

ESTIMATES COMMITTEE 1963-64

SIXTY-THIRD REPORT (THIRD LOK SABHA) MINISTRY OF DEFENCE

Action taken by Government on the recommendations contained in the 26th Report of the Estimates Committee (Second Lok Sabha) on the Ministry of Defence—Organisation of the Ministry of Defence and Services Headquarters.



**LOK SABHA SECRETARIAT
NEW DELHI**

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ESTIMATES COMMITTEE

1963-64

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*Elected w.e.f. 16th August, 1963 vice Dr. K. L. Rao ceased to be a member of the Committee on his appointment as a Minister.

INTRODUCTION

I, the Chairman, Estimates Committee having been authorised by the Committee, present this Report of the Estimates Committee on action taken by Government on the recommendations contained in the Twenty-sixth Report of the Estimates Committee (Second Lok Sabha) on the Ministry of Defence Organisation of the Ministry of Defence and Services Headquarters.

2. The Twenty-sixth Report of the Estimates Committee was presented to the Lok Sabha on the 25th September, 1958. Government furnished replies indicating the action taken on the recommendations contained in the Report between the 28th March, 1959 and the 22nd February, 1963.

3. Replies to the recommendations were considered by the Study Group 'G' of the Estimates Committee (1961-62) on the 12th December, 1961, Study Group 'E' of the Estimates Committee (1962-63) on the 30th August, 1962 and the 25th April, 1963 and by Study Group 'D' of the Estimates Committee (1963-64) on the 28th March, 1964. The draft Report was adopted by the Committee on the— 184.64.

4. The Report has been divided into the following five Chapters:—

I. Report.

II. Recommendations that have been accepted by Government.

III. Recommendations which the Committee do not desire to pursue in view of the Government's reply.

*IV. Recommendations in respect of which replies of Government have not been accepted by the Committee.

V. Recommendations in respect of which final replies of Government are still awaited.

5. An analysis of the action taken by Government on the recommendations contained in the 26th Report (Second Lok Sabha) of the Estimates Committee is given in Appendix IV. It would be observed therefrom that out of 28 recommendations made in the Report, 14 recommendations i.e. 50 per cent have been accepted by Government and 11 recommendations i.e., 39.3 per cent, the Committee do not

*There is no Chapter IV in the Report as there are no recommendations for inclusion in that Chapter.

(iv)

desire to pursue in view of the Government's replies. Final replies of Government have not been received in respect of 3 recommendations i.e., 10·7 per cent.

NEW DELHI-1;
April 30, 1964.
Vaisakha 10, 1886 (Saka).

ARUN CHANDRA GUHA,
Chairman
Estimates Committee.

CHAPTER I

REPORT

The Estimates Committee are glad to observe that the recommendations contained in their Twenty-sixth Report (Second Lok Sabha) on the Ministry of Defence Organisation of the Ministry of Defence and Services Headquarters have been generally accepted by Government.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Serial No. 1) Para No. 13

Considering the volume of receipts, a reasonable inference would appear to be that a considerable portion of it is likely to be of the variety of simple and routine references, particularly from the Services Headquarters. If so, the Committee feel that it would indicate some imbalance in the distribution of responsibilities between the Ministry and the Services Headquarters and also a lack of sufficient delegation of authority and powers to the Services Headquarters which are presided over by officers of the status of the Chiefs of Staff. The Committee would, therefore, suggest that an analysis of the receipts in the Ministry should be made by the O. & M. Organisation of the Government and the results examined with reference to the remarks made earlier.

REPLY OF GOVERNMENT

The total number of receipts in the Ministry of Defence for the years 1956 to 1959 are given below:—

Year	No. of receipts
1956	6,42,384
1957	6,20,727
1958	6,10,953
1959	5,92,358

2. The O. & M. Unit of this Ministry is of the opinion as exemplified from the above figures, that in spite of the steady expansion of the forces and development works, there has been a steady decline in the number of receipts which is due to the general policy of the Ministry to delegate more and more responsibilities and powers to the Services Headquarters.

