (Rs 0.70 lakhs). Year wise break up of the amounts due was not available but the earlier amounts awaiting recovery relate to the period as far back as 1945 and 1946. Neither bad debts had been assessed nor any provision therefore had been made in the accounts.

Idle machinery—A lathe and a motor grader costing Rs 28,047 and Rs 86,499 were purchased on September 1962 and February 1963 respectively. The lathe had not been brought under use so far (September 1965) the grader was put to use for the first time in July 1964, till March, 1968 it had worked only on 69 days for 450 hours. The idleness of the machinery was attributed to non availability of power connection in the case of lathe and the non appointment of a driver for the motor grader which was being operated by a tractor driver in the meanwhile.

The departmental representative stated in evidence that the aim of Government, Lives Stock Farm, Hissar was to develop good breeding of animals and to meet the demands of state/country for pedigree bulls. The Cattle Breeding Farm Hissar was not a profitable venture. The Department wrote to the State Government in 1955 for treating this farm as a non commercial organisation. The State Government agreed, in September 1965, to treat this farm as a non commercial organisation and to delete its name from Appendix III of the P.F.R., Volume III. A letter to this effect was also issued to the Controller, Printing and Stationery in September 1957 but for certain unknown reasons, the name had not actually been deleted so far from the list of commercial undertakings. The Secretary of the department promised to examine the matter further in regard to the non implementation of the decision. The department held that in view of the Government order of September 1955 the farm was not being taken as a commercial concern, although the accounts were being maintained on semi commercial lines through double entry system with the object of having a day to day control on the various transactions. The financial results of the working of the farm are obtained without taking into account the interest on capital and the direction charges. As regards the shortages in foodgrains of the value of Rs 53,914 the department explained that shortages amounting to Rs 51,652 were within the normal permissible percentages of shortages fixed by the Government. These shortages had been written off by the Chief Superintending under his delegated powers. As far the remaining shortages amounting to Rs 2,262 which were beyond the powers of the Chief Superintendent the position was being examined and the orders of the Government would be obtained for their write off. As regards the outstanding recoveries on account of credit sale of live stock, fodder, land, etc., as on the 31st March 1965, the following break up was furnished by the department—

	(In lakhs of rupees)
(i) Upto 1963-64	1.87
(ii) 1964-65	1.92
(iii) Defence Department	26.90

In regard to the arrears of Rs 26.90 lakhs, it was explained that the amount was due from the Government of India, Ministry of Defence on account of sale of 1,775 acres of land for a Military Farm. Out of the remaining arrears of Rs 3.79 lakhs, a sum of Rs 1.59 lakhs had since been recovered. It was brought to the notice of the Committee that 50 per cent

of the outstanding amount was due from the parties in Hissar. The departmental representative assured the Committee that he had issued instructions to his officers for contacting the local parties and for liquidating the outstanding arrears.

The Committee made an on the spot study of the Government Live stock Farm Hissar and paid a special visit to the mechanical stores. The following points were noticed at that time —

- (i) the Mechanical Engineer informed that there was no physical verification of the stores for the last two years
- (ii) the spare parts were issued from the mechanical stores without requisition slips,
- (iii) stock registers were not properly maintained,
- (iv) some of the items lying in the stores were not found entered in the stock registers,
- (v) bin cards were not being maintained for each item and
- (vi) a 50 yard roll of brand new wire imported from Japan, was lying outside the new Stores in a heap of Junk

The Committee had desired the Superintendent, Livestock Farm Hissar to examine the aforesaid points and to furnish a report. The Committee have been informed by the department that physical verification of mechanical stores had since been conducted by the Director of Animal Husbandry. The entries in the stock registers which were omitted to be recorded through an oversight, had since been posted and the stock registers had been brought up to date. The bin cards system has also been introduced recently.

The Committee desire that the Government should take immediate decision whether the Government Livestock Farm, Hissar is to be treated as a commercial or a non commercial organisation. The Committee, however, reiterate their earlier recommendations made in para 85 of their 18th Report that the accounts of the two types of schemes, such as research and breeding operations should be kept separate. While the accounts of breeding operations should be kept on commercial principles and financial results worked out after taking into account the interest on capital and direction charges etc., the accounts of research schemes may be kept on non commercial lines. The Committee also recommend that outstanding amounts from sundry debtors should be recovered expeditiously. In cases, where the amounts are due from Government departments of other States, Zila Parishads, Panchayat Samitis etc., the matter should be taken up at higher levels. The Committee further recommend that steps should be taken to ensure strict compliance with the procedure relating to receipts, accounting issues and physical verification of stores, disposal of unserviceable items etc. as the existing arrangements are fraught with risks of misappropriation and pilferage.

The Committee also desire that responsibility should be fixed on the officers/officials concerned for their failure to follow the prescribed procedures in the past and suitable disciplinary action taken against them.

HOUSING DEPARTMENT

15 Audit had pointed out that under the low and Middle Income Group Housing Schemes three loans of Rs 1 lakh, Rs 70 000 and Rs 52 000 were paid between September, 1959 to April 1962 to the Naraingarh Co operative House Building Society Ltd Naraingarh (District Ambala). An enquiry made by the Naib Tehsildar, Low Income Group Housing Scheme in October, 1965 had indicated that the loans of Rs 70,000 and Rs 52,000 had been mis utilised by the society and as against 15 houses to be constructed for the loan for Rs 1 lakh only 12 houses were constructed

Page 85 86 Paragraph
112 Misutilisation of
loans Audit Report
1967

The Deputy Commissioner, Ambala stated in June, 1966 that warrants attaching 12 quarters had been issued and the Tehsildar had been entrusted with the collection of rent of these quarters till they were auctioned. The case was registered with the Police on the 31st May, 1966 and the investigation was in progress.

The following points were mentioned by Audit in this connection —

- (a) According to rules, an application for loan should be made through the Assistant Registrar Co operative Societies who is required to report the sanctioning authority on matters such as genuineness and composition of the society and the annual income of its members. The loans of Rs 70 000 and Rs 52 000 were however, sanctioned by the Deputy Commissioner on applications which had not been made through the Assistant Registrar but had been recommended by the Sub Divisional Officer (Civil) and the District Development and Panchayat Officer.
 - (b) The rules require that instalments of loans should be released on receipt of evidence from the society through the Assistant Registrar, Co operative Societies that the construction has reached certain prescribed stages. The departmental instructions issued in September 1960 further require that departmental overseer should inspect the house under construction at least once before the payment of last instalment of loan. The second and third instalments of the loans were, however, paid to the society on the certificates of certain non officials that the houses had been constructed up to plinth and roof levels and that they had seen the houses. No physical inspection of houses was made by the departmental Overseer before the release of the last instalment of loans.
- On a report of the departmental Overseer, who inspected the houses after payment of the instalments the collector ordered in December, 1963 the lump sum recovery of the third loan of Rs 52,000
- (c) In respect of the loans of Rs 1 lakh and Rs 70 000 six/seven annual instalments aggregating Rs 72 856 and penal interest of Rs 10 267 were outstanding for recovery (December 1966). No amount had also been recovered in respect of the third loan of Rs 52,000. The Tehsildar, Naraingarh, to whom the case was referred for recovery reported in September, 1965 that Neither the whereabouts of the members of the Society was known (excepting one) nor any landed property of such persons was available in his tehsil.

- (d) According to the enquiry report of the Naib Tehsildar, no mortgage deed was executed by the Society in respect of the loan of Rs 52 000 and in the mortgage deed for the other two loans the same land was pledged to Government twice over, further the area of the land was on departmental verification actually found to be 18 000 square feet as against 63,000 square feet shown in the application for the loan of Rs 70,000. The enquiry by the Naib Tehsildar also indicated that the land mortgage did not belong to the society and was shown in the revenue records as belonging to some other person.

7 The department informed the Committee in written reply that

- (i) the relevant files of the office of the Deputy Commissioner show no reason for making departure from the mandatory provisions of the rules which require that the application from the co operative societies should be routed through the Assistant Registrar Co-operative Societies who is required to offer his comments and to verify the genuineness of the membership of the Society. Government was also not approached for any relaxation,
- (ii) the District Development and Panchayat Officer and the Sub Divisional Officer (Civil) Naraingarh did not conduct any verification of their own but relied on the affidavit of the Secretary of the Society and the registration certificate of the Society,
- (iii) the records of the Deputy Commissioner's office did not show any reason for not obtaining the mortgage deed before the actual disbursement of loans,
- (iv) no special reason were on record for which the sanctioning authority could not detect during the course of scrutiny and verification of the particulars mentioned in the application for loan that the same land was pledged to Government twice in respect of the loans of Rs 1 lakh and Rs 70 000. The department conceded that the applications were not properly scrutinised through the Revenue agency, and
- (v) there were no reasons on record for which the sanctioning authority released the third and final instalments of loans without physical verification of houses by the Departmental Overseers, as required vide instructions issued by the State Government in December, 1960.

The department explained in their oral evidence that the case was sub-judice and as such it was not possible for them to initiate any action against the authorities who recommended the applications without verification and sanctioned the loans.

The department informed the Committee that the general advice of the Legal Remembrancer was that in a sub-judice case the departmental action should be taken after the decision of the court. The Committee pointed out that only a part of the case, relating to the action of the loanees in defrauding the Government by giving wrong information etc. was sub-judice and there was nothing to debar the Government from taking action against the supervisory officers. In this connection, the attention of the department was invit-

ed to the instructions contained in the P F R , Volume II, Part I, regarding the departmental enquiries in cases of frauds, embezzlements, etc These instructions read as under —

‘There is tendency for the Head of Office or Department to regard the institution of criminal proceedings as absolving him from the task of conducting an immediate and thorough enquiry The reluctance may be enhanced by the apprehension that an enquiry may prove prejudicial to the results of the trial in a Court of Law As a result, there has sometimes been a great delay in taking departmental proceedings and the result has been inconclusive — Further, it is stated that the departmental enquiry should not be delayed pending the decision of the criminal case as at a later stage, the evidence might disappear and the departmental enquiry may not be brought to any conclusion at all

The departmental representative produced before the Committee the copies of documents, such as F I R and challans From these documents, the Committee verified that the case was *sub judice* only so far as the co operative society was concerned The Secretary of the Department conceded that after going through the record received from the Court, he was satisfied that the departmental action was warranted and that he had recommended the same to the Chief Secretary The department also conceded that the following irregularities have actually been committed in these cases by the departmental officers —

- (i) The instalments were released without the recommendations of the Assistant Registrar, Co operative Societies
- (ii) the party had constructed only 12 houses instead of 15, for which a loan of Rs 1 lakh was granted ,
- (iii) the loanees did not pay the first instalment within one year of the sanction of the loan and in fact, no instalment has been paid so far This fact was not reported by the District Development and Panchayat Officer or the Sub Divisional Officer(Civil) It was not pointed out, while recommending the loan, that the Secretary of the society had already drawn three loans in his individual capacity, by cheating the Government , and
- (iv) the society had not obtained the title of the land, which was mortgaged to the Government as collateral surety for the loans

The departmental representative further stated that there was a dispute about the site under the built up quarters between the owner and the co operative society The examination of the files revealed that the deed was executed in favour of the co operative society by the land owner but it was never got registered and consequently, the title of the land in the revenue records continued to stand in the name of the owner The departmental representative also stated that he had already made a reference to the Chief Secretary to Government Haryana for initiating departmental enquiry against the Deputy Commissioner and the District Development and Panchayat Officer who acted negligently in the performance of their duties He also informed that in regard to the action against the officers who had been allocated to Punjab and Himachal Pradesh, he would suggest to the Chief Secretary to Government, Haryana to take up the matter with the State Government concerned Further the Secretary to Government,

Haryana Housing Department informed that in a letter No 3310 2HG 69/297 dated 2nd January 1969 Chief Secretary to Government Haryana was requested to take up the matter with the Chief Secretary to Government Punjab for expeditious processing of the departmental enquiries against the defaulting officers/officials who have been allocated to Punjab

The Committee are perturbed to note that the manner in which the loans have been granted to the society is really unworthy of conduct by Government officers. The Committee feel that public funds have been squandered in this case with complete apathy and indifference to the tax payers' interest and in utter disregard of the canons of financial propriety and there appears to be an element of wilful dereliction of duty in the transaction. The Committee desire that the final outcome of the case pending in the Court of Law and the departmental enquiry against the delinquent officers should be reported to them in due course. The Committee strongly recommend that punishment of a deterrent character should be given to the officers who are found to be guilty of these serious irregularities and gross or wilful negligence in the performance of their duties.

AGRICULTURE DEPARTMENT

16. Audit had pointed out that the Government Engineering Workshop Nilokheri was established in 1948 with the main object of manufacturing cheaper agricultural implements of standard specifications on mass scale for sale to cultivators through various State agencies. The workshop could also undertake the fabrication of railway duplicates, etc against firm order. It was transferred by the Government of India to State Government in October 1961. Previously also its management was with the State Government in October 1961 although it was financed by the Government of India. It was declared a commercial concern in January 1954.

Pages 78-79 Paragraph 103—Government Engineering Workshop Nilokheri Audit Report 1967

The following points were noticed by Audit —

(i) *Accounting System*—The accounts were not being maintained on commercial system and the draft accounting rules were still awaiting approval of the Government (August 1966). Job cards and Labour and Material Abstracts for working out cost of production of finished goods and 'Machine Cards', showing the number of hours each machine had worked as provided in the draft Accounting Rules were not being maintained. In their absence it was not possible to work out the cost of production on commercial lines and the actual working/idleness of machinery.

(ii) *Working Results* —The working results of the workshop for the last three years were as follows —

(In lakhs of rupees)

Serial No	Particulars	1963 64	1964 65	1965 66
1	Capital	12 25	14 67	15 99
2	Net profit	0 56		
3	Net loss		0 08	0 41
4	Percentage of net profit/loss on mean capital	5 14	0 60	2 69
5	Fixed assets (depreciated) on 31st March	2 32	2 85	3 55
6	Sundry Debtors	5 98	5 73	6 81
7	Sundry Creditors	1 31	0 73	0 59
8	[†] Cost of goods manufactured	8 60	9 13	9 40
9	Sales	9 37	11 45	10 08

(iii) *Sundry Debtors* —The break up of Sundry Debtors as on 31st March, 1966 was as follows —

Year	Due from Government departments	Due from private parties
	Rs	Rs
1962 63	707 00	125 00
1963 64	22 175 00	
1964 65	93 388 00	
1965 66	5 64 580 00	224 00
Total	6,80 850 00	349 00

(iv) *Machinery not worked to the rated capacity*—The machinery was not utilised to the rated capacity. In Foundry shop against the rated capacity of 4800 metric tonnes per annum it was utilised to the extent of 29 per cent 14 per cent and 31 per cent during the year 1963 64 1964 65 and 1965 66, respectively. The position of utilisation of machinery in other shops was in no way better. The General Manager stated in January, 1966 that if order from the Railway as well as from the Agriculture Department do not come in time this workshop may face closure after six months throwing 250 workers out of employment."

(v) *Idle Machinery*—Three machines costing Rs 6 554 purchased in 1962 were not put to use for want of technical know how. These are stated to have become outdated.

An Electric Chamber Furnace purchased in April 1958 for Rs 6,419, became unserviceable in December, 1961 for want of spare parts requiring import. No steps had been taken to import the spares or to dispose of the furnace.

Stores valuing Rs 6 621 were also lying unutilised since October 1961-March 1963.