3. As a result of a general analysis made by the Ministry from time to time, the following measures have been taken and powers delegated to the Services Headquarters and lower formations to obviate the necessity of simple and routine references being made by the Ministry of Defence:—

(a) Orders have been issued to the effect that:—

(i) files dealing with matters not connected with policies are referred in the first instance, by the Services Headquarters direct to the Ministry of Finance (Defence);

(ii) as a rule, there should be only one file on a subject, between the Services Headquarters and the Ministry which should contain all the notings and be complete in all respects;

- (iii) where necessary, facilities should be available for personal discussions at various levels between Services Headquarters and the Ministry of Defence even before the proposals are put up for consideration by Government.
- (b) Services Headquarters have been authorised to enter into direct correspondence with the Civil Ministries in several matters. The list of these matters is kept under review and, consistent with the considerations of security, more subjects, on which direct dealing by the Services Headquarters with the Civil Ministries is considered feasible and unobjectionable, are added from time to time.
- (c) Orders have been issued delegating certain financial powers to Services Headquarters and lower formations.
- (d) In order to diminish references to Government and to achieve speedy settlement of audit objections, powers have been delegated to the Services Headquarters to dispose of audit objections arising out of breaches of rules and regulations in consultation with the financial authorities.

4. In view of the measures taken as detailed above, Government are hopeful that the number of simple and routine references from the Services Headquarters would be negligible.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Co-ord), dated the 10th June, 1960].

Recommendation (Serial No. 2) Para 14

It would be seen that a proposal made by the Services Headquarters to the Defence Ministry for approval has to go through a number of stages which would invariably generate considerable subsidiary correspondence in obtaining or furnishing clarifications, before the proposal is finally agreed to. It appears to the Committee that considerable duplicate effort is involved in the work of the Services Headquarters and the Ministry of Defence. The Committee feel that the existing procedures are not likely to be particularly conducive to speed and efficiency, which are necessary in any organisation and particularly in the Defence Organisation and that it would be advantageous if a procedure could be devised whereby a proposal is examined comprehensively and jointly by all concerned.

Recommendation (Serial No. 6) Para 18

The Committee also feel that the present method of working in the Defence Ministry does not ensure speed in arriving at decisions. Considering that a large number of to and fro references entail considerable delay in taking decisions, the Committee feel that there is scope for improvement in the present set-up of the Defence Organisation in so far as disposal of references by the Defence Ministry from the Services Headquarters is concerned.

REPLY OF GOVERNMENT

S. Nos. 2 & 6 (Paras 14 & 18).—Since the two recommendations are inter-linked, they are dealt with together.

It is not quite clear what alternative procedures the Estimates Committee had in view while making the recommendation. Even under the Council System adopted in U.K., which has been favoured by the Estimates Committee, examination of individual proposals in the Secretariat is not obviated. In fact in order to solve the problems of inter-service rivalry and coordination under the Council System, it was found necessary in U.K. to create a separate Ministry of Defence.

2. The defects noticed under the present system of work have already received and are continuing to receive consideration and the following measures have been taken to obviate delays and duplication of work:—

- (i) Orders have been issued *vide* Ministry of Defence Memo F.133* (1) /58D (Coord), dated 8th October, 1958 that where necessary facilities should be available for personal discussion at various levels between Services Headquarters and the Ministry of Defence even before proposals are put up for consideration by Government.
- (ii) The question of delegation of financial powers to Services Headquarters and lower formations has been considered and orders delegating certain powers have already been issued *vide* Ministry of Defence letter No. F.*13(2) /59/D (Budget), dated the 28th April 1959. Further delegation of powers, both financial and administrative, is under consideration.
- (iii) Instructions have also been issued that, as a rule, there should be only one file on a subject between the Services Headquarters and the Ministry, which should contain all the notings and be complete in all respects, *vide* Ministry of Defence Memo No. F. 133(1)/58/D(Coord), dated the 8th October, 1958.
- (iv) Orders have been issued to ensure that files dealing with matters not connected with policies, are referred, in the first instance, by the Services Headquarters direct to the Ministry of Finance (Defence).
- (v) Services Headquarters have been authorised to enter into direct correspondence with the civil Ministries in several matters. The list of these matters is kept under review and, consistent with considerations of security, more subjects, on which direct dealing by the Services Headquarters

*Not included in the Report

with the civil Ministries is considered feasible and unobjectionable, are added from time to time.

Instructions are also being issued shortly to ensure that, in urgent and important cases, the number of notings is reduced to the barest minimum and, in the event of a difference of opinion [either between the Services Headquarters and the Ministry of Defence or the latter and the Ministry of Finance (Defence)] persisting even after one or two references, earliest opportunity is taken to settle the issue by personal discussion and, failing a settlement, to raise the level for further consideration of the proposal.

3. While every effort is being and will continue to be made to reduce the workload both in the Ministry and the Services Headquarters and avoid all possibilities of duplication of effort, the existing system whereby the proposals from Services Headquarters are examined in the Ministry of Defence and Finance (Defence) and approved by the Defence Minister, is considered to be necessary for enabling the Defence Minister to discharge his responsibility to Parliament.