The department informed in a written reply that the position of this workshop was critically examined after the reorganisation with reference to the past history order in hand and the anticipated demands and it was decided to run it on non commercial basis due to the following reasons—

- (i) No permanent line of production
- (ii) curtailment of railway orders,
- (iii) stoppage of orders for ploughs etc from the Punjab which constituted 85 per cent of the total orders,
- (iv) withdrawal of subsidies on implements which ultimately affected the demands
- (v) necessity of having a Design Demonstration and Research Centre for Agricultural Implements in Haryana State because no such unit existed in Haryana, and
- (vi) utilisation of the full capacity of this centre for the benefit of the State instead of utilising it primarily for the railways

The financial year 1966 67 showed a loss of Rs 2 16 lakhs. The Committee were further informed that the railways had ceased to place their orders with the workshop as they had set up their own workshop. This caused the unit to run at a loss. With a view to providing employment, the unit was closed and continued to manufacture agricultural implements etc. The unit was converted into an Agricultural Equipment and Research Centre with effect from the 1st April 1967 and some surplus staff was retrenched. This experiment also did not prove a success and now the unit was being handed over to the Agro Industrial Corporation, Haryana, which propose to start (a) sale of spare parts for imported tractors (b) repairs and servicing of tractors (c) assemblies of imported tractors from abroad, and (d) production of selected agricultural implements and machines. It was also disclosed to the Committee that the Government of India had given the Corporation, an agency for the assembly of tractors which the Haryana State was receiving from abroad. The departmental representative further stated in oral evidence that the charge of the workshop remained under the Government of India up to the 30th September 1961 and it was transferred to the Government of Punjab Agriculture Department with effect from the 1st October, 1961 due to the winding up of the Rehabilitation Wing of the Government of India. The Committee enquired as to why the Punjab Government agree to take over the centre when it was a losing concern. The departmental representative explained that the reasons were two fold one was to maintain employment and the second was that the Agriculture Department had started a scheme whereby subsidy was to be given to the agriculturists for purchase of improved agricultural

implements It was thought that the workshop would be able to manufacture and sell the implements He however conceded that there was no clear scheme before the Government for manufacture of implements before deciding to take over the workshop A sum of Rs 5 36 lakhs was paid by the Punjab Government to the Government of India and in addition a sum of Rs 2 24 lakhs had been spent by the State Government to convert it into a unit for production of agricultural implements The departmental representative expected that the unit would be profitable on its transfer to the Agro Industries Corporation if its working is managed properly and efficiently In regard to the outstanding recoveries the following year wise break up was furnished —

(a) Amount due from Government offices (Development Block Zila Parishads and Panchayat Samities)		Rs
1961 62		222
1962 63		474
1963 64		15 442
1964 65		7 539
1965 66		28 278
1966 67		35 275
(b) Railways		
1964 65 to 1966 67		1 25 818

The department informed that effective steps were being taken to effect recoveries from the Government departments and private parties In fact during the period from the 1st April, 1967 to the 30th November 1967 a sum of Rs 63 000 was recovered by the workshop In regard to the non utilisation of three machines costing Rs 6 554, the department explained in a written reply, that the machinery was purchased under the orders of the Government of India, for the execution of an educational order from the railways Unfortunately, this workshop was unable to manufacture the C I sleepers in spite of the fact that every possible effort was made in this regard The manufacture of C I Sleepers was practically beyond the capacity of this small unit as it involved heavy and complicated construction work In regard to the unutilised stores the Committee were informed that the unutilised stores comprised of three items, viz, (i) brass rods, (ii) zinc, and (iii) pig iron out of these three items zinc being a controlled commodity had been disposed of under the orders of the Director of Industries The other items would be utilised in the manufacture of the machinery parts in due course

The Committee observe that the workshop was taken over by the State Government in October 1961 without advance planning and without any clear cut scheme for manufacture of implements The Committee regret to note that despite considerable investment the unit did not prove a profitable or economical proposition and ultimately the Government had to convert it into a non commercial unit The Committee recommend that effective steps should be taken to realize the outstanding arrears from the private individuals and railways before the transfer of the unit to the Agro Industrial Corporation The department may also examine whether the Limitation period applicable in respect of Government dues, would remain in force on the transfer of the unit to the corporation and that the arrears recoverable from the private parties would not become time barred

The Committee recommend that responsibility for this faulty and haphazard planning which has resulted in loss to the State Government be fixed and report sent to the Committee

PUBLIC WORKS DEPARTMENT

17. Audit had pointed out that in Gurgaon Provincial Division the work of construction of Hodel Nuh, Pataudi Road, Section Hodal to Kot, Miles 1 10 (estimated to cost Rs 6 05 500) was allotted to a contractor in March, 1957 to be completed within 21 months. As the contractor did not complete the work within the stipulated time, the Divisional Officer rescinded the contract and imposed a penalty of Rs 40 000 in April 1959 for breach of contract.

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Report 1966—Loss
due to non recovery
of penalty

This was contested by the contractor in a court of law. In August, 1962, the court set aside the penalty on the ground that (i) the Divisional Officer was not legally competent to impose the penalty as this power vested in the Superintending Engineer and (ii) there was an error in the order of the Divisional Officer in forfeiting the earnest money of the contractor. The department did not examine on receipt of Court's judgement whether afresh order to levy the penalty could be issued by the competent authority.

The departmental representatives stated in evidence that the Executive Engineer levied the penalty because the contractor did not complete the work within the stipulated period and his request for extension of time limit was not acceded to. The Executive Engineer had levied the penalty after getting the approval of Superintending Engineer. It was further stated that on receipt of Court's judgement, the case was referred to the Legal Remembrancer for advice as to whether an appeal should be filed against the order of the Court. The Legal Remembrancer, however, advised that it was not a fit case for appeal. The Department did not therefore, file the appeal. In the meanwhile the work was allotted to another contractor at lower rates and as such there was actually no loss to the Department. When the position was reviewed by the Chief Engineer he also expressed the view that it was not a fit case in which penalty could be levied with justification. Hence, the matter was not pursued further.

The departmental representative stated that at the time of dealing with this case, it was the general practice in the Department that the Executive Engineer obtained the approval of the Superintending Engineer and thereafter levied the penalty.

The department representative quoted an extract from clause 2 of the contract which reads as under —

The work shall throughout the stipulated period of the contract be proceeded with all due diligence (time being deemed to be of the essence of the contract on the part of the contractor) and the contractor shall pay as compensation an amount equal to one per cent or such smaller amount as the Superintending Engineer (whose decision in writing shall be final) may decide on the amount of the estimated cost of the whole work as shown by the tender for every day that the work remains uncommenced or unfinished after the proper dates

The departmental representative explained the following two fold departmental contention in respect of interpretation of the said clause —

- (a) If the penalty is to be levied in full then the Executive Engineer can do it, and
- (b) If a lesser penalty is to be imposed then only the Superintending Engineer is competent to do so and the Executive Engineer cannot do

In view of the above interpretation of the aforesaid clause of the contract and the practice followed in the Department it was argued by the department that the penalty was correctly imposed by agreement in replacing the word Superintending Engineer/the Executive Engineer. The departmental representative further stated that later on, the Government even amended clause (2) of the by Executive Engineer. The Committee enquired as to why the contractor was allowed in the first instance to go to the lower Court and recourse was not taken to the provisions of arbitration clause in the agreement. It was explained that the Civil Court appointed Superintending Engineer Hissar to arbitrate in this case. In conformity with the above practice the Superintending Engineer had issued notices to the contractor and had taken up the proceedings on 6th June 1960. In the course of proceedings, the contractor came forward with the request that the hearing instead of being fixed at Hissar should be held at Gurgaon. He also requested that some of the Department employees should be summoned by the Arbitrator as witnesses. The arbitrator called upon the contractor to deposit the requisite money to cover the T A charges of officials desired to be summoned as witness by the contractor declined to do so. Quite a bit of correspondence was exchanged between the arbitrator and the contractor on these issues. It was this fact which caused delay. In the mean time the Superintending Engineer who was appointed as an arbitrator retired from service on 22nd December, 1960. While this case was being handled by the Superintending Engineer, there were 34 other arbitration cases pending with him and which were older than the case in question. After the retirement of the then Superintending Engineer the new Superintending Engineer also wanted to proceed with the case but the limitation period of four months prescribed completion of proceedings had expired. He, therefore, made a reference to the Court for grant of extension but the contractor did not agree to the extension being granted. The Court thereupon took up the case under its own jurisdiction.

The Committee are clearly of the view that in accordance with the provision of clause (2) of the contract relating to levy of compensation then in force, only the Superintending Engineer was the competent authority to levy the penalty. The decision was to be given by him in writing which was to be final and binding on the parties. The Executive Engineer was not vested with this power. The fact that the State Government decided, later on, to amend, the clause by replacing the word Superintending Engineer by Executive Engineer supports the observation of the Committee. The Legal Remembrancer also advised against filing an appeal in the High Court because the stand taken by the department was not consistent with the simple, obvious and ordinary interpretation of clause (2) of the Contract under which the Executive Engineer was not competent to impose penalty.

The Committee find that Department has all along been following a clearly wrong practice and have been wrongly interpreting the provisions of clause (2) of the Contract deed on account of which the judgement of the Court went against the Department.

The Committee feel that the provisions of agreement deeds which provide for Contractual obligations and rights of the parties to the Contract should be in clear and unambiguous language and should not be interpreted in an arbitrary and involved manner but an authentic interpretation should be obtained from the Law Department whenever necessary. This would avoid unnecessary references to arbitrations or failure of Government cases in the Courts of law on technical grounds.

The Committee are perturbed to note that a large number of cases remain pending with the Superintending Engineers appointed as Arbitrators for long periods and extensions are sought from the Courts for completion of proceedings beyond the prescribed period of 4 months. The Committee desire that the Government should consider the desirability of setting up a separate all manned by technical officers of a suitable rank to deal with the arbitration cases to ensure speedy and expeditious settlement so as to avoid loss on Government funds on litigation. In this connection reference is also invited to the recommendations contained in para 3 42 (reproduced below) of the Report on the reorganisations of the working of Punjab Public Works Department submitted by the Finance Secretary to the Government of composite State of Punjab

‘ 3 42 Clearance of Arrears of arbitration cases —The present position of the arrears of arbitration cases which have accumulated is such that it require some concrete steps to clear them. This question was discussed in details in the departmental meeting of all Superintending Engineers and Executive Engineers in August, 1963. It was found that the number of cases which were disposed of by various Superintending Engineers during the period 1st April, 1962 to 30th June, 1963, was as below —

Superintending Engineer Ambala	60
Superintending Engineer Patiala	41
Superintending Engineer, Hissar	
Superintending Engineer Jullundur	26
Superintending Engineer, Kangra	3
Superintending Engineer, Amritsar	3
	<hr/>
Total	133
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On the basis of this data a norm of 40 arbitration cases per year was fixed and Superintending Engineers were directed to ensure that their output during a year was according to this norm. This will mean that a total of 240 cases would get decided in a year in six Circle of the B and R Branch. At the same time about 150 cases are being filed per year. Therefore the number of pending cases will remain the same even if the Superintending Engineers are able to give an output of 40 cases per year. It is, therefore essential that a special post of Superintending Engineer (Arbitration) is created in the office of Chief Engineer B and R Branch Patiala for a period of two years in the first instance. This Superintending Engineer should take in hand all the old cases from all the Circles and working whole time he should be able to clear the arrears in a period of two years. The new cases should remain the responsibility of the Superintending Engineers of the Circle concerned. It may be mentioned that this post has since been sanctioned. It is necessary that it should continue for a period of two years so that the arrears are brought under control.

P W D (B & R) BRANCH

10. Audit had pointed out that in two arbitration awards pronounced in January, 1964 and November 1964 the arbitrators had awarded a total sum of Rs 22 323 to two contractors on account of certain claims disallowed by Rohtak Public Works Division and also restored to them certain recoveries made from their final bills. Certain omissions and defects in some of these cases are mentioned below —

Page 74 76 paragraph 91 of Audit Report 1966—construction of 100 double roomed Houses at Rohtak

Nature of work	Amount awarded	Omissions etc which caused payments
	Rs	
1 Wood Work	7 414	There was omission to include in the agreement the usual clause that items not included in the tender notice would be paid for at the Schedule of Rates, payment for wood work had, there fore, to be made at rates higher than those admissible under the Gurgaon Schedule applicable to the Division
2 Construction of fire places	1,363	(a) Drawing/designs were not supplied to the contractors by the department and (b) Recoveries effected from the final bill on account of payments made at higher rates or for inadmissible/excessive items in running bills were disallowed by the arbitrator on the ground that the department had passed these payments in the running bills
3 Laying of floor	1 690	Measurements recorded by the Sub-Divisional Officer incharge of the work were held by the arbitrator as perfunctory
4 Use of Badarpur Sand	[1 840	The officers who executed the work were not produced as witnesses before the arbitrator nor were statements from them filed for defending the case

5 Against a sum of Rs 4 209 recovered in the final bill in August 1964 for the work Reconditioning Sampla Kharkhauda Road Groups I and II, on account of supply of overgauge road metal (Rs 1 983) and water allowances (Rs 2,226) a sum of Rs 3 015 (Rs 1 659 on account of road metal and Rs 1 356 on account of water allowance) was allowed to the contractor by the Arbitrator in November 1964 on the ground that the department had admitted its liability to make payments for these items while making payments of the running bills

The department, in the explanatory memorandum on the award submitted to the Finance Department held the Sub Divisional Officer responsible for this loss on account of his failure to exercise proper vigilance

1 *Wood Work—*

The Departmental representatives stated during the course of oral examination that the item of wood work (doors and windows) was not included in the notice inviting tenders (NIT) prepared in June 1957. The notice inviting tenders was prepared on the basis of Gurgaon Schedule of rates applicable to Rohtak Division to which this work related. With effect from 1st July, 1957 Ambala Schedule of rates which contained higher rates than those of Gurgaon Schedule of rates was made applicable to Rohtak Division. According to clause 12 of the agreements if any item which was not included in the NIT cropped up during the execution of the work, the Schedule of Gurgaon was to be made applicable. But the contractor claimed payments at Ambala Schedule of rate. The Arbitrator upheld the Contractor's claim because there was omission to provide for the item in the NIT and the Ambala Schedule of rate had been made applicable to this division from 1st July 1957 by the Chief Engineer. The department was, however, all the time taking the plea in arbitration that payment was admissible at the Gurgaon Schedule of rate. Regarding the omission it was explained that the NIT was copied from the NIT of another work and the typist omitted this item while typing. The omission escaped the notice of the Accounts Clerks, the Head Clerk, the Accountant and so on.

It was further stated by the Department that there was no loss to Government because of arbitrator's award. It was argued that the Superintending Engineer or Chief Engineer would have also allowed the same rate if the case were to be decided by him on legal grounds. When questioned the Departmental representative stated that the difference between the rates of the contractor and those of the Department was about Rs 7 400.

The Committee are surprised that the department has been unnecessarily pursuing the case in arbitration even though the officers of the department were convinced that the claim was legally justified. The Committee have not been able to appreciate as to why the superior officers did not advise the division to accept the claim of the Contractor at the correct rate. The Committee feel that this kind of indifferent approach not only causes undesirable harassment to the Contractors but also involves avoidable expenditure on infructuous litigation. The Committee recommend that the Government should take serious notice of such cases. In this connection an extract from the Report on the Reorganisation of the working of Public Works Department is reproduced as under —

On account of emphasis on rooting out corruption and enquiries being conducted by the Vigilance Department, the Officers at the lower level are reluctant to settle these claims in order to play safe and avoid the risk of any complaints arising out of the settlements. Since the decision of Arbitrator is semi-judicial and not ordinarily open to audit and enquiry the officers of the Department seem to prefer the case to be decided by the Arbitrator even if they are themselves fully convinced about the admissibility of the contractor's claiming.