[Ministry of Defence O.M. No. F. 36(1) /59/D (Coord.), dated the 31st August, 1959]

Recommendation [Serial No. 5(i)] Para No. 17(i)

The Committee consider that it will be desirable to carry out a review of the various matters pertaining to training, syllabus etc. so that there is adequate delegation of powers and cases of real importance involving policy decisions only are submitted to the Ministry for approval.

REPLY OF GOVERNMENT

It is considered that having regard to financial considerations and the changing circumstances, Indianisation of equipment, technological developments and policy considerations, the training of the services must remain the concern of Government who bears responsibility to Parliament. The old procedure of the Services having to obtain the prior approval of Government for any change in the existing syllabi or for introduction of new courses of instruction was, however, reviewed and it has now been decided that changes in the syllabus of the courses or introduction of new courses which do not involve any additional staff or equipment would be effected by the Services Headquarters without prior approval of the Government, but these would be intimated to the Government for information. Changes in the existing syllabi and proposals relating to the introduction of new courses which involve additional establishment or equipment will, however, have to be referred to Government.

[Ministry of Defence No. F. 36(5) /59/D (Coord.), dated the 7th September, 1962]

Recommendation [Serial No. 5(ii)] Para No. 17(ii)

As regards promotions and transfers of Service Officers, the representatives of the Ministry pointed out that the present procedure

provides necessary safeguards in the interest of the senior Service Officers, which were intended to prevent any injustice being caused to them through inadequate appreciation of facts and to minimise any representations which the Service Officers were entitled to make under the regulations, should they have a grievance. The Committee note these assurances and feel that the present procedure might be continued; but a continuous watch may be kept so that any tendency for secretarial scrutiny is kept within reasonable limits.

REPLY OF GOVERNMENT

The recommendation in the last sentence of this sub-para has been noted.

[Ministry of Defence No. F. 36(5)/59/D (Coord), dated the 7th September, 1962]

Recommendation (Serial No. 7) Para No. 19

The Committee recommend that a comprehensive review of the existing powers delegated to the Services Headquarters as well as those delegated to Officers and formations subordinate to the Services Headquarters should be carried out and the delegation of larger powers where possible should be effected very early.

REPLY OF GOVERNMENT

Delegation of larger administrative and financial powers to the Services Headquarters and lower formations has been under continuous examination.

Proposals for delegation of enhanced financial powers to the Service Headquarters and the lower formations were considered by an Ad Hoc Committee consisting of representatives of the Ministries of Defence and of Finance (Defence). The Committee held several discussions and also consulted, wherever necessary, officers in the Services Headquarters, before suggesting certain schedules of powers to be delegated to the different authorities in the lower formations and in certain cases, to authorities in the Service Headquarters. Based on the recommendations of the Committee, orders were issued on the 28th April 1959, delegating enhanced financial powers to the Services Headquarters and lower formations. Subsequently also, orders were issued on the 6th May 1961 delegating further powers to the Services Headquarters.

The question of delegating administrative and financial powers to the Director General of Ordnance Factories was also separately examined in the light of the radical changes in the role of the Ordnance Factories which have now undertaken the progressive manufacture of an increasingly large number of Defence equipment and civil stores which were hitherto being imported from abroad. Orders were issued on the 8th July 1959, giving enhanced administrative and financial powers to the Director General of Ordnance Factories so as to permit him greater latitude in the execution of projects entrusted to him.

Powers have been delegated in regard to the following subjects:

1. Creation of temporary posts—Services personnel and Civilians.
2. Purchase of stores.
3. Administrative approval and acceptance of necessity for works projects.
4. Write off of losses, (Stores and Public Money)
5. Incurring miscellaneous expenditure.

The above powers have been delegated, keeping in view the following important considerations:—

- (a) Necessity for giving wider powers to the lower formations to enable them to transact the day to day work better and more expeditiously.
- (b) Need to decentralise the sanctioning of expenditure, principally to diminish references to superior authorities and to speed up work, consistent with the requirements of each case.
- (c) The need for enhancing powers of local authorities in charge of manufacturing/repair organisations.
- (d) The increase in the value of equipments due to replacements by more modern implements and the general increase in prices, necessitating increase in the financial limits.

As delegation of powers is a subject matter for continuous review, both thinking and endeavour in this direction is continuous. Instructions have been issued to all officers that whenever cases come up to the Ministry for sanctions, it should be examined whether powers in those cases could be delegated to the lower authorities.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord.), dated the 24th October, 1961.]

Recommendation (Serial No. 10) Para No. 24

The Committee feel that since the experience and training given to the officers at the Colleges at London and at Wellington in India at considerable cost is very useful to the Ministry of Defence, every effort should be made by Government to make the best utilisation of such training by posting the officers concerned for some considerable periods to the Defence Ministry.