The Engineering Officers should be made to discharge their responsibility for settling with contractors to avoid reference to arbitration. If the lower officers are conscious of their duties and are eager to settle the contractors with a fair mind they can reduce reference to arbitration cases substantially.

2 Construction of Fireplaces—

The departmental representatives stated that in the N I T (Notice inviting tenders) for the work there was a provision of two items i.e. a single chimney with single flue and a single chimney with double flue. There were provided specified rates for these items in the contract and the contractor was paid accordingly in the running bills. Besides that the officers incharge and the S D E made payment for the R C C lintels also.

Subsequently when one of the Executive Engineers pointed out while auditing their running bills before their payment that the rate provided in the N I T was for the complete job including all items and that R C C lintels and the openings were not payable separately, the payment for the lintels in subsequent bills was denied. The S D E at that stage made out a fresh analysis of rates for the items of two types of chimney and submitted it to the Chief Engineer. The Chief Engineer turned down the recommendations saying that the rates provided in the N I T were binding and were for the complete job. The final bill of the contractor was based on this decision. The Arbitrator however allowed some claim against this item on two considerations as per plea of the contractor (a) that designs for the fireplaces and chimney were not supplied with the N I T or subsequently and (b) that the departmental officers in the running bills, had paid higher amount and also at one stage had recommended to the higher authorities some higher analysis item rates.

The Department's contention was that the drawing showing the fireplaces were actually supplied to the contractor and further that running bills were only on account bills and were subject to the final settlement by the adjustment recoveries etc., in the final bills. Moreover any recommendation by any lower departmental official about rates if not supported by provisions of agreement was always subject to the final decision of the competent authority. The Executive Engineer who defended the case before the Arbitrator failed to point out that the drawings showing the fireplaces were actually supplied to the contractor. The officers had been allocated to Himachal Pradesh Government. A reference has been made to Himachal Pradesh Government to deal with the officer for this lapse. The department was already proceeding to take action against the officials who had made incorrect payment in the running bills. The Committee desire that the final action taken in the matter reported in due course.

3 Laying of floor—

The Committee were informed by Audit that in the final bill the floor area was reduced to 33 133 sq feet from the original area of 35 387 square feet paid for in the running account bills. The reduction was made on the ground that the thickness of the wall below plinth level was $13\frac{1}{2}$ inches and it was 9 inches above the plinth level and consequently a floor of $2\frac{1}{4}$ inches width on the inner side was got dismitted by the departmental officers and the floor for the full area was laid by him. The arbitrator held that the reduction as made by the S D O concerned without proper measurement although he was required to take all measurement personally required for the preparation of final bills for all classes of work costing more than Rs 5,000 in each case. On being questioned by the Committee as to whether the Department investigated the reasons for which proper measurement were not made by the S D O concerned at the time of measuring the work for the final bills as enjoined by rules and also whether the responsibility for the lapse had been fixed the departmental representative stated that the dispute is in regard to the projection at plinth level inside the rooms beyond the face of walls. Since below the plinth the wall were $13\frac{1}{2}$ inches and above plinth the thickness was 9 inches the

first S D O who had got the work done had allowed payment for flooring by counting the dimensions right up to the inner faces of the wall, i.e., including $2\frac{1}{2}$ inches projection. On his transfer, he verbally told his successor to take care of this item as the flooring had perhaps not extended right up to the inner faces of the walls and deductions for the projection had to be made. Subsequently the S D E merely as the result of the verbal discussion deducted the floor area on account of this projection in the next set of bills. The contractor went in appeal to Arbitrator for this deduction. Then the Arbitrator deputed the Executive Engineer, B & R of that time to satisfy at site whether flooring extended right up to the face of the wall or walls within the plinth projection. The Executive Engineer after doing the needful, stated before the Arbitrator that his test check had revealed that the flooring stretched right up to the wall faces. The Arbitrator, on this basis allowed to the contractor his claim for the full area of the flooring. As such, there was no loss involved to the State since the award was based on extent of work verified and stated by the Executive Engineer to have been carried out. The only irregularity in the case was on the part of the two S D Es, for not having recorded measurement on actual observation at site for the work really done. For this Haryana Government have already moved the authorities in the Punjab Government who are their present employees for taking suitable action against them.

The Committee feel that it is yet another instance in which the department failed to carry out proper verification of Contractors claim and unnecessarily pursued the case in arbitration. The Committee consider that the verification at site which was made by the Executive Engineer at the instance of Arbitrator should have been conducted at his own initiative at the time of examining the contractor's claim. The instances of this kind give an impression to the Committee that there is an attempt to resist even the genuine claims of contractors and to force them to seek arbitration. The Committee recommended that action should be taken against the Executive Engineer who failed to verify the extent of work actually executed. The Committee further desire that the question of disciplinary action against the defaulting Sub Divisional Engineers should continue to be pursued with Punjab Government and the final action taken by that Government reported to the Committee in due course.

4 *Use of Badarpur Sand—*

The Committee was informed by Audit that the agreement with the contractor provided that the contractor would use clear washed sharpe course river sand on R C C work. The Executive Engineer however, issued orders in July 1958 (after the commencement of the work in January 1958) that Badarpur Sand should be used in the work. The Contractor claimed extra payment for the use of this Badarpur Sand as it was not a river sand. The Executive Engineer in his evidence before the arbitrator stated as under in the first instance:

According to the specifications course sand was to be used from the quarry approved by the Executive Engineer in charge and that he had approved the quarry at Badarpur and accordingly the contractor used Badarpur Sand.

In a subsequent hearing he however stated that he could not say whether Badarpur sand was actually used or not because there was no record entry to this effect in the book. The item as recorded in the measurement book had to be reinforced Cement concrete with certain quantum of steel and would not essentially describe the exact type of sand used. The Departmental representative was asked to explain the reasons for which the department could not verify from the officers in whose time the work

had been done, whether Badarpur Sand was actually used or not as also why it was not possible to produce such officers as witnesses or to file their statements before the arbitrator for defending the case. The Departmental representative stated in evidence that the agreement provided that for reinforced concrete items, the contractor would use a clean washed sharpe course river sand. It also provided that the work would be carried out according to the Punjab P W D specifications, Volume I of 1936 edition or otherwise as may be specially provided for. The P W D specifications provided that the quarry source was to be approved by the Executive Engineer. As everything was complete on record the Executive Engineer did not feel the necessity of producing previous Executive Engineer as witness before the Arbitrator and accordingly prepared the defence himself and got it approved from the Chief Engineer. There was correspondence on record to show that the contractor was clearly told that the use of this type of clean washed sharpe course river sand was according to the requirements of the agreement and nothing extra for that can be paid to him. The Arbitrator however despite the defence put in by the Executive Engineer, allowed to the contractor some extra amount for the use of Badarpur Sand. When questioned as to what further steps were taken in view of the opinion held by the Department that the award given in favour of the contractor was not justified the Departmental representative stated that the Arbitrator allowed some claims but disallowed some other claims of the contractor. Therefore the authorities at that time must have thought that it would not be quite desirable to challenge the award in appeal in the High Court in regard to this single item.

The Department later informed the Committee that the advice of the Legal Remembrancer was not sought in the matter.

5 *Sampla Kharkhauda Road—*

The Departmental representative was asked by the Committee to explain the position about the supplies of road metal made by the contractor for the work of reconditioning of Sampla Kharkhauda Road which were not of requisite gauge as well as about the payment of water allowance in the running bills although the same was not payable.

It was stated by them that the S D O of the time made certain payment for supply of stone metal at full rates and also allowed some extra payment for water allowance for consolidation of metal. As the work proceeded it was detected by the Xen that the stone metal supplied was over gauge and thereafter it was decided after inspection at site that the rate for the supply should be reduced and it was accordingly reduced in the final bill. Similarly in respect of extra water allowance it was detected that according to the site condition and the store of water supply available this extra allowance was not admissible. In the final bill these payments were disallowed. The contractor went in arbitration and the Arbitrator allowed these payments. The Department held the S D E and the section officer of that time responsible for having initially made these undue payments in the running bills. Action against them had already been initiated. The Assistant Engineer had been allocated to Punjab and for him a reference was made to the Punjab Government. So far as the Sectional Officer was concerned the matter was being dealt by the Superintending Engineer. It was further stated by the Departmental representative that in his opinion the amount should be recovered from these officers. Necessary action taken in the matter would be communicated to the Committee.

The Committee desire that final outcome of those cases should be reported to them in due course

PUBLIC WORKS DEPARTMENT (B&R)

19. Audit had pointed out that according to Financial Rules no money should be drawn from the treasury unless it was required for immediate disbursement and fictitious adjustments, such as debiting to a work of the cost of the materials not required or in excess of actual requirements should not be made. It is not permissible to withdraw amounts or to make adjustments with a view to avoiding lapse of budget grants

Pages 22 23 Paragraph 19
of the Audit Report
1967—Withdrawal of
funds and adjustments
in works accounts with
a view to utilising the
allotted funds

In the cases mentioned below funds were withdrawn or fictitious or irregular adjustments made apparently with a view to avoidable lapse of budget grants, the amounts involved in these cases aggregated Rs 5 07 lakhs. The practice defeats parliamentary control over expenditure and may also be attended with the risk of loss to Government

(a) (i) *Dadri Construction Division*—Two cheques amounting to Rs 1 05 lakhs were issued in favour of Land Acquisition Officer on 29th and 30th March 1965 for payment of compensation for land for which awards had not been announced. No information about the date of actual announcement of awards and details of payments made to land owners was available in the division in the case of one cheque for Rs 55 000. Against the other cheque for Rs 50 000 payments amounting to Rs 32,867 were made in July August 1965 but information about the balance amount of Rs 17 133 was not available. The Executive Engineer stated in March 1966 that cheques were drawn in consultation with the Assistant Land Acquisition Officer who had promised to announce awards before 31st March, 1965 but could not do the same before the close of the year.

(ii) *Hissar Provincial Division*—A sum of Rs 0 77 lakh was debited to stock/works on 31st March 1965 in anticipation of actual receipt of materials which were received only on 5th April 1965.

(iii) *Hissar and Gurgaon Provincial Divisions*—The accounts of work were debited with the cost of materials (amount Rs 0 84 lakh) at the end of the financial year 1964-65, these debits were withdrawn later in the subsequent financial year.

(iv) *Amritsar Provincial Division*—Materials worth Rs 0 49 lakh were charged on 16th December, 1963 to a work even though it was allotted to a contractor on through rate basis. Out of this materials worth Rs 0 30 lakh were transferred to other work in the subsequent financial year.

The departmental representative accepted in evidence that it was a serious financial irregularity to draw funds in advance of requirements with a view to avoid lapse of budget grant and that disciplinary action was being taken against the officials concerned. In order to guard against the recurrence of such irregularities in future strict instructions had been issued to all the field officers to ensure strict observance of the codal provisions on the subject. When asked as to what action had been taken against the officials at fault departmental representative stated that they had already moved the Punjab Government to take suitable disciplinary action against the Sub Divisional Engineers as their explanations for the issue of cheques

before the announcement of the award papers had been completed, were not considered thoroughly satisfactory. The correspondence had been going on between the Chief Engineers of the two States i.e. Punjab and Haryana. The punishing authority was the Punjab Government under which these officers were serving at present. The Punjab Government was alone competent to impose punishment and not the Haryana Government. A letter proposing to the Punjab Government to take disciplinary action against the officer concerned was read out to the Committee. For judicious application of mind it was not considered proper to suggest any punishment before hand because officer concerned who had to deal with the disciplinary case had yet to arrive at some conclusions. It was disclosed that there was no misappropriation or loss caused to the Government with mala fide intention. The officers concerned were however required to ensure that the Land Acquisition Officer announced this award before the financial year was closed. The office of Land Acquisition Officer was at Ambala whereas the S D O s offices were at Mohindergarh and Narnaul. The fact of the matter was that there was one L A O for the whole district. At the close of the financial year he had so much rush of work that it was very difficult for him to dispose of all the cases. Once award was announced there was no delay on the part of P W D to provide the money.

In a similar case a Sectional Officer had already been given warning and a copy of that was placed in his personal file on the recommendation of the Chief Engineer on a suggestion by the Accountant General that the Government should review all the pending cases and where necessary the matter be taken up at the Government level. The Accountant General brought to the notice of the Committee in this way i.e. by drawing money in advance when it was not required to be paid immediately the budgetary control of legislature over the finances was vitiated.

The Committee feel that the kind of irregularity falsifies the figures of expenditure for the year in question and could lead to fraud or misappropriation. The Committee feel that this irregularity should be sternly discountenanced and if the other means of checking it prove insufficient the offenders should be subjected to some form of punishment of a deterrent character.

ANNEXURES

ANNEXURE I
I—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1950-51 AND THE
AUDIT REPORT 1952 (SECOND REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	29	Finance Department (Treasury and Accounts)	<p><i>Para 42 of the Audit Report</i>—A detailed report showing the further departmental action taken by the Government in this case the safeguards introduced for avoidance of similar losses in future should be submitted to the Committee as soon as the criminal case is finally closed</p> <p><i>Further observation (latest) made by the Committee</i>—The Committee desire that action against the delinquent officers be taken without further loss of time and the Committee informed</p>	Interim reply received from the Government is yet to be considered by the Committee

II—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEARS 1953-54 1954-55 1955-56 AND THE AUDIT REPORTS 1955-56 AND 1957 APPROPRIATION ACCOUNTS OF THE PERSU GOVERNMENT FOR THE YEARS 1953-54 1954-55 1955-56 AND 1956-57 (1ST APRIL 1956 TO 31ST OCTOBER 1956) AND THE AUDIT REPORTS 1955 (PARTS I AND II) 1956 1957 AND 1ST APRIL 1956 TO 31ST OCTOBER 1956 FINANCE ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEARS 1947-48 1948-49 1949-50 1950-51 1951-52 1952-53 1953-54 1954-55 AND 1955-56 AND AUDIT REPORTS THEREON AND FINANCE ACCOUNTS OF THE PERSU GOVERNMENT FOR THE YEARS 1950-51 1951-52 1952-53 1953-54 1954-55 1955-56 AND 1956-57 (1ST APRIL 1956 TO 31ST OCTOBER 1956) AND AUDIT REPORTS THEREON (SEVENTH REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	44	Public Works Department (Irrigation Branch)	<p>The Committee consider the expenditure on the construction of Executive Engineer's residence which was not provided for in the Project estimate and was also not otherwise required as highly irregular and recommend that the responsibility for the avoidable expenditure on this account should be fixed</p> <p><i>Further observation (latest) made by the Committee</i>—The Committee feel that the matter has been unnecessarily prolonged for a very long time and recommend that it should be finalised without further loss of time and the Committee informed</p>	Reply received from the Government is yet to be considered by the Committee
2	49	General Administration/Relief Organisation	<p>The Committee recommend that the question of fixing responsibility for the loss of Rs 6 900 on the Sub-Divisional Officer at fault to be considered at Government level and decided expeditiously if not already considered at that level</p> <p><i>Further observation (latest) made by the Committee</i>—The Committee would like to know the latest position in the case</p>	Reply received from the Government is yet to be considered by the Committee
3	99	Bhakra Nangal Project	<p>The Committee recommend that early action may be taken in this case on the lines of the recommendations if any made by the High Powered Committee and the finding of the Police Department. While doing so it may also be considered whether any departmental action is necessary against the Controlling Officers who may have failed to check the irregular payments being made by the Subordinate Officers</p>	Interim reply received from the Government is yet to be considered by the Committee