REPLY OF GOVERNMENT

The recommendation of the Estimates Committee was brought to the notice of the Central Establishment Board of the Government of India, and they have noted the recommendation for action.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord.) dated 5th June, 1959.]

Recommendation (Serial No. 11) Para No. 25

The Committee suggest that the feasibility of establishing a College in India on the pattern of the Imperial Defence College, London, so as to give the officers a good all round training and general knowledge, should be considered.

REPLY OF GOVERNMENT

The recommendation of the Estimates Committee for establishing a College in India on the pattern of the Imperial Defence College, London, has been accepted by Government. The National Defence College has been set up in Delhi and the first course commenced in April, 1960.

The study at the College relates to strategic, economic, scientific, political and industrial aspects of national defence.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord.) dated 14th February, 1961.]

Recommendation (Serial No. 13) Para No. 29

The Committee feel that there is scope for an examination of the procedure for dealing with pension cases. They would suggest that the forms, the procedure and rules should be reviewed in the light of existing conditions and experience gained so far, with a view to their simplification. Further, the feasibility of framing suitable pro formas and standard forms and ensuring that all relevant data are incorporated concurrently in the records should be examined in order to obviate delays in the examination of claims. Also in cases where information is incomplete, there should be a method of dealing with them expeditiously instead of waiting indefinitely for information that is not forthcoming. Also wherever possible eminent civilians and non-officials in public life could be asked to help in the gathering and assessment of facts, instead of relying solely on official channels.

REPLY OF GOVERNMENT

A recent analysis has shown that some of the causes for delay in settling pension claims are as under:—

(a) Officers

- (i) Assessment of pre-commissioned/civil/broken commissioned service. The responsibility for initiating claims rests on the officers themselves.
- (ii) Delay in rendering option certificates on the part of officers. (Regular officers in service on the 1st June 1953

can opt to be governed by the Old Pension Code, and certain non-regular officers are eligible to opt for special pension in lieu of gratuity).

- (iii) Absence of orders on certain issues affecting groups of individual cases which arise from time to time. (Certain general questions have been decided; and others are under examination by Government, e.g. orders relating to counting of former broken commissioned service and manner of verifying 2 years' service in a substantive rank in the case of Emergency Commissioned officers retired within 2 years of the grant of P. R. C. have recently issued, while the question of counting former service rendered in the British Army/Bahawalpur State Forces, etc. towards pension is under examination.).
- (iv) Miscellaneous reasons, such as verification of full pay commissioned service, conflicting interpretation of orders etc.
- (v) In regard to disability and family pensions, the need to make reference to various units and lower formations for further facts, and to medical experts to determine consensus of professional medical opinion on matters like the effect of service factors on the causation and deterioration of disability, percentage of disablement due to service, etc. and the need to verify pensionary and other circumstances of the dependants.

(b) JCOs ORs

(i) The need for examination by various prescribed authorities and/or Government of doubtful cases, and peculiar cases not covered, or inadequately covered, by the normal pension rules or where documentation is incomplete or defective.

(ii) The necessity of making references either to various units and lower formations for collecting essential data which are not always recorded in the prescribed forms, or inadequately recorded; or to medical experts or local civil authorities for verifying titles to pensions in cases of disability and family pensionary awards. In cases where title to family pensionary awards are clear, a pending enquiry award equal to the family pension is usually granted to the nominated heir pending verification of necessary particulars through local civil authorities.

Note.—In a great majority of cases, claims to service pension in respect of Armed Forces personnel are settled without delay. Out of 19,675 claims which arose during the period from the 1st October 1956 to the 30th September 1958, 18,329 cases were settled mostly within 3 to 4 months of the discharge of the individuals concerned.

Ways and means of eliminating sources of delay as well as actual delays in settling pensionary claims of service personnel, within the limits set by requirements of audit are under examination. A general review of the pension regulations in order to bring them upto date is in progress. The question of revising the detailed procedure and forms in vogue at present to remove as far as possible inherent

factors of delay, or avoidable complexities, will be taken up after the review of the basic rules is completed. Certain medical forms which are used in connection with the grant of disability pensions have been revised in order to elicit greater, and pertinent, information.

Information which is required for settlement of pension claims is normally accessible in official records and it is not possible to utilise the service of non-official agencies for their collection. In the case of family pension claims, details of the family circumstances have to be collected to the extent necessary under the rules; and in order to meet procedural requirements, these details have to be authenticated by local civil officials.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord) dated 26th/28th March, 1959].