1	2	3	4	5
4	130 Food and Supplies Department	<p><i>Further observation (latest) made by the Committee</i>—The Committee regret to note that the reply given last year namely that the case is being examined by the Deputy Secretary to Government Punjab Irrigation and Power Departments H P C has again been repeated and desire that the matter be finalised without further loss of time and the Committee informed</p> <p>The Committee view with disfavour the inordinate delay in effecting recovery of Rs 23 912 and recommend that it should be effected without any further delay and compliance reported to the Committee</p> <p><i>Further observation (latest) made by the Committee</i>—The matter should be finalised at a very early date and the Committee informed</p>		
			<p>Interim reply received from the Government is yet to be considered by the Committee</p>	

III—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1956-57 (1ST APRIL 1956 TO 31ST OCTOBER 1956) AND THE AUDIT REPORT THEREON APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1956-57 (1ST NOVEMBER 1956 TO 31ST MARCH 1957) AND THE AUDIT REPORT 1958 AND APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1957-58 AND THE AUDIT REPORT 1959 (NINTH REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	25	Industries Department	<p>The Committee do not make any observation in view of the fact that a criminal case is pending and the department has promised to hold a detailed enquiry into the matter as soon as the records are available. The Committee would however like to be informed in due course of the result of the case and of the departmental enquiry when completed.</p> <p><i>Further observation (latest) made by the Committee —</i>The Committee would like to know the latest position</p>	<p>The departmental representatives were examined in respect of this case by the Public Accounts Committee on the 31st December 1968. The Committee have yet to draw their conclusions</p>

IV—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1956-57 (1ST APRIL 1956 TO 31ST OCTOBER 1956) AND THE AUDIT REPORT THEREON APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1956-57 (1ST NOVEMBER 1956 TO 31ST MARCH 1957) AND THE AUDIT REPORT 1958 AND APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1957-58 AND AUDIT REPORT 1959 (TENTH REPORT)

1	2	3	4	5
1	29	Public Works Department (Buildings and Roads Branch)	<p>The Committee recommend that after the decision of the appeal in the High Court immediate steps should be taken for fixing responsibility and for effecting recovery.</p> <p>The Committee further desire that instructions should be issued for the rigid observance of the rules relating to the maintenance and custody of cheques and cheque-books.</p> <p><i>Further observation (latest) made by the Committee</i>—The Committee would like to know the latest position.</p>	Interim reply received from the Government is yet to be considered by the Committee
2	49	Haryana State Electricity Board	<p>In regard to the first case the Committee regret to note that action to recover the excess payment has been considerably delayed. The Committee desire that the result of the action now being taken to recover the excess payment from the contractor or from the official(s) at fault should be intimated to them.</p> <p>In regard to the second case the Committee feel that the payment should have been made to the contractor according to the mode of conveyance actually used for transporting the material. In other words in addition to the railway freight from Anandpur Sahib to Delhi the contractor should have been paid for carrying the cement by trucks from Kotla to Anandpur Sahib Railway Station and for loading unloading etc. at a reasonable rate which should have been worked out. There was no justification in the opinion of the Committee to have made payment to the contractor for the entire distance from Kotla to Delhi at the rate applicable to transportation by road. The exact overpayment may be regularised.</p>	Interim reply received from the Government is yet to be considered by the Committee
			<p><i>Further observation (latest) made by the Committee</i>—The Committee would like to know the latest position.</p>	

V REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1956-57 (1ST APRIL 1956 TO 31ST OCTOBER 1956) AND THE AUDIT REPORT THEREON, APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1956-57 (1ST NOVEMBER 1956 TO 31ST MARCH 1957) AND THE AUDIT REPORT 1958, APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1957-58 AND THE AUDIT REPORT 1959 AND FINANCE ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1956-57 (1ST APRIL 1956 TO 31ST OCTOBER 1956) 1956-57 (1ST NOVEMBER 1956 TO 31ST MARCH 1957) AND THE AUDIT REPORT THEREON (ELEVENTH REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	11	Bhakra Nangal Project (Irrigation Branch)	<p>The Committee observe that in this case two senior officers retired and their pensions were sanctioned when the matter was still being investigated. Previously too several cases had come to the notice of the Committee in which the officers responsible for irregularities resulting in losses to Government had retired from service and consequently no action could be taken against them. In this connection the Committee reiterate their recommendation made in paragraph 114 of their Fifth Report and paragraph 75 of their Tenth Report.</p> <p>As regards the two officers in whose case strong displeasure of Government had been recorded in their personal files the Committee understood that it was proper to effect a cut in the pension of one officer. The Committee desire that the final action taken in the case of this officer as also against the other officer be communicated to it. The Committee strongly urge that the provisions contained in Rule 2 2(b) of the Punjab Civil Services Rules Volume II should be strictly adhered to.</p> <p>The Committee note with concern that one of the officers who had earned strong displeasure of Government due to defective design in this case had been reemployed by Government as a Professor of Civil Engineering. The Committee are of the view that a person with such a record should not have been re employed.</p>	Interim reply received from the Government is yet to be considered by the Committee

4	34	Ditto	<p>The Committee desire that final action taken against the officer and the latest position about the recoveries should be intimated to it. The Committee also feel that action should be taken to fix responsibility on the Executive Engineer also who was finally responsible for the payments made in his division.</p> <p>The Committee are of the view that it was not correct to charge the value of cement affected by moisture to the work concerned. Sanct on of the competent authority should have been obtained to the writing off of this quantity if it had become unserviceable for any reason whatsoever.</p> <p><i>Further observation (latest) made by the Committee</i> —The Committee would like to know the latest position.</p>	Interim reply received from the Government is yet to be considered by the Committee
5	37	Bhakra Nangal Project (Irrigation Branch)	<p>The Committee are constrained to remark that such delays on the part of departmental officers in furnishing reports asked for by Government do not reflect a happy state of affairs.</p> <p>In regard to the shortage of stores the Committee desire that it should be informed of the action taken against the officers found responsible for the same.</p> <p><i>Further observation (latest) made by the Committee</i> —The Committee regret to observe that in spite of the recommendation made by them that the matter be finalised within three months no progress has been made therein even though about a year has elapsed. The Committee would like to know the reasons for the inordinate delay that has been caused in this case and also its final outcome.</p>	Interim reply received from the Government is yet to be considered by the Committee
6	38	Ditto	<p>It also came to the notice of the Committee that one of the officers concerned was to retire after nineteen years. To the Committee it seemed strange that no action would be taken against the officer concerned for nineteen years. The representative of the Finance Department stated that there was no such precedent where punishment might have been deferred for such a long period.</p> <p>The department has not disputed the fact that hardness allowance was paid even though the earth excavated was not hard.</p>	Reply received from the Government is yet to be considered by the Committee

special Officer who examined this case has observed as follow --
It is quite obvious that the hardness allowance was not given so much in the face of any real hardness of earth but as a cover to categories enhanced payments considered necessary to persuade the contractors and labour to carry on with the work in certain very unpopular reaches

The Committee agree with the general conclusions reached by the High Powered Committee in para 5 4 of their report to the effect that a device of paying an allowance which strictly speaking is not admissible instead of adopting the straight forward method of getting the basic rates revised is calculated to damage that sense of integrity which it is necessary to maintain in the department and that one such devices are resorted to there is no sure method of preventing abuse of such practices

In view of the serious nature of the irregularity the Committee are constrained to remark that the proposed disciplinary action to take the facts of the case into consideration at the time of sanctioning the pensions of the four officers involved is hardly adequate. One of the officers is still in service and in normal course will retire after about nineteen years. If a punishment is delayed it is bound to lose its effect. The Committee therefore strongly feel that some form of punishment which has an immediate effect will be a greater deterrent than the one contemplated by Government

Incidentally the Committee also note from a letter of the Chief Engineer dated the 7th November 1955 that the Superintending Engineer had reported to him that he had allowed hardness corresponding to dry bulk densities observed at site. This report *prima facie* is not correct in view of the final findings. The Committee desire that Government might examine this aspect and if it is found that a false statement had been made by the officer the fact should be taken into account while deciding the quantum of disciplinary action against him

One of the remarks made in the Special Officer's report was as follows —

As regards the Anti Corruption Department the matter for mally entrusted to them in January 1959 of which they have no knowledge and which they cannot even trace may also be laid to rest

The Committee are unable to understand as to why no trace of the case which according to the statement of the departmental representative was referred to the Anti Corruption Department on the 13th January 1959 was available in that Department. The Committee recommend that this matter should also be investigated and the Committee informed why Anti Corruption Department had no knowledge of the case which the Irrigation Department had referred to it in January 1959

Further observation (latest) made by the Committee — The Committee reiterate their observations and would like to know the new facts on the basis of which the previous conclusion was modified

7 40 Bhakra Nangal Project
(Irrigation Branch)

The Committee should be informed of the final action taken against the officer responsible for this irregularity

Interim reply received from the Government is yet to be considered by the Committee

Further observation (latest) made by the Committee — The Committee regret to observe that although they recommended last year that the matter should be finalised within three months no progress appears to have been made therein. They desire that action taken as also the causes of delay be communicated

8 41 Ditto

From a note subsequently received from the Department the Committee observed that some quantity of maphalt had not been returned to the suppliers for which an Overseer besides the two officers who were charge sheeted was held responsible. The Committee desire that they should be informed of the final action taken against the officers concerned

Reply received from the Government is yet to be considered by the Committee

Further observation (latest) made by the Committee — The Committee feel that the matter has been unduly delayed and desire that it be finalised as early as possible

1	2	3	4	5
9	43	Bhakra Nangal Project (Irrigation B and)	<p>The Committee suggest that speedy action should be taken to recover the outstanding balance if the Legal Remembrancer opines that the amount can be legally recovered and the Committee informed</p> <p><i>Further observation (latest) made by the Committee</i> — The Committee desire that the matter be finalised without any further loss of time</p>	Reply received from the Government is yet to be considered by the Committee
10	45	Ditto	<p>The Committee desire that they should be informed of the final action taken against the officers concerned</p> <p>The Committee also note with great concern that the agreement was not made available to the Special Officer on the ground that it was missing. The departmental representative stated that no copy of the agreement was traceable in any of the offices of the department. The Committee are constrained to remark that this reveals very deplorable state of affairs in the absence of the relevant document. Government cannot enforce the terms thereof against the contractor and take disciplinary action against the officers concerned. Such documents have to be kept in safe custody to guard against their being lost. The Committee recommend that the circumstances leading to the loss of the agreement should be investigated further and disciplinary action taken against the negligent officers</p> <p><i>Further observation (latest) made by the Committee</i> — The Committee regret to observe that notwithstanding their recommendation made last year that the matter should be finalised within three months no appreciable progress has been made therein. The Committee desire that it be finalised without any further loss of time</p>	Reply received from the Government is yet to be considered by the Committee
11	46	Ditto	The Committee would like to be informed whether the Finance Department had agreed to the punishment which was proposed by the Administrative Department	Interim reply received from the Government is yet to be considered by the Committee

Further observation (latest) made by the Committee—The Committee regret to observe that notwithstanding their recommendation made last year that the matter should be finalised at a very early date no appreciable progress has been made therein. The Committee desire that it be finalised without any further loss of time.

12	50	Ditto	The Committee should be informed if recoveries could be made from bills due to the contractors in other divisions as also the final action taken against the officer responsible for these overpayments. The Committee also recommend that this case may be kept in view before the officers pension is finally sanctioned.	Interim reply received from the Government is yet to be considered by the Committee
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Further observation latest made by the Committee—The Committee would like to know the latest position

13	55	Ditto	The Committee are of the view that the Sectional Officer and the Sub Divisional Officers were primarily responsible for the short ages and laxity in supervision respectively and desire to know the action taken against them and also to regularise the loss. The Committee also feel that the inaction on the part of the Executive Engineer to move in the matter despite eighteen reminders from the Superintending Engineer was highly deplorable and calls for suitable action. The Committee should be informed of the action taken against the Executive Engineer.	Reply received from the Government is yet to be considered by the Committee
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Further observation (latest) made by the Committee—The Committee regret to observe that although last year they asked the Department to finalise the matter within three months no progress appears to have been made therein. The Committee desire that the matter be finalised without any further delay and the Committee informed as to why it has been delayed for so long.

14	57	Ditto	The Committee recommend that the required memoranda should be sent to Audit and the arrears in this respect cleared by the 31st March 1961 positively.	Reply received from the Government is yet to be considered by the Committee
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Further observation (latest) made by the Committee—The matter should be finalised without any further loss of time and the Committee informed

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59 Bhakra Nangal Project
(Irrigation Branch)

Reply received from the Government is yet to be considered by the Committee

The Committee feel that action has been inordinately delayed in their opinion the delay in taking action defeats the very purpose of bringing the guilty officers to book. The Committee desire that the proceedings in this case should be finalised expeditiously and the action taken against the officers intimated to the Committee

Further observation (latest) made by the Committee —The matter has already been inordinately delayed. It should be finalised without any further loss of time

60 Ditto

Interim reply received from the Government is yet to be considered by the Committee

The Committee are of the view that the Sectional Officer and the Sub Divisional Officer who authorised the issue of cement are primarily responsible. The defalcation would have come to notice much earlier had the Executive Engineer taken adequate action in time. The reply of the Executive Engineer to the objection statement issued in February 1955 on the other hand helped to lull the suspicion

The Committee recommend that the departmental enquiry should be expedited and suitable action taken against the officers at fault

The memorandum received from the Department indicates that the Sectional Officer was also responsible for other serious irregularities such as wrong measurements and his services were therefore terminated. The Committee feel that an officer who is guilty of falsification and embezzlement is not worthy of being retained in Government service

Further observation (latest) made by the Committee —The Committee regret to observe that although last year they asked the Department to finalise the matter within three months no progress appears to have been made therein. The Committee desire that the matter be finalised without any further delay and the Committee informed as to why it has been delayed for so long

The Committee would like to be informed of the final shortages and the action taken against the officer

Interim reply received from the Government is yet to be considered by the Committee

The Committee feel unhappy to note that the orders to hand over the case to the Police were coolly ignored by the Executive Engineer. The officer who ignored the orders of his superior authority should be suitably dealt with and Government should in future take serious notice of such flagrant disregard of orders.

Further observation (latest) made by the Committee—The Committee feel that the matter has been delayed for an inordinately long time and urge that it be finalised as early as possible.

VI REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1958-59 AND THE AUDIT REPORT 1960 (THIRTEENTH REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	15	Bhakra Nangal Project (Irrigation Branch)	<p>The Committee recommend that the advice of the Special Officer in this case be ignored and the matter which was referred to the Anti Corruption (now vigilance) Department by the Finance Department may be investigated by the Vigilance Department and the Committee informed</p> <p><i>Further observation (latest) made by the Committee</i> —The Committee would like to know the action that has been taken in the remaining cases other than the one relating to the Dabwali Division. They would also like to know the reasons which led the Screening Committee to recommend for dropping the matter</p>	Reply received from the Government is yet to be considered by the Committee
2	16	Ditto	<p>It was stated that the findings of the Special Officer had been accepted by Government</p> <p>The Committee do not agree with the advice of the Special officer and recommend that the matter be got investigated by the Vigilance Department and the Committee informed</p> <p><i>Further observation (latest) made by the Committee</i> —The Committee regret to observe that although last year they had desired that the matter be finalised within a period of three months no tangible action appears to have been taken therein. The Committee desire that the matter be finalised without any further loss of time and they be informed as to why it has been delayed for so long</p>	Reply received from the Government is yet to be considered by the Committee
26	Public Works Department (Public Health Branch)		<p>The Committee feel that the Department took an inordinately long period of two years before seeking the advice of the Legal Remembrancer. Even after this delay when the case was referred to the Legal Remembrancer all the relevant documents were not furnished in the first instance. But for this delay the complication that have now arisen on account of expiry of the period of arbitration would not have arisen</p>	Interim reply received from the Government is yet to be considered by the Committee

The Committee recommend that the final outcome of this case as also the action taken against the Sub Divisional Officer responsible for issuing stores in excess be communicated to them

Further observation (latest) made by the Committee —The Committee would like to know the latest position

The Committee feel that necessary action should have been taken soon after it was pointed out by Audit that the rate paid to the contractor was excessive. The Committee recommend that the final outcome of the case as also the action if any taken against the Executive Engineer be communicated to them.

Interim reply received from the Government is yet to be considered by the Committee

Further observation (latest) made by the Committee —The Committee would like to know the latest position

61 Industries Department

Interim reply received from the Government is yet to be considered by the Committee

Further observation (latest) made by the Committee —The Committee would like to know the latest position

78 Revenue (Excise and Taxation) Department

Reply received from the Government is yet to be considered by the Committee

The Committee are constrained to observe that in this case facts were deliberately suppressed in the first instance to avoid further enquiry being made by the Committee into the circumstances of the accident. Even though it has been mentioned in the written communication that the jeep met with an accident the circumstances attending the accident have not been mentioned therein. In view of this the Committee would like that an enquiry be made into the circumstances surrounding this accident. They also feel that the expenditure incurred on the pay and allowances of the driver during a period of over three years was wholly in fruitous and that the officer who was responsible for retaining the driver without there being proper work for him should be suitably dealt with.

Further observation (latest) made by the Committee —The Committee regret to observe that although they desired last year that the matter be finalised within three months no tangible action appears to have been taken therein. The Committee desire that the matter be finalised without any further loss of time and they be informed as to why it has been delayed for so long

VII—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1958-59
AND THE AUDIT REPORT 1960 (FOURTEENTH REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	14	Bhakra-Nangal Project (Irrigation Branch)	<p>The Committee have come across a number of instances in the part where material was received without making proper and adequate arrangements for its storage with the result that it got damaged and Government were put to loss. The Committee recommend that strict instructions should be issued so that before indenting for any material adequate arrangement for the storage thereof are invariably made to avoid any loss to Government.</p> <p><i>Further observation (it test) made by the Committee —</i> The Committee regret to observe that although last year they desired that the matter be finalised within three months no tangible action appears to have been taken therein. The Committee desire that the matter be finalised without any further loss of time and they be informed as to why it has been delayed for so long.</p>	<p>Reply received from the Government is yet to be considered by the Committee.</p> <p>Reply received from the Government is yet to be considered by the Committee.</p>
2	15	"Ditto	<p>The Committee recommend that action in the matter be expedited and the Committee informed of the final decision taken.</p> <p>The Committee further recommend that as Kankar lime is not to be used in building or structure as per advice of the Director Irrigation and Power Research necessary steps should be taken to regularise the net loss involved.</p>	<p>Reply received from the Government is yet to be considered by the Committee.</p>

Further observation (latest) made by the Committee — The Committee regret to observe that although last year they desired that the matter be finalised within three months no tangible action appears to have been taken therein. The Committee desire that the matter be finalised without any further loss of time and they be informed as to why it has been delayed for so long

3 17 Ditto

The Committee recommend that all the shortages mentioned in this paragraph be made good and where necessary recoveries effected expeditiously and the Committee informed

Reply received from the Government is yet to be considered by the Committee

The Committee would also like Government to fix responsibility for failure to make periodical stock verifications it is felt that if such physical verifications had been conducted regularly shortages of the present magnitude would not have occurred

Further observation (latest) made by the Committee — The matter be finalised at the earliest and the Committee informed

4 24 Ditto

The Committee recommend that the final outcome of the case which had been reported to the Police against the Sectional Officer be communicated to them. The Committee would also like to know whether the present employers of the Sectional Officer viz Central Government Undertaking have been informed of the conduct of this official while he was serving under the State Government. His conduct in securing employment in the Central Government Undertaking while he was under suspension is irregular. The Committee feel that it is likely that this employment had been secured by him by not disclosing the correct facts to the new employers. The Government should inform the Central Government Undertaking of the full facts of the case so that they can take suitable action against this person. The outcome of the reference to that Undertaking be intimated to the Committee in due course

The Committee may also be informed of the action taken against the then Sub-Divisional Officer for his failure to exercise proper check

Further observation (latest) made by the Committee — The Committee would like to know the latest position

1	2	3	4	5
5	26	Bhakra Nangal Project (Irrigation Branch)	The Committee recommend that shortages if any be recovered in full from the Sectional Officer expeditiously and action taken against him for tempering with the official records	Reply received from the Government is yet to be considered by the Committee
6	29	Ditto	<i>Further observation (latest) made by the Committee</i> —The Committee would like to know the latest position	Interim reply received from the Government is yet to be considered by the Committee
			The Committee recommend that the matter be probed into with a view to finding out whether the loss was due to lack of supervision on the part of the Executive Engineer and if so suitable action should be taken against him	<i>Further observation (latest) made by the Committee</i> — The Committee regret to observe that although they desired last year that the matter be finalised within a period of three months no tangible action appears to have been taken thereon. The Committee desire that the matter be finalised without any further loss of time and they be informed of the action taken on it

**VIII—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1959-60 AND
THE AUDIT REPORT 1961 (FIFTEENTH REPORT)**

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	18	Industries Department	<p>The Committee reiterate their recommendation contained in para graph 61 of their Thirteenth Report and urge that recoveries of outstanding dues be effected as expeditiously as possible. The Committee should also be informed if the agreement reached about the settlement of the loans advanced by the Government of India to the State Government for setting up Works Centres had been finally accepted by the Government of India</p> <p><i>Further observation made by the Committee</i>—The latest position should be intimated to the Committee</p>	Interim reply received from the Government is yet to be considered by the Committee
2	19	Ditto	<p>The Committee recommend that loss if any arising out of the disposal of stores may be intimated to them and they should be informed whether any shortages in the stores were noticed by the Assessment Committee and what action has been taken or is proposed to be taken against the officials responsible for the non verification of stores during September 1953 to April 1957</p> <p><i>Further observation made by the Committee</i>—The latest position should be intimated to the Committee</p>	Interim reply received from the Government is yet to be considered by the Committee
3	23	Education Department	<p>The Committee recommend that the final outcome of the case (re embezzlement) be intimated to them</p> <p><i>Further observation made by the Committee</i>—The Committee would like to be informed of the final outcome of the case</p>	Reply received from the Government is yet to be considered by the Committee

31 Medical and Public Health Department

The Committee are surprised to know that Government money was in contravention of the rules entrusted to a peon for being deposited into the Treasury. The Committee recommend that suitable action should be taken against the officer responsible for doing so and the Committee informed. The Committee also recommend that the final outcome of the case be intimated to them.

No reply received

Further observation made by the Committee—The Committee desire that the matter be finalised at an early date and the Committee informed.

38 Revenue (Registration Department)

The Committee recommend that suitable action should be taken against the Naib Tehsildar and the Tehsildar due to whose negligence the theft was facilitated. The Committee feel that the mere recovery of sum of Rs 108 from the Tehsildar and Rs 162 from the Naib Tehsildar was quite inadequate keeping in view the laxity for the observance of the rules on their part.

The Committee should also be informed whether the absconder who is suspected of having stolen money has been apprehended and if so the action taken against him.

Rule 3 1 of the Financial Hand book No 1 (1939 Edition) which lays down—

Public money in custody of a Department of office should as a rule be kept in strong treasure chests and secured by two locks of different patterns was brought to the notice of the Committee. The Committee were also informed that no cash chests had been provided in the Registration Office. It also came to the notice of the Committee that only two hours have been fixed for the purpose of receiving registration fees because according to sub para 2 of para 93 of the Punjab Registration Manual the fees have to be paid into the Treasury or sub treasury daily. The Committee feel that limiting the work of receipt of registration fees to two hours causes great inconvenience to the general public. The Committee therefore recommend that this period be extended to at least four hours.

Further observation made by the Committee—The Committee would like to know the latest position in the matter.

Reply received from the Government is yet to be considered by the Committee.

**IX —REPORT ON THE (1) APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1959-60 AND THE
AUDIT REPORT 1961 AND (II) FINANCE ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR
1958-59 AND 1959-60 AND THE AUDIT REPORTS THEREON (SIXTEENTH REPORT)**

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	7	Public Works Department (Irrigation Branch)	<p>The Committee also note that the Chief Engineer had appointed a Committee of three Executive Engineers as far back as 1959 to fix responsibility for the excessive purchase of cement and the findings of the Committee were sent by the Superintending Engineer Tubewells Circle to the Chief Engineer in 1960. But action against the persons at fault has not so far been finalised.</p> <p>The Committee view with disfavour the utter lack of responsibility on the part of the officer(s) who ordered 79 300 bags of cement in one lot without taking into account the fact that this quantity was to be consumed in a period of two years while according to the officers themselves the average life of cement kept in field offices is likely to be one year. The Committee recommend that suitable action should be taken against the officer(s) concerned and the Committee informed.</p> <p>The Committee would also like the action to be taken if not already initiated in another similar case relating to Tubewells Division No. 1 brought to the notice of the Committee/Department by audit during the course of examination. This case involves a loss of Rs 7 218 due to setting of the cement.</p> <p><i>Further observation made by the Committee —</i> The Committee regret to observe that the case had not been finalised in spite of the fact that the Report was laid before the Vidhan Sabha in October 1962, i.e. more than two years back. The final action in the matter be taken forthwith and the Committee informed accordingly.</p>	Reply received from the Government is yet to be considered by the Committee

2	3	4	5
2	8 Public Works Department (Irrigation Branch)	<p>The Committee feel that it was a serious lapse on the part of the Officer/Official concerned to issue 430 2 tons of coal when the quantity of the coal required for the bricks actually obtained by the Department was only 87 3 tons. The supply of coal should have been so regulated as to prevent unnecessary accumulation thereof with the society. No action was also taken to take back the coal issued in excess to the contractor before the society went into liquidation. The Committee recommends that responsibility for these serious lapses should be fixed and the Committee in formed</p> <p style="text-align: center;">* * * * *</p> <p>The Committee also recommend that before entering into contracts involving huge amounts the soundness of the society or of the individual contractor as regards its/his financial position as also its/his ability to cope with the work in question should be thoroughly examined. In the absence of this precautionary measure the possibility of heavy loss to public exchequer cannot be ruled out</p>	Interim reply received from the Government is yet to be considered by the Committee
3	11	Ditto	Reply received from the Government is yet to be considered by the Committee
4	12 Bhakra Nangal Project (Irrigation Portion)	<p><i>Further observation made by the Committee</i>—The Committee recommend that the matter should be finalised immediately and the Committee informed of the action taken thereon</p> <p>The Committee regret to observe that they were wholly dissatisfied with the replies given by the Chief Engineers in their oral evidence. In fact the Committee formed the impression that there was a tendency on the part of the Engineering Officials to prevaricate and there was an attempt on their part to justify the irregularities somehow or other while closing their eyes to the specific irregularities</p> <p>So far as the irregularities relating to the classification of earthwork and altering the rates of payment for centering and shuttering sample are concerned the matter has already been gone into detail by the High Powered Committee appointed by Government</p>	Interim reply received from the Government is yet to be considered by the Committee

and also the previous Public Accounts Committee. The Committee have no reasons to depart from the conclusions of the High Powered Committee and the previous Public Accounts Committee in the matter.

The Committee would therefore suggest that so far as the payment for excessive lead for earthwork and for outside borrow pits earth work and dressing of earthwork are concerned the matter should be gone into even at this stage by a High Powered Committee headed by an independent non technical officer who may be assisted by an engineer or engineers and an accounting expert in deliberations.

Further observation made by the Committee—The Committee regret to observe that a very important recommendation made by them for constituting High Powered Committee to go into this case has not so far been implemented by Government. The Committee strongly urge that suitable action in the matter be taken without any further loss of time and the Committee informed about it.

The Committee are constrained to remark that the Department has been too slow in taking necessary action for effecting recoveries which were noticed about two to eight years back from the Sectional Officers or other officers who were responsible for the shortages of stores. Had action been initiated and finalised in time, a good deal of recovery could have been made by now. The Committee should be informed of the latest position regarding the recoveries made from the Sectional Officers/Officials concerned.

Further observation made by the Committee—Action in the matter should be finalised without any further delay and the Committee informed.

The Committee fail to understand as to why the Store keeper was relieved from service without assessing his responsibility for the losses and recommend that responsibility for failure to safeguard the interests of the Government by taking necessary steps before the Store keeper was relieved should be fixed and the Committee informed. The Committee further feel that as observed by the Chief Engineer the case should have been handed over to the police as soon as the misappropriation and shortages came to notice.

The Committee also recommend that action should be taken against those officers/officials due to whose laxity misappropriation and shortages were facilitated.

Ditto

Ditto

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Further observation made by the Committee—The Committee observe that the matter is ten years old and recommend that it should be finalised without any further loss of time and the result intimated to the Committee

7 16 Bhakra Nangal Project
(Irrigation Portion)

The matter related to the year 1953-54. The Department did not detect the mistake for years together and the enquiries began when the matter was pointed out by the Audit at the tail end of which the officer was given a personal hearing in March 1961. It is regrettable that the case has not concluded till the date of drafting the Report. The Committee cannot understand as to why the matter has been dragged on for such a long period without taking action. The Committee now expect that the decision would be expedited and proper action taken against the persons/officials concerned and intimated to the Committee. The Committee should also be informed whether it was permissible to off set the amounts due to the contractor and recommend that he be black listed in case he refuses to refund the amounts paid to him in excess or recovered short from his bills.

Interim reply received from the Government is yet to be considered by the Committee

Further observation made by the Committee—The matter is over ten years old and the Committee more than two years ago had expressed a hope that the decision would be expedited. The Committee regret to observe that it is still being dragged on and urge that it should be finalised without any further loss of time.

8 17 Ditto

The Committee are wholly unable to appreciate the view of the Department that any amount which may remain unrecovered from the persons at fault by the time they retire from service could be recovered from the gratuity due and if necessary a cut in their pension could also be ordered. The departmental representative could not be unaware of the fact that the pension and gratuity have yet to be earned in this case and Government cannot set off the amount due from any prospective retirement benefits which may be granted to the officials. For all we know the officials may not for various reasons earn these benefits by the time he actually retires from or quits service. Besides a cut in pension is made if the quality of service of an employee is not up to the required standard and not to recoup the losses which the employee may cause to Government.