Recommendation (Serial No. 14) Para No. 30

The Committee suggest that since the Pilot Scheme is costlier, special steps should be taken immediately to find out if the scheme is working in the intended manner and to assess the results of its working in terms of efficiency and economy. The danger of such schemes resulting in persons getting paid at higher rates for turning out just the quality of work that was being done by them or other persons in a lower grade, should be taken in time.

REPLY OF GOVERNMENT

The Pilot Sections Scheme was introduced as an experimental measure in the Ministry of Defence during 1956 and 1957. As a result of the detailed review carried out of the working of the scheme at the instance of the O & M Division, five out of the eleven sections have been disbanded and converted into the normal conventional sections during the year 1959. The remaining six Pilot Sections in the Defence Ministry have been continued.

2. A detailed review of the working of the Pilot Sections is being undertaken by the O. M. Division in the Cabinet Secretariat shortly to decide the general question regarding the future of the Pilot Sections for the Secretariat as a whole including the Ministry of Defence.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord) dated 4th June, 1960].

Further information called for by the Committee

The result of the review undertaken by the O & M Division in the Cabinet Secretariat of the working of the Pilot Sections may be intimated.

[L.S.S. O.M. No. 12-ECI/59 dated the 15th November, 1961].

REPLY OF GOVERNMENT

As a result of the review carried out at the instance of the O & M Division, two more Pilot Sections have been disbanded and converted into conventional Sections in 1962. In respect of the remaining four Sections, this Ministry have recommended to the Department of Cabinet Affairs, O & M Division, that the Scheme should be continued upto the 28th February, 1963.

[Ministry of Defence O.M. No. PC to F. 36(2)/59/D (Coord) dated the 23rd July, 1962].

Recommendation (Serial No. 19) Para No. 35

The Committee are not satisfied with the position in regard to temporary posts. They would suggest that strict criteria should be laid down for creating new posts. Also it should be ensured by a periodical review that when posts, created for certain purposes, are extended from time to time, the justification continues to exist. The authority competent to create the posts or extend them should also enquire why the purpose was not fulfilled within the time originally laid down.

REPLY OF GOVERNMENT

Proposals for creation of new posts in the Ministry are carefully examined at a high level and it is only when necessity for their creation is established that the posts are actually created. With the formation of the Internal Economy Board, this examination is now conducted in a much stricter way. The Board consists of the Defence Secretary as Chairman and Additional Secretary and all the five Joint Secretaries as members.

All proposals relating to creation of new posts or continuance of old posts are approved by the Joint Secretary concerned in the first instance. They are then referred to the O & M Unit in the Ministry for detailed examination with reference to the actual/anticipated workload etc. Such of them as fall within the purview of Ministry's own financial powers are then submitted for consideration by the Internal Economy Board and the posts are created only if the Board accepts their necessity. Other proposals, wherein the agreement of the Ministry of Finance (Defence) is required, are referred to that Ministry and their concurrence obtained before the sanction is issued. A temporary post is not created or extended unless the competent authority is satisfied that there is full justification for creation or continuance of the post. The observations made by the Estimates Committee regarding the desirability of enquiring as to why the purpose for which a post is created could not be fulfilled within the time originally laid down, has, however, been noted for more careful compliance in future.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord) dated 9th Jan., 1960.]

Recommendation (Serial No. 20) Para No. 36

The Committee were inforced that in the Services Headquarters there were more than 500 persons with over 10 years' service who had not yet been confirmed in their posts due to the fact that the Rules for confirmation in these vacancies were still awaiting finalisation and that other questions had also not been settled. The Committee regret to observe the delay in taking of decision on such a matter. They feel that all the various problems that arose in the course of framing the rules of confirmation or for seniority should have been tackled more expeditiously. The Committee would urge that the matter should be taken immediate notice of, at a high level, and a very speedy solution should be found for all the problems.

REPLY OF GOVERNMENT

The rules of seniority and confirmation in the grades of Lower Division Clerk and Upper Division Clerk against vacancies which occurred after 1-8-51 and upto 31-12-58 were finalised in consultation with the Ministry of Home Affairs and the UPSC and issued on the 12th August, 1959. Orders confirming (or allocating permanent vacancies to) eligible candidates in the Upper Division and Lower Division grades were issued on the 14th August, 1959.

The item should now be treated as settled. The draft alternative Service Scheme was discussed at an inter-departmental meeting held on the 4th September, 1959. In accordance with the decisions taken at the inter-departmental meeting, a new Scheme is being prepared. [Ministry of Defence O.M. No. F.36(1)/59/D (Coord), dated 8th December, 1959.]

Recommendation (Serial No. 25) Para No. 42

The Committee feel that the present strength of the staff in the Registries is on the high side and that there is scope for reduction in their establishment. The Committee learn that it is proposed to carry out time and motion studies of the working of all these registries with a view to their re-organisation. The Committee hope that the proposed review would be conducted expeditiously.

REPLY OF GOVERNMENT

A time and motion study of the working of the Registries in Services Headquarters has been conducted. As a result of the study, this Ministry have effected substantial reductions, and the question whether further adjustments can be made, is also under consideration.

[Ministry of Defence O.M. No. F.36(1)/59/D (Coord), dated 29th April, 1961.]

Recommendation (Serial No. 26) Para No. 43

The Committee would suggest that the medium of Staff Councils should be utilised to encourage the staff to bring forward suggestions for improving the efficiency and standard of work.

REPLY OF GOVERNMENT

The members of the Staff Council are free to give notice of items which they want to be discussed at meetings of the Council from time to time. They are not bound by any advice or direction from the Administration in this matter. However, at the first meeting of the Armed Forces HQ Class II (Non-gazetted) and Class III Staff Council held in 1958, the Chairman has impressed upon the members that one of the objects of the Council is to suggest ways and means for improving the efficiency of the Service. Thereafter, one or two suggestions for improving the efficiency and standard of work have been discussed at subsequent meetings of the Staff Council.

[Ministry of Defence O.M. No. F.36(1)/59/D (Coord), dated 20th May, 1959.]

Recommendation (Serial No. 27) Para No. 44

The Committee suggest that the expenditure on amenities to the staff should be shown separately from other contingent expenditure.

REPLY OF GOVERNMENT

No difficulty is anticipated in implementing this suggestion. Steps are accordingly being taken to put the suggestion into effect.

A statement showing the break up of the figures of Rs. 13.5 lakhs for 1956-57 into (a) amenities to staff and (b) expenditure other than amenities to staff, is enclosed.*

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord) dated 20th May, 1959.]

*Not included in the Report

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY

Recommendation (Serial No. 3, Para 15)

The Committee were informed that as a matter of practice joint consultations invariably took place at appropriate levels between the Ministry and the Headquarters and that very frequently the Joint Secretaries in the Ministry discussed important matters with the Principal Staff Officers in the Services Headquarters. While this is no doubt a desirable practice, the Committee feel that the present system does not ensure that proposals emanating from a certain level in the Services Headquarters are not examined by officials of lower rank in the Ministry.

REPLY OF GOVERNMENT

In accordance with the recognised secretarial procedure, proposals from Services Headquarters are required to be examined in detail by the office and all the relevant information and data have to be indicated to enable senior officers to take correct decisions or tender appropriate advice to the Minister. In by far the majority of cases proposals made by Services Headquarters at higher levels are in fact based on various data and facts collected over a period of time and processed at lower levels. Even so, wherever, it is necessary and desirable, every facility is made available for a discussion on cases between the Services Headquarters and the Ministry at various levels even before the proposal is put up wide Ministry of Defence memo. No. *F.133(1)/58/D (Coord) dated the 8th October, 1958. Instructions have also been issued that references of cases between the Ministry of Defence, the Ministry of Finance (Defence) and the Services Headquarters should be at the appropriate level so that vertical movement of files could be reduced to the minimum.

The number of senior officers in the Ministry is comparatively much smaller than in the Services Headquarters. The organisational set-up of the Services Headquarters also differs from that of the Ministry. The latter is based on the Secretariat pattern obtaining in other Ministries. Any system to ensure that proposals emanating from Services Headquarters at a particular level received personal consideration in the Ministry at the same level, would necessarily mean increase in the staff of the Ministry at various levels—particularly the higher levels.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord)
dated 31st August, 1959].

*Not included in the Report.

Recommendation (Serial No. 4, Para No. 16)

While the Committee are glad that some continuity of service is provided, they feel that the present system does not ensure that the officers dealing with various matters in the Ministry have the necessary expertise or the experience in the service organisation, the problems relating to which they are expected to appreciate and criticise.