Interim reply received from the Government is yet to be considered by the Committee

9	19	Ditto	<p>The Committee also feel that there has been inordinate delay in the finalisation of the cases and the Department should finalise the investigations into the lapses of the officials and take appropriate action without further delay</p> <p><i>Further observation made by the Committee</i> — Although the Committee had more than two years ago reported that there had been inordinate delay in the finalisation of the cases these are still hanging on. The Committee would like these cases to be decided immediately</p> <p>The Committee recommend that the decision on the appeal filed by Government in the High Court should be intimated to it in due course</p> <p>The Committee also feel that action taken against the stenographer for loss of confidential box is inadequate and needs to be reviewed</p> <p>The Committee further recommend that action against the officers/officials held responsible for interpolations in the agreements should be intimated to the Committee</p> <p><i>Further observation made by the Committee</i> — The final action had already been long delayed and the Committee urge that the matter be finalised immediately</p>	<p>Reply received from the Government is yet to be considered by the Committee</p>
10	25	Public Works Department (Buildings and Roads Branch)	<p>The Committee consider this to be serious lapse on the part of officer that instructions are issued by them against certain specific rules. They recommend that strict action should be taken against the Executive Engineer in compliance of whose wrong orders the running bills were passed without pre audit and the action taken intimated to the Committee</p> <p><i>Further observation made by the Committee</i> — The Committee would like to know whether the warning stated to have been administered on the Executive Engineer has been placed in his personal file</p>	<p>No reply received</p>

1	2	3	4	5
11	27	Public Works Department (Public Health Branch)	<p>The Committee view with strong disavour that a statement raising certain doubts was made by the departmental representatives without being sure of facts. This state of affairs hinders the work of the Committee and shows that in some cases the officers advance pleas which are not factually correct. Government should issue instructions that whatever statements are made before the Committees of the Vidhan Sabha should be based on authentic data and should not be mere conjectures.</p> <p>The Committee therefore recommend that suitable action should be taken for the lapse in this case as well as for the irregularities mentioned in the Audit para</p> <p><i>Further observation made by the Committee</i>—Final outcome of the case be intimated to the Committee without any further loss of time</p>	<p>Interim reply received from the Government is yet to be considered by the Committee</p>

X— REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1960-61 AND THE
THE AUDIT REPORT 1962 (SEVENTEENTH REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	36	Co-operation Depart ment	<p>The Committee are of the view that the whole management of this Co operative Society has been lax in the performance of its duties in spite of inclusion of three responsible officers of the Government in the Directorate namely the Registrar Co operative Societies the Deputy Commissioner and the representative of the Industrial Finance Corporation. The Auditors report pointed out certain irregularities and losses sometime in 1960. The Board including the above-mentioned Government representatives did not care to look into the objections. When in September 1961 the Accountant General brought this to its notice a meeting was held to consider the whole situation in November 1961 and a decision to appoint a Sub Committee to look into the whole affair was taken in that meeting which never met throughout the term of office of the Directorate which included the representative of the Government who therfore grievously failed to discharge the duties entrusted to them. Then the elections for the new Directorate were also delayed for four years notwithstanding the deplorable state of affairs obtaining in the Mill. Responsibility for delaying the elections for so many years required to be fixed. Now however Government has appointed an IAS Officer as its Manager. But it is regrettable that so far it has not been made clear as to whether the functions of investigating into the mess of accounts during the past years have also been entrusted to him or not. A clear and prompt action in this connection is required.</p>	Reply received from the Go vernment is yet to be considered by the Committee

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The Committee would also like to point out that in the case of investment *via* share capital held by the Government and the loans advanced and guarantee given by them it is necessary that the balance sheets and periodic inspection reports of the officers should be furnished to the Accountant General so that he may see that the Government investment is safe and is not jeopardised by sound policies followed by the Mills/So icties

The committee further recommend that an enquiry should be held to find out if the then Director appointed by the Government (including Government Officer) discharge their duties properly and watched the interests of Government. In case it is found that they failed to discharge their duties properly suitable action should be taken against them also

Further observation made by the Committee —The Committee would like to know the latest position

**XI REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1960-61 AND THE
AUDIT REPORT 1962 AND THE FINANCE ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1960-61
(EIGHTEENTH REPORT)**

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	5	Public Works Department (Irrigation Branch)	<p>The Committee feel hesitant to accept the version of the Committee of the Executive Engineers to the effect that the entire fault lay with the Sectional Officer and the sub-Divisional Officer. Since the works in progress as stated by the departmental representative were inspected by different Executive Engineers on a number of occasions the Committee are inclined to feel that the fault lay with the Executive Engineers as well. The Committee therefore recommend that this aspect of the matter may also be examined and suitable action taken against all the officers concerned with out further loss of time and intimated to the Committee.</p> <p><i>Further observation made by the Committee</i>—The Committee regret to note that there has been inordinate delay in finalising the case and correspondence with regard to it has been going on between the Chief Engineer and the Administrative Secretary for more than one year without any tangible results. The Committee recommend that the matter should be finalised without further loss of time and the Committee informed.</p>	Interim reply received from Government is yet to be considered by the committee
2	7	Ditto	<p>The Committee recommend that—</p> <p>(1) the action taken against the officers concerned be intimated to the Committee</p> <p>(2) action should also be taken against those responsible for the loss of record which delayed the finalisation of the case and</p>	Interim reply received from the Government is yet to be considered by the committee

(3) action should also be taken against the officers/officials responsible for not informing the Department in which the officer was employed after his resignation from the Irrigation Department about the enquiry against him

Reply received from the Government is yet to be considered by the Committee

Ditto

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The Committee note with regret that the correct position about the shortage of bricks had not been intimated to Audit. The Committee recommend that if any information which is at variance with the facts stated in the Audit para comes to the notice of a Department it should be communicated to audit immediately. This will save the time of the Committee as well as of the departmental representatives.

In regard to the shortage of slack coal the Committee recommend that the final action taken against the concerned officials as also against the supervisory officers be intimated.

Further observation made by the Committee—The Committee feel that Government have taken an inordinately long time to finalise the matter and desire that it should be finalised without further loss of time.

20 Bhakra Nangal Project
(Irrigation Portion)

Interim reply received from the Government is yet to be considered by the Committee

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Further observation made by the Committee—The Committee desire that the matter be finalised without any further loss of time and the Committee informed.

The Committee desire that the final position after the completion of enquiry into the interpolation reported by the Chief Accounts Officer be intimated to the Committee.

Ditto

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The Director of Food and Supplies Department had already fixed the rates for bricks of standard specifications and also laid down a formula for determining the rates of bricks of non standard sizes.

Ditto

The Committee are not satisfied as to the circumstances in which the Irrigation Department purchased bricks at prices in excess of the controlled prices fixed by the Food and Supplies Department. If the controlled prices were remunerative as they must be, there was no justification whatsoever for the Department having paid prices in excess of the controlled prices. If however the Department felt that the controlled prices were unremunerative it raises an important issue as to why the Food and Supplies Department should control prices at unworkable rates as it will lead to all sorts of malpractices. The Committee recommend that this aspect of the matter should be examined and the results communicated to the Committee.

The Committee also feel that the instructions issued by the Government that clearance certificate should not be issued to the Overseer at the time of his retirement till he had cleared the entire amount of arrears do not adequately deal with the lapse on the part of the Overseer. A more strict action should be taken against him for his failure to obtain the receipt.

Further observation made by the Committee — The Committee desire that the matter be finalised at a very early date and the Committee informed.

6 24 Bhakra Nangal Project
(Irrigation Project)

The Committee feel that the quantity of slack coal which had been stocked was much in excess of the requirements. If advanced planning had been done over stocking of slack coal resulting in subsequent loss to the Government could have been avoided.

Reply received from the Government is yet to be considered by the Committee

The Committee recommend that the final action taken against the officer/official responsible for the shortage of 12 tons of coal be intimated to the Committee.

Further observation made by the Committee — It is about two years ago that the Committee presented their Eighteenth Report but it is not understood why Government have taken so long to take action in the case. The matter should be finalised within a period of three months positively and the Committee informed.

1	2	3	4
7	25	Bhakra Nangal Project (Irrigation Project)	Interim reply received from the Government is yet to be considered by the Committee
8	26	Ditto	Reply received from the Government is yet to be considered by the Committee
9	45	Animal Husbandry Department	Ditto

The Committee are surprised to find that the diesel oil was received in 1954 but no action was taken against the Sectional Officer who failed to account for 5 000 gallons till he left the Department in 1958. It reveals a sad state of affairs and the Committee recommend that responsibility for failure to detect the loss and take timely action against the concerned officer/officials be fixed and the Committee informed

Further observation made by the Committee — The latest position should be intimated to the Committee. The Committee note with regret that the officer who had tampered with and removed the records had been promoted as Sub Divisional Officer. Even if it is presumed that the entire loss caused to Government would be recovered from him the Committee are of the opinion that some serious action against him is called for and recommend that his case may be reconsidered with a view to taking deterrent action against him

Further observation made by the Committee — The matter should be finalised at a very early date and the Committee informed. Since research schemes as well as other schemes are carried on in the Livestock Farm Hissar the Committee recommend that the accounts of the two types of Schemes should be separated and interest on capital etc. should be included in the case of schemes other than those pertaining to research. Unless this is done correct results of the working of the Farm cannot be known. The Committee also recommend that outstanding amount from sundry debtors should be recovered expeditiously. In the case of amount due from Government servants steps should be taken to effect the recoveries from their pay, if necessary. As the existing system of disposal of hides and skins on contract basis leads to the dues remaining outstanding the Committee recommend that the desirability of modifying the system should be considered so as to ensure the payment of price of hides and skins as soon as these are sold

Further Observation made by the Committee — The latest position in regard to the shortage of stores and recovery of outstanding amounts from the sundry debtors should be intimated to the Committee

XII REPORT ON THE APPROPRIATION ACCOUNTS OF THE PEPSU GOVERNMENT FOR THE YEAR 1951-52 AND THE
AUDIT REPORT 1953 (SECOND REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	88	Food and Supplies Department	<p>The Deputy Commissioner Bhatnaga may be asked to explain the delay caused to effect recovery of Rs 6 021 8 0 from Messrs Shri Charan Dass Lakhbir Singh of Faridkot and the arrears of Government dues should be recovered from all parties</p> <p><i>Further Observation made by the Committee</i>—The Committee would like to know the latest position</p>	Interim reply received from the Government is yet to be considered by the Committee

**REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1961 62 AND THE
AUDIT REPORT 1963 AND FINANCE ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1961 62
(NINETEENTH REPORT)**

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	43	Revenue Department	<p>The Committee are constrained to remark that the attention which the emergency created by the floods demanded was not paid and the whole matter was treated in a routine manner. The Deputy Commissioner who withdrew the amount on the 20th March 1961 should have realised that it could not be spent before the close of the financial year. Had the works been executed during the year 1960 61 central assistance to the extent of 50 per cent would have been obtained. Failure to execute the work in time not only deprived the people affected by the floods from the much needed relief but also resulted in loss of central assistance. The Committee recommend that suitable action should be taken against the officer(s) responsible in this case and steps taken to ensure that in future relief works are executed in time.</p>	No reply received

XIV—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1961-62 AND THE AUDIT REPORT 1963 (TWENTIETH REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	20	Public Works Department Buildings and Roads Branch	<p>The Committee fail to understand why tenders were invited when neither the designs nor the detailed estimates of the work had been finalised and sanctioned. The Committee recommend that the responsibility for issuing defective tender notices omitting certain items of work valued at Rs 43,000 be fixed. Suitable action taken and the Committee informed.</p> <p><i>Further observation made by the Committee</i>—The Committee would like to know the latest position in the matter.</p>	Interim reply received from the Government is yet to be considered by the Committee
2	21	Ditto	<p>The Committee recommend that the final outcome of the case pending before arbitration as also the action taken against the officers responsible for various irregularities be communicated to the Committee as early as possible.</p> <p>The Committee should also consider the advisability of taking appropriate action against the parties responsible for bad material.</p> <p><i>Further observation made by the Committee</i>—The Committee would like to be informed of the latest position in the matter.</p>	Ditto
3	37	Public Works Department Irrigation Branch	<p>The Committee recommend that the final action taken in the matter should be intimated to the Committee in due course.</p> <p><i>Further observation made by the Committee</i>—The Committee desire that the matter should be expedited without any further loss of time and intimation sent to the Committee.</p>	Ditto

1	2	3	4	5
4	42	Bhakra Canal Administration	<p>The Committee fail to understand why a specific clause to the effect that the Department assumed no responsibility for the supply of sand free of cost was not included in the agreement. The inclusion of such a clause in the agreement was necessary in the light of the Chief Engineers order because the contractor in his tender had mentioned about the supply of sand free of cost. The Committee feel that this was a fit case where the advice of the Legal Remembrancer should have been obtained as to whether the award of the Settlement Committee could be got modified or not.</p> <p><i>Further observation made by the Committee</i> —The latest position in this case be intimated</p>	<p>Reply received from the Government is yet to be considered by the Committee</p>
5	50	Ditto	<p>The Committee recommend that the position about the recovery of the amount as also the disciplinary action taken against the concerned officers be intimated to the Committee</p> <p><i>Further observation made by the Committee</i> —The latest position in the matter be intimated</p> <p>The Committee feel that the matter has been dragged on for over ten years and recommend that it be finalised without any further delay and the action taken against the officers concerned be intimated to the Committee</p> <p><i>Further observation made by the Committee</i> —The latest position in the matter be intimated</p>	<p>Interim reply received from the Government is yet to be considered by the Committee</p> <p>Ditto</p>
6	53	Ditto		

XV—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1962-63 AND THE
AUDIT REPORT 1964 AND FINANCE ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1962-63
(TWENTY FIRST REPORT)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	12	Excise and Taxation Department	<p>The Committee recommend that suitable action against the Assessing Authority for his failure to exercise due care and control to prepare the assessment in time as also against the Taxation Sub Inspector who had been asked to make on the spot enquiries for his perfunctory reporting be taken and the Committee informed</p> <p><i>Further observation made by the Committee—The Committee would like to be informed of the latest position in the matter</i></p>	The reply received from the Department is yet to be considered by the Committee
2	25	Cooperation Department	<p>The Committee would like to be informed of the measures taken by Government as a result of the report of the High Powered Committee in order to improve the working of the Co operative Sugar Mills. The effect of such measures would be watched from the result of the working of the Mills in subsequent years. The Committee recommend that the accounts of the Mills should be properly maintained and development rebate depreciation etc should be correctly accounted for. The Committee would also like to be informed of the result of investigation into the discrepancy between the value of stores appearing in the General Ledger and Store Ledgers of the Haryana Co operative Sugar Mills</p> <p>In regard to the abandonment of the construction of the tank the Committee would like to be informed of the final action taken as a</p>	No reply received

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result of the arbitration proceedings which were proposed to be started. The Committee should also be informed about the result of Court cases. The Committee further recommend that the matter of recovery on account of shortage in transit of cane supplied to the Panipat Mills should be finalised quickly and necessary recovery made from the contractors. The final position regarding proceedings proposed to be taken against the Cashier of the Panipat Mills should also be communicated to the Committee.

Further observation made by the Committee—The Committee are constrained to remark that the Report was presented in March 1965 and about 14 months have lapsed but no reply has been received from the Department. The Committee would like to know the particular reasons for this extraordinary delay and recommend that the matter should be finalised at the earliest without further loss of time and the Committee informed

3 41 Transport Department

The Committee fail to understand why in the face of the clear provisions of the Employees State Insurance Act the arrears of employees' contribution were not realised in anticipation of exemption being granted to the employees of the workshops. Moreover under the Act the State Government itself was competent to grant exemption if it was satisfied that there was a good case for doing so. It is surprising that even after the issue of instructions in 1958 the recovery of employees' contribution was not started and it is only when the Corporation prosecuted the Roadways that the provisions of the Act were complied with. The Committee recommend that the whole matter should be examined and responsibility for the loss which Government had to incur by way of payment of employees' contribution fixed. In the alternative the Committee would like to know why the State Government did not invoke its powers and exempt the workshops from the provisions of the Act and also to refuse payment of employees' contribution by limitation.