REPLY OF GOVERNMENT

The Committee have made an observation about the existing system of manning posts in the Defence Ministry Secretariat. The Committee's observation has been carefully considered in consultation with the Ministry of Home Affairs. The Ministry of Defence are not aware of the basis of the Committee's impression that the officers in the Ministry are insufficiently equipped to appreciate and criticize the problems relating to the Defence Services Organisation. They have mentioned that officers of the Ministry do not have "the necessary expertise or experience in the Service Organisation". The Ministry of Defence would respectfully point out that the expertise required of officers in the Ministry of Defence is in respect of the machinery of Government, inter-ministerial relationship and coordination particularly in matters relating to finance and economy, the relationship between the Executive Branch of the Government and the Legislature etc. It is really not their function to provide technical and expert knowledge relating to Service matters or problems—these are available at the Armed Forces Headquarters. In this sense officers of the Ministry have a role which is complementary to that of Armed Forces Headquarters. This relationship is analogous to that between Secretariat officers and technical officers in other Ministries. From this view point, the Ministry of Defence feel that under the present system of the officers of the Ministry of Defence possess the expertise required for the nature of work they are expected to do.

The Committee have also referred to "experience in the Service Organisation" implying thereby that this is a desirable qualification for the officers manning the Defence Ministry. It is felt that officers obtained from the Services and posted to appointments in the Ministry of Defence Secretariat will find it difficult to critically examine the proposals emanating from the Services Headquarters; they may tend to be influenced by the rank of the Officers formulating or sponsoring such proposals. The Ministry of Defence consider that independent critical examination of Service proposals is a valuable function which can best be performed by civilian officers in close liaison with their Service colleagues. This is ensured in the existing set up in which the contact is close and constant. Moreover, taken to its logical conclusion, the suggestion implied in the Estimates Committee's observation would mean that even other Ministries of the Government of India which control technical activities should be officered by technical personnel of the Departments under them. What the Committee perhaps had in mind was to suggest that civil officers dealing with one part of the Defence Services Organisation should have some knowledge and understanding of that particular part and of its relationship to other parts of the organization. The Ministry of Defence entirely agree with this suggestion and feel that the remedy

ties in ensuring that that the officers posted in the Ministry should have relatively long tenures. They are already doing their best towards this end.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord)
dated 5th January, 1961.]

Recommendation (Serial No. 8, Para No. 19)

The Committee suggest that it might be desirable to examine to what extent an organisation based on the Councils system as obtaining in the U.K. might be more suitable so as to overcome to a large extent the shortcomings in the present system.

Recommendation (Serial No. 9, Para No. 23)

The Committee suggest that early opportunity be taken to bring before Parliament the question of gradually developing Councils for each of the Services, so that a decision on the establishment of the Councils, their composition and powers is taken and the present system which is based purely on executive decisions receives parliamentary consideration at an early date. The Committee also recommend in this connection that careful consideration should be given to the question of having an integrated machinery for arriving at over-all policy decisions affecting all the three Services and care should be taken that the Services do not function in separate compartments. The experiences gained from the working of corresponding organisations in the U.K., United States, and other advanced countries should be carefully pooled and any proposals for adoption here considered on the basis of such experiences. The reforms that are being introduced in the Defence machinery in the U.K. and the U.S.A. should also be studied and examined to see to what extent they might be introduced here. Further, when the matter is brought before Parliament, it would perhaps be advantageous if an explanatory memorandum showing the set up evolved in various advanced countries and the advantages and disadvantages of any such system, in its application to the conditions in our country is placed before Parliament. In this connection it might also be mentioned that in the U.K., the latest Council to be set up, viz., the Air Council for the administration of the business relating to the Air Force, has been set up under an Act of Parliament. The Committee suggest that the desirability of bringing forward legislation to set up Councils in case a decision to that effect is taken by Parliament might also be considered.

REPLY OF GOVERNMENT

The recommendations of the Estimates Committee have been considered by the Cabinet who are of the view that the present system of higher defence control comprising the Defence Committee of the Cabinet, the Defence Minister's Committee, the Chiefs of Staff Committee and various other committees meet the requirements of this country. The following among other reasons influenced the above conclusion:—

- (i) The Council system has not been universally adopted as the most suitable and efficient machinery for Defence administration.

- (ii) The present system in India has been evolved in the light of the experience gathered in the United Kingdom where the Council System came about due to historical reasons which do not apply in this country.
- (iii) The Council system tends to undermine team-spirit in the Services.
- (iv) The existing system is working well.

Any improvements found necessary in course of time could be effected within the present organisational arrangements without having recourse to the Council System.

[Ministry of Defence No. F. 36(1)/59/D(Coord), dated 23-7-1959]

Further information called for by the Committee

- (i) Government's statement 'that the Council System tends to undermine team-spirit in the Services' may be clarified.
- (ii) A statement may be furnished, showing the composition and functions of the Defence Committees in India vis-a-vis the composition and functions of the Defence Councils in the U.K.

[Lok Sabha Secretariat O.M. No. 12-EC/59 dated 21-9-62.]