Item reply received from Government is yet to be considered by the Committee

The Committee further understand from Audit that employees of some of the Transport Depots were getting medical benefits under Punjab Government Rules. It could not be stated by the Department whether and if so why the employees governed by the Act were also enjoying any parallel benefits under the rules applicable to Government employees. During subsequent discussions the Committee were informed that information on this point was being collected to clarify the matter. The Committee desire that position should be verified expeditiously and a report submitted to them.

Further observation made by the Committee — The Committee would like to know the latest position in the matter.

No reply received

4 55 Medical Department

The Committee desire that a suitable time limit for utilisation should be prescribed in future in respect of grants in aid given in connection with the Kurukshetra Fair.

Further observation made by the Committee — The Committee are constrained to remark that the Report was presented in March 1965 and about 14 months have lapsed but no reply has been received from the Departments. The Committee would like to know the particular reasons for this extraordinary delay. The Committee recommend that the action should be finalised at the earliest without further loss of time and the Committee informed

5 94 Public Works Department (Irrigation Branch)

The Committee recommend that failure or omissions if any on the part of Divisional Accountant should be examined and appropriate action taken under intimation to the Committee.

Further observation made by the Committee — It has been stated in the reply received from the Government that the reply is awaited from the Superintending Engineer Tubewells Circle who is being reminded regularly. The Committee would like to have in the chronological order a statement indicating the initial reference to the said Superintending Engineer and the number of subsequent reminders issued to him.

Interim reply received from the Government is yet to be considered by the Committee

6 99 Bhakra Canal Administration

The Committee are constrained to remark that there has been inordinate delay in investigating the shortage in fixing responsibility for the same. The Committee recommend that the final outcome of the case as also the action taken against the defaulters be communicated to the Committee.

Interim reply received from the Government is yet to be considered by the Committee

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Further observation made by the Committee—The Committee regret to note that the case had not been finalised during the last 1½ years. The Committee desire that it should be finalised expeditiously and a report sent to them within a period of two months. The Committee also desire to know the reasons for the inordinate delay in finalizing the case.

The Committee recommend that the final outcome of the case as also the action taken against the officers/officials held responsible be communicated. Responsibility should also be fixed for lapses at supervisory level and the Committee be informed.

Ditto

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Ditto

Further observation made by the Committee—The Committee would like to know the date when the orders were passed by the Government directing the Superintending Engineer to fix responsibility for the lapses at the supervisory level. The Committee would also like to know the latest position in the matter.

The Committee find that whereas the Sectional Officer prepared his store accounts in December 1954 the Divisional Office did not incorporate them for two to four years in their accounts with the result that there was delay in raising the debits and consequently in detecting the loss of cement.

Ditto

8

102

Ditto

The Committee feel that there has been inordinate delay in investigation. The Committee recommend that responsibility should be fixed for this delay as also the final action taken against the official responsible for the loss be communicated to the Committee.

Further observation made by the Committee—The Committee would like to have a chronological statement indicating the various dates on which the matter was initiated with the Superintending Engineer and followed by subsequent correspondence.

9 112 Haryana State Electricity Board
 (Partly Board
 refers to
 (Haryana)

The Committee recommend that the failure of the officer concerned to lodge a report with the Amritsar Police should be viewed seriously and appropriate action taken. The Committee further recommend that the final outcome of the departmental enquiry in regard to the fixation of responsibility regarding loss of stores be fixed and the Committee informed.

Ditto

Further observation made by the Committee—The dates on which show cause notices were served on the officers concerned be intimated to the Committee. Further it may also be intimated to the Committee whether the explanations have been received and examined and whether any disciplinary action has been taken against the officers concerned.

XVI—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1963-64 AND AUDIT REPORT 1965 AND FINANCE ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1963-64

(Twenty third Report)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5

1 13 Agriculture Department The Committee feel that the decision to sell the fruit crops of the Pinjore Gardens through the Government Fair Price Shops in stead of by open auction was taken without examining fully the feasibility or economics of this scheme and ignoring the advice of the Superintendent of the Gardens who had apprehended that Government's entry in this trade was likely to involve it into loss

It is still more regrettable to observe that the Department did not keep any watch over the proper implementation of Government's order to ensure that the revenue expected from the sale of fruits was actually realised. In that context the Committee feel that the failure to maintain proper record of the fruit yield gave considerable room for mal practices and perhaps is one of the reasons for which Government has sustained a loss in this case. Again no procedure was prescribed for determining the sale price at which fruits were to be sold at the Fair Price Shops and through the Shop at Pinjore Gardens. If these were sold at prices fixed with reference to the market rates as maintained by the Department before the Committee the Committee are unable to appreciate as to why there should have been loss on the sale of fruit crop when 77 per cent of the crop was disposed of through these channels. It would be obvious to any one that the manner of pricing of the fruit crop could also give scope for questionable transactions. The Committee therefore recommend that responsibility for the following lapses should be fixed —

- (i) for not selling the entire fruit crop through the Fair Price Shops as was ordered by Government and without obtaining their approval if it was not possible to carry out Government's order

The departmental representatives were examined in respect of this case by the Committee on the 21st January 1969. The Committee have yet to draw their conclusion

2	Agriculture Department	<p>(ii) for maintenance of proper accounts of the yield of fruit and</p> <p>(iii) for not prescribing a procedure for determining the price at which the fruit crop was to be sold through the Fair Price Shops in the Pinjore Gardens Shop and through the wholesale market</p> <p>Ditto</p> <p>There was no satisfactory explanation as to why Government orders could not be implemented for nearly six years as the amount ordered by Government to be recovered from the Fruit Specialist as far back as 1959. The Committee therefore desires that responsibility for not implementing the Government orders within a reasonable period and for allowing the matter to linger on for nearly six years should be fixed</p> <p>The Committee would further like to be informed as to whether the recovery has been effected from the contractor failing which action which the Department propose to take for recovering the amount from the Fruit Specialist as ordered by Government in 1959 should be intimated</p>	81
3	Excise and Taxation Department	<p>The Committee desire to have a quarterly report regarding the progress made in the finalization of the criminal case of misappropriation registered with the police</p> <p>The Committee also recommend that action should be taken against the supervisory officers/officials whose laxity facilitated the misappropriation as early as possible under intimation to the Committee</p> <p>In this connection the Committee would like to draw the attention of the department to the instructions of Government requiring that departmental enquiries against officers/officials suspected of misappropriation etc. and the supervisors whose laxity may have facilitated such irregularities should be undertaken expeditiously but a finding may be withheld pending the outcome of the criminal proceedings pending against any of the delinquents in a Court of Law. The Committee therefore desire that in accordance with these instructions of Government the Department should proceed with the departmental enquiry by consulting the record in the custody of the Police wherever necessary</p>	Interim reply received from the Government is yet to be considered by the Committee

4 47 Industries Department

The Committee are not hesitant in saying that the affairs of the Society called for an IMMEDIATE enquiry by the Registrar under Section 50 of the Punjab Co-operative Societies Act 1961 but they regret to note that the enquiry has been going on since 1963. Keeping therefore in view the position some of the members of the society occupy in public life and also the serious irregularities committed as per the report of the Auditors and their complex nature and the fact that the enquiry by the Registrar of Co-operative Societies has not been completed even after a lapse of three years the Committee recommend that the State Government should hold an enquiry into the affairs of the society under the Commission of Enquiries Act, 1952 presided over by a High Court Judge. It would be advisable to associate an Auditor with such an enquiry.

The departmental representatives were examined in respect of this case by the Committee on the 21st January 20th and 21st March 1969. The Committee have yet to draw their conclusions.

5 56 Housing Department

The Committee are constrained to observe that no real verification of the applicants for loans and their sureties and subsequently of the progress of work was done at any stage and the certificates which were alleged to have been given by responsible officers or persons were found to be forged. As observed by the Committee on a number of occasions earlier departmental proceedings should be initiated at the earliest possible moment against the delinquents (both those who are responsible for the irregularity and supervisory officials whose laxity facilitated the same) and conducted up to the point at which prosecution of any of the delinquents begins. At that stage it should be specifically considered whether further conduct of the enquiry against any of the remaining delinquents is practicable. If it is it should continue as far as possible (which will not as a rule include a finding). The Committee recommend that the outcome of the court case as also the results of departmental action against the delinquent officers should be intimated to the Committee early.

The reply received from the Government is yet to be considered by the Committee.

**XVII—REPORT ON THE APPROPRIATION ACCOUNTS OF THE PUNJAB GOVERNMENT FOR THE YEAR 1963-64 AND THE
AUDIT REPORT 1965**

(Twenty fourth Report)

Serial No	Para of the Report	Department	Recommendations/Observations made by the Public Accounts Committee	Remarks
1	2	3	4	5
1	11	Public Works Department (Irrigation Branch)	The Committee recommend that final position about the recovery from the contractors as also the action taken against the officers/officials concerned for excessive measurements be intimated to the Committee. The Committee also feel that there has been avoidable delay in initiating action against the defaulting officials and the same should not have been deferred pending recovery of the amount from the contractor.	Interim reply received from the Government is yet to be considered by the Committee
2	13	Public Works Department (Irrigation Branch)	The Committee understand that the residential accommodation belonging to Government can be allotted to third parties provided the same is surplus to its requirements. It has also to be seen that the rent recovered is not less than the standard rent so that at least covers the interest charges on the investment of Government in the accommodation. The Committee can understand if such accommodation is allotted at local rent which is less than the standard rent if it is not possible to let it out at the standard rent. But before this can be done rent has to be fixed specifically by Government under Rule 329 of P.W.D. Code. This alone can ensure that there is no element of concession or benefit involved in the letting out of the house to private party.	Interim reply received from the Government is yet to be considered by the Committee

It is evident that this procedure was not following in this case and so long as the decision at anything less than the standard rent stands and the provisions of rule are not relaxed the letting out of the bungalow at the market rent which happened to be less than the standard rent *prima facie* involved an element of concessional rent to the M.L.A. This would raise an important constitutional issue as such a concession would appear to constitute a perquisite to an M.L.A. not covered by the Punjab Legislative Assembly (Allowances of Members) Act 1942. The Committee therefore recommend that Government should examine the legality and propriety of letting out the Government residence to an M.L.A. at a rent less than the standard rent which may appear to be a concessional rent in consultation with its Law Officers. The Committee are also of the view that it was irregular on the part of the Department to let out the bungalow without clearly settling the rent in advance to be paid by the tenant without the lease/rent deed executed before handing over the possession of the house.

The Committee regret to note that the scheme was undertaken without collecting proper data regarding crop pattern sub soil water level and actual demand of the cultivators which was so essential for assessing the financial viability of the scheme and its prospective utility.

The Committee were unable to understand why a channel of large capacity was planned to be executed and how its capacity was reduced later. The explanation given by the department was not convincing. It also remained to be explained as to how the expenditure incurred on the execution of a channel with smaller capacity was more than the estimate. These matters require further independent investigation to ascertain that the scheme was properly drawn up and checked under report to the Committee. The Committee also desire that responsibility for the infructuous expenditure on the pump house and the avoidable expenditure on surplus pumps should be fixed.

Interim reply received from the Government is yet to be considered by the Committee

3 23 Bhakra Canals Administration

The Committee further desire that the question of continuance of this scheme should be reviewed by Government and effective steps taken to prevent recurring losses on the scheme

Ditto

Ditto

4 24

The Committee feel that it was another case of defective planning and there was no justification for the construction of the minor if the area to be commanded by it fell within the spill of river Ghaggar. The Committee suggest that the justification for the construction of the minor *ab initio* should be investigated by an independent officer and report furnished to the Committee. The Committee further desire that the question of its abandonment should be examined by Government urgently so that further expenditure by way of its maintenance is avoided.

Ditto

Ditto

5 27

The Committee desire that the legality and propriety of taking action against the departmental Officers who act as arbitrators in accordance with the provisions of an agreement but fail to perform their duties properly under the Arbitration Act and misconduct themselves should be examined in consultation with the Legal Remembrancer and a report made to the Committee.

85

Ditto

Ditto

6 29

The Committee recommend that the circumstances under which a draft show cause notice was misplaced in the Chief Engineer's office should be investigated and a report sent to the Committee. The Committee also desire that action taken against the Sectional Officer responsible for the loss should be reported to them.

Ditto

Ditto

7 30

The Committee desire that final action taken in this case should be reported to them in due course.

F

Ditto

Ditto

8 33

The Committee were informed that against a claim of Rs 12 926 filed with the Settlement Committee by the Contractor the Department had filed counter claim for Rs 22 037 in March 1962. As the Department could not furnish details as to how the amount claimed by them had been worked out the Settlement Committee which was wound up in March 1962 consigned the case to record. It was stated that *Jagdeb Dava* claiming Rs 22 037 from the Contractor was based on the pre audited final bill. The Departmental representative stated in evidence that the department had not yet filed an application in the Civil Court for the appointment of a new arbitrator. It was conceded that there had been delay in this case. Action had been taken against

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the official responsible for the delay and his one increment had been stopped without future effect. Responsibility for overpayment to the contractor in the first instance in the running account bills had not yet been fixed. In regard to the seniority and earnest money for the kiln it was stated by the department in their written reply that the total amount of Rs 6 333 represent ing security and earnest money had now been adjusted reducing the final bill to minus Rs 13 034. A sum of Rs 4 036 out of Rs 6 333 had earlier been adjusted against the amount due from contractor in respect of another work and had been written back in November 1965. The Committee recommend that responsibility should be fixed for the following lapses urgently and a report sent to them —

- (i) for making overpayments to the contractors is the first instance in the running bills
- (ii) for delay in the preparation and finalisation of the final bill of the contractor and its submission to the Chief Accounts Officer as late as in March 1962
- (iii) for issuing 161 tons of coal to the contractor in June 1956 after the completion of the work in December 1955

9 47 P W D (Buildings and Roads Branch)

No reply received from the Government

The Committee desire that the Government should examine whether it was possible to initiate action against the Executive Engineer before his death for laxity in supervision on his part or against the Sectional Officer before his retirement and if so action should be taken against the officers responsible for failure in this regard under intimation to the Committee. They should also be informed whether pension of the Sectional Officer had since been sanctioned and if not whether any reduction in his pension is being considered in view of this irregularity.

The Committee feel that the action taken against the Contractor for using lesser quantity of cement than specified was wholly inadequate. Such malpractices on the part of the Contractors can endanger the safety of structures and shorten their lives and it is therefore imperative that the departmental official must take a serious view of such malpractices and impose suitable

penalties on the Contractors. The minimum that should have been done in this case is to black list the Contractor and also to consider the possibility of prosecuting him for defrauding the Government. The Government should take drastic action against the officers with whose connivance of negligence such mal practices take place. The Government should also consider this aspect and issue suitable instructions to its officers for future guidance.

The Committee desire that action taken against the other Sub Divisional Officer who made the payment in August 1962 should be intimated.

Ditto

The Committee desire that a detailed report should be sent to them indicating the action taken in respect of each officer and the grounds for exoneration if any by the Chief Secretary and the Secretary Public Works Department (Buildings and Roads). The Committee feel that the delay in acquisition of land has resulted in avoidable financial liability on the State Exchequer and consequently the findings of the Enquiry Officer could not be disregarded or ignored without valid reasons for justification. The Committee are also not satisfied with the explanation given that the district authorities went in for requisitioning instead of acquisition as the former process was quicker. As the land was required for a permanent purpose there was no justification in the opinion of the Committee to requisition it in the first instance under the Land Requisitioning and Acquisition of Immovable Property Act. It was an abuse of the provisions of the Act.

Ditto

The Committee feel that departmental action should have been initiated against the supervisory officers immediately after detection of shortage in July 1960 as required under the rules. It should again have been initiated when the Sessions Judge decided the case in July 1962 against Government. They also feel that there was unjustifiable delay of about a year in initiating action against the officers even after receipt of a copy of the judgement. Evidently action was initiated after the receipt of the audit para in September 1964. The Committee recommend that Government should take effective steps to obviate such delays as the same are quite fatal to fixation of responsibility and only help delinquent officers to escape punishment by retiring or leaving service or through loss of evidence with the lapse of time. The Committee desire that final outcome of the case be reported to them.

No reply received from the Government

Ditto

10 48

Ditto

11 52

Ditto

12 54

1	2	3	4	5
13	55	P W D (Buildings and Roads Branch)	The Committee would like to have a progress report showing the amount recovered within a period of three months	No reply received from the Government
14	58	Ditto	The Committee desire that final outcome of the case should be reported to them in due course. The Committee also desire that responsibility should be fixed for not reporting the case to audit and for not placing the amount under the suspense head as soon as the shortage was noticed or suspected as required under the rules	Ditto
15	59	Ditto	The Committee desire that the decision of the Court of Law should be reported to them in due course. The Committee further desire that Government should investigate whether there were any lapses at the supervisory level which facilitated the above irregularities and if so should fix responsibility for the same under intimation to the Committee	Ditto
16	74	Haryana State Electricity Board (Partly relates to Haryana)	From the examination of the cases of shortages reported in paragraph 71 of the Audit Report 1964 and paragraph 129 relating to Audit Report 1965 under consideration the Committee had observed that there are numerous cases of shortages involving substantial amounts in the Electricity Board. The Committee is conscious of the fact that these shortages have been reported by audit only as a result of a test check. It is also observed that many of these shortages occur red a number of years back some of them five or six years ago or even earlier and either no action has been taken to fix responsibility for the shortages or the action taken has been extremely tardy with the result that responsibility for the shortages has not been fixed and/or no action taken against the defaulting officials. During examination of these cases it came to the notice of the Committee that in many cases the Line Superintendents incharge of the stores were relieved without their having handed over charge to their successors. This is important	Interim reply received from the Government is yet to be considered by the Committee

because under the rules at the time of transfer of the charge stores are required to be physically verified. In some cases the shortages remained undetected for a long time because no periodical physical verification was undertaken by the officer of the Department as enjoined under the rules. The material at site accounts have also not been prepared for many works with the result that the proper utilisation of stores could not be ensured nor could it be verified that the stores remaining consumed had been properly accounted for. The examination of the Board on these points also left the Committee extremely dissatisfied because the Committee felt that even at the level of the Board these shortages and delays have not been viewed with the concern these deserved. The Committee feel that this state of affairs and attitude on the part of the Board and its officers towards the shortages is very disquieting particularly in the context of the fact that the financial position of the Board is very unsatisfactory. The Committee therefore wish to bring this to the notice of Government for suitable action.

ANNEXURE II

Copy of letter No FCB/PAC-47 66/23251, dated the 2nd November, 1967, from the Secretary, Punjab Vidhan Sabha, to the Secretary, Haryana Vidhan Sabha

Subject — Outstanding recommendations/observations of the Public Accounts Committee contained in various reports published so far

I am directed to say that as a result of the reorganisation of Punjab the outstanding recommendations of the Public Accounts Committee contained in their various Reports have been split up, as in the enclosed statement in accordance with the procedure evolved in the light of advice received from the Union Government. The Punjab Public Accounts Committee will pursue the recommendations mentioned under the heads 'Punjab Union Territory' and 'Common

I am to request you to depute some official(s) of your Secretariat to collect from this Secretariat the requisite data (i.e. the details of replies received from Government/the observations made by the Public Accounts Committee, in respect of the outstanding recommendations relating to your State

STATEMENT

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
2nd Report						
29		Yes				
5th Report						
77 78	Yes					
81-92	Yes					
6th Report						
17	Yes					
24	Yes					
39	Yes					
7th Report						
28	Yes					
29	Yes					
30	Yes					
34			Yes			
38	Yes					
43	Yes					
44		Yes				
46	Yes					
49		Yes				
57	Yes					
61	Yes					
65	Yes					
67	Yes					
69	Yes					
70	Yes					
74	Yes					
84	Yes					

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
96	Yes					Bhakra Nangal Project
99		Yes				
100	Yes					Bhakra Dam Administration
102	Yes					Ditto
115	Yes					
126	Yes					
130		Yes				
9th Report						
6	Yes					
13	Yes					
18	Yes					
25		Yes				
33	Yes					
10th Report						
7					Yes	
8	Yes					
13	Yes					
14	Yes					Bhakra Dam Administration
29		Yes	Yes			
40				Yes		
49		Yes				
11th Report						
7					Yes	
11		Yes				Bhakra Nangal Project

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
13	Yes					Bhakra Nangal Project
21	Yes					Ditto
23	Yes					Ditto
26		Yes				Ditto
27		Yes				Ditto
28	Yes					Ditto
30	Yes					
31					Yes	Ditto
34		Yes				Ditto
37		Yes				Ditto
38		Yes				Ditto
40		Yes				Ditto
41		Yes				Ditto
43		Yes				Ditto
44	Yes					Ditto
45		Yes				Ditto
46		Yes				Ditto
50		Yes				Ditto
53	Yes					Ditto
55	Yes	Yes				Ditto
57	Yes	Yes				Ditto
59	Yes	Yes				Ditto
60	Yes	Yes				Ditto
61	Yes	Yes				Ditto

12th Report

The whole 12th Report is on the Bhakra Nangal High Powered Committee's Report.
(64)62 63

13th Report

14	Yes					Bhakra Nangal Project
15		Yes				Ditto
16		Yes				Ditto
17	Yes					Ditto
25	Yes					
26		Yes				
33	Yes					Bhakra-Nangal Project/ Punjab State Electricity Board

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
34		Yes				
52	Yes					
59	Yes					
61		Yes				
65	Yes					
78	Yes	Yes				
14th Report						
9	Yes					
12			Yes			
13	Yes					
14	Yes	Yes				Bhakra Nangal Project*
15		Yes				Ditto
17		Yes				
23	Yes					Bhakra Nangal Project
24		Yes				
25	Yes					
26		Yes				
29		Yes				
15th Report						
12	Yes					
13(iii)					Yes	
15	Yes					
16	Yes					
18		Yes				
19	Yes	Yes				
20	Yes					
23		Yes				
28				Yes		
29				Yes		
31		Yes				
34					Yes	

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
38		Yes				
				16th Report		
4					Yes	
5					Yes	
6					Yes	
7		Yes				
8		Yes				
10					Yes	
11		Yes				
12		Yes				Bhakra Nagal Project
13		Yes				Ditto
14		Yes				Ditto
16		Yes				Ditto
17	Yes	Yes				Ditto
18	Yes					Nangal Dam Administration
19		Yes				
20	Yes					
21	Yes					
25		Yes				
27		Yes				
28	Yes					
30	Yes					
33	Yes					
35(i)	Yes					
35(ii)				Yes		
				17th Report		
13	Yes					
14	Yes					
15	Yes					
22	Yes					
23	Yes					
27	Yes					
28	Yes					

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
29	Yes					
33	Partly Punjab					
35					Yes	
36		Yes				
38					Yes	
40				Yes		Capital Project
41				Yes		Ditto
42				Yes		Ditto
43				Yes		Ditto
44				Yes		Ditto
45				Yes		Ditto
47				Yes		Ditto
48				Yes		Ditto
49				Yes		Ditto
50				Yes		Ditto
51					Yes	Ditto
52	Yes					
53	Yes					
54	Yes					
56				Yes		
58					Yes	
18th Report						
5	Yes	Yes				
6	Yes					
7		Yes				
8	Yes					
9	Yes					
10		Yes				
11	Yes					
13	Yes					
14	Yes					
15	Yes					
16	Yes					Bhakra Nangal Project

Para	Punjab	Haryana	Humachal Pradesh	Union Territory	Common	Remarks
17					Yes	Bhakra Nangal Project
18	Yes					Ditto
19	Yes					Ditto
20		Yes				Ditto
21	Yes					Ditto
23		Yes				Ditto
24		Yes				Ditto
25		Yes				Ditto
26		Yes				Ditto
29	Yes					
31	Yes					Bhakra Dam Adminis- tration
32	Yes					Ditto
35	Yes					Punjab State Electricity Board
37			Yes			
38	Yes					
40					Yes	
41	Yes					
43	Yes					
45		Yes				
46			Yes			
47					Yes	
50					Yes	
(Second) 2nd Report (Pepsi)						
81	Yes					
88		Yes				
132	Yes					
150	Yes					
157	Yes					
19th Report						
11					Yes	Considered on 4th January 1967
12	Yes					

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
13					Yes	
14					Yes	
17					Yes	
18					Yes	- -
19					Yes	-
20					Yes	
21					Yes	-
22					Yes	
24	Yes					- -
25	Yes					
28	Yes					
29	Yes					
32	Yes					
34					Yes	Khadi and Village Industries Board In-
35					Yes	
39					Yes	
40					Yes	
41					Yes	
42					Yes	
43		Yes				
44					Yes	
45					Yes	
46	Yes					
47					Yes	
50					Yes	
53					Yes	-
20th Report						
4 to 7				Yes		Capital Project
9 to 13				Yes		Ditto
14				Partly relates to U T		
15					Yes	
16	Yes					

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
18					Yes	
19	Yes					
20		Yes				
21		Yes				
22	Yes					
23	Yes					
24				Yes		
25					Yes	
26					Yes	Electricity Board
27					Yes	Ditto
28					Yes	Ditto
29					Yes	Ditto
30	Yes					Ditto
32					Yes	Ditto
33					Yes	
34			Yes			
35					Yes	
36	Yes					
37		Yes				
38	Yes					
39					Yes	
40					Yes	
41	Yes					Relates to Bhakra Canal Administration
42		Yes				Ditto
44					Yes	Ditto
45	Yes					Ditto
46	Yes					Ditto
47	Yes					Ditto
48	Yes					Ditto
49	Yes					Ditto
50		Yes				Ditto
51	Yes					Ditto

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
52	Yes				-	Relates to Bhakra Canal Administration
53		Yes				Ditto
54	Yes					Relates to Bhakra Dam Administration
55	Yes				-	Ditto
56	Yes					Ditto
57	Yes					Ditto
61					Yes	
21st Report						
7	Yes				-	
8	Yes					
12		Yes				
13	-				Yes	
14		-			Yes	
15					Yes	
17					Yes	
18					Yes	
19					Yes	
20		-			Yes	
21					Yes	
22		-			Yes	
23					Yes	
24					Yes	
25		Yes				
26					Yes	
27					Yes	
28					Yes	
29	Yes					
30	Yes					
31	Yes	-				
32		-			Yes	
33					Yes	
34	Yes					

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
35					Yes	
36				Yes		
37					Yes	
38					Yes	
39					Yes	(Punjab & Haryana)
40					Yes	
41		Yes				
42	Yes					
43	Yes					
44					Yes	
45					Yes	
46					Yes	
47	Yes					
48	Yes					
49					Yes	
50	Yes					
52					Yes	
54				Yes		
55		Yes				
56	Yes	-				
57			-		Yes	
58			-	Yes		
59	Yes	-	-			
60	Yes	-	-	-		
61		-	-	-	Yes	
62	-	-	-	-	Yes	
63	-	-	-	-	Yes	
64	-	-	-	-	Yes	
65	-	-	-	-	Yes	
66			-	-	Yes	
69	-	-	Yes	-	-	
71		-	Yes	-	-	
72	Yes	-	-		-	

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
73	Yes					
74	Yes					
75					Yes	
76					Yes	
79					Yes	
80				Yes		
81	Yes					
82	Yes					
83				Yes		(Capital Project)
84				Yes		Ditto
85				Yes		Ditto
86				Yes		Ditto
87				Yes		Ditto
88				Yes		Ditto
90	Yes					
91					Yes	
92					Yes	
93	Yes					
94		Yes				
96	Yes					
97	Yes					Relates to Bhakra Canal Administration
99		Yes				Ditto
100		Yes				Ditto
101	Yes					Ditto
102		Yes				Ditto
103	Yes					Bhakra Dam Administration
104	Yes					Ditto
107			Yes			
108					Yes	Punjab State Electricity Board
109					Yes	
110	Yes					

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
111	Yes					
112	Partly Punjab	Partly Haryana				
113					Yes	
114					Yes	
118					Yes	
124					Yes	
125					Yes	
132	Yes					
22nd Report						
4 to 6			Yes			
7	Yes					
8	Yes					
9					Yes	
10					Yes	
11 and 12					Yes	
13 to 21					Yes	
23rd Report						
4	Yes					
5	Yes					
6					Yes	
7	Yes					
8			Yes			
9	Yes					
10	Yes					
11					Yes	
12	Yes					
13		Yes				
14		Yes				
15					Yes	
16					Yes	
17					Yes	
18					Yes	
19	Yes					

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
20					Yes	
21					Yes	
22					Yes	
23					Yes	
24					Yes	
25					Yes	
26					Yes	
27					Yes	
28					Yes	
29		Yes				
30	Yes					
31	Yes					
32					Yes	
33					Yes	
34	Yes					
35					Yes	
36					Yes	
37	Yes					
38					Yes	
39					Yes	
40					Yes	
41	Yes					
42	Yes					
43					Yes	
44					Yes	
45	Yes					
46	Yes					
47		Yes				
48					Yes	(Punjab Khadi and Village Industries Board)
49					Yes	
50					Yes	
51					Yes	
52					Yes	

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
53	Yes					
54	Yes					
55					Yes	
56		Yes				
57					Yes	
				24th Report		
5					Yes	
6	Yes					
7	Yes					
8	Yes					
9	Yes					
10	Yes					
11		Yes				
12	Yes					
13		Yes				
14					Yes	
15	Yes					
16	Yes					
17	Yes					
18	Yes					
19	Yes					
20	Yes					
21	Yes					
22	Yes					Bhakra Canals Administration
23		Yes				Ditto
24		Yes				Ditto
25					Yes	Ditto
26	Yes					Ditto
27		Yes				Ditto
28					Yes	Ditto
29		Yes				Ditto
30		Yes				Ditto

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
31	Yes					Bhakra Canals
32	Yes					Administration
33		Yes				Ditto
34					Yes	Ditto
35	Yes					Beas Project
36	Yes					Ditto
37	Yes					Ditto
38	Yes					Bhakra Dam Administration
39	Yes					Ditto
40	Yes					Ditto
41	Yes					Ditto
42	Yes					Ditto
43	Yes					Ditto
44	Yes					Ditto
45					Yes	
46			Yes			
47		Yes				
48		Yes				
49	Yes					
50	Yes					
51	Yes					
52		Yes				
53			Yes			
54		Yes				
55		Yes				
56	Yes					
57	Yes					
58		Yes				
59		Yes				
60					Yes	
61	Yes					
62	Yes					

Para	Punjab	Haryana	Himachal Pradesh	Union Territory	Common	Remarks
63	Yes					
64			Yes			
65					Yes	
66					Yes	
67	Yes					(Punjab State Electricity Board)
68					Yes	
69	Yes					
70	Yes					
71	Yes					
72					Yes	
73					Yes	
74	Partly Punjab	Partly Haryana				
75					Yes	
76			Yes			(Mountaineering Institute)
77	Yes					
78					Yes	
79	Yes					
80	Yes					
81					Yes	
82					Yes	
83	Yes					
84	Yes					
85	Yes					
86					Yes	
87				Yes		Printing Press
88 to 97				Yes		Capital Project
98	Yes					
99					Yes	
100					Yes	
101					Yes	

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