REPLY FURNISHED BY GOVERNMENT

(i) At present the Principal Staff Officers in the Services Headquarters function as a team under the guidance of the Chiefs of Staff. If they are made members of a statutory Council for the respective Service, this would bring them on par with the Chief of Staff, thus somewhat undermining his authority and vitiating the team spirit in the Services and discipline, which exist today.

- (ii) Please see Appendices I and II.

[Ministry of Defence O.M. No. F. 60(1)/62/D(Coord) dated 22-2-1963].

Comments of the Committee

The Committee note from a statement made by the Minister of Defence, United Kingdom in the House of Commons on the 4th March, 1963 that the British Government had decided in principle that there should be one unified Ministry of Defence, which should be comprised of the essential core of the Admiralty, the War Office and the Air Ministry, grouped as subordinate branches to the new Ministry of Defence.

The above idea has been elaborated further in the White Paper on "Central Organisation for Defence" which was presented by the Minister of Defence to Parliament (U.K.) in July, 1963. It has been stated inter alia in the White Paper that "a unified Ministry of Defence will be set up. Authority and responsibility will be vested in a single Secretary of State for Defence.... The Offices of the First Lord of Admiralty and of the Secretaries of State for War and Air will be abolished, together with the Board of Admiralty and the Army and Air Councils."

The Committee also note that the question of setting up of Defence Councils was discussed in the Lok Sabha on the 8th and 22nd April, 1960 on the basis of a Private Member's Resolution, but that Resolution as well as an alternative Resolution suggesting the establishment of a Committee to go into the question was lost.

The Committee would not, therefore, at this stage like to press the question of setting up of Defence Councils in the country.

Recommendation (Serial No. 12, Para No. 27)

The Committee feel that the staff employed for dealing with pension cases is on the high side. They recommend that this matter should be carefully examined and economies in the number of personnel employed on the work should be effected to the extent possible. Further the Committee do not appreciate why a large number of references in regard to pension work should be dealt with at the Ministry's level. They, therefore, suggest that attempts should be made to decentralise this work to the extent possible.

REPLY OF GOVERNMENT

Considering the financial implications of 'pension' from the point of view of both the individual claimant and the Government, the importance of taking quick and just decisions, and the complicated nature of pension work, the pension group in this Ministry is not over-staffed. One of the pension sections is at present being subjected to detailed study by an O. & M. officer with a view to suggesting economy and improving efficiency. Most of the references dealt with in this Ministry pertain to policy matters, doubtful or peculiar cases not covered by rules on which Government orders are asked for, and appeals against adverse decisions taken at lower or Government level. It is not possible to decentralise a good portion of this work. However, the following measures have been adopted/are under examination:—

- (i) Armed Forces Headquarters have been authorised to refer individual cases relating, *inter alia*, to pensions, direct to the Ministry of Finance (Defence) in the first instance. This change in procedure affects only one of the three pension sections. The effect of this change on the work of the Ministry as a whole is being examined. The other two pension sections do mostly original work relating to disability and family pension claims in respect of Armed Forces personnel and civilians paid from the Defence Services Estimates and transfer of any part of the work to Armed Forces Headquarters will merely result in displacement of staff from the Ministry to these Headquarters, and might result in an overall increase rather than a reduction of staff.
- (ii) Proposals for delegating powers of decision to lower authorities in respect of certain types of pension cases are under consideration.

[Ministry of Defence O.M. No. F. 36(1) /59/D (Coord.)
dated the 26th/28th March, 1959].

(Further information called for by the Committee)

The results of the study of O. & M. Officer and the proposals for delegating powers to lower authorities in certain pension cases may please be stated.

[L.S.S. O.M. No. 12-ECI/59 dated the 15th November, 1961].

REPLY OF GOVERNMENT

The points made out by the O. & M. Unit during the course of Sector Study of one of the Sections in the Pension group and the final decision taken on those points are indicated in the statement—Appendix III. It will be seen therefrom that the suggestions made by that Unit were duly considered. However, for the reasons indicated in that statement, it was finally decided, in consultation with the O. & M. Unit, that no change in the existing procedure and practices with reference to those points was called for.

2. As regards delegation of powers, Government orders were issued on the 4th July, 1960 delegating to lower authorities powers exercised, *inter alia*, by the Ministry of Defence (in consultation with the associated Finance) as competent authority for certain pensionary rules. In brief, these powers relate to sanctioning of commutation of anticipatory pension and to sanction life time arrears of retiring/disability pension to officers; powers to reduce pension/gratuity in respect of JCOs/Flt. Sgts. and below/Sailors where the service rendered has not been satisfactory; powers to relax in respect of re-enrolled personnel below officer rank prescribed condition for refund of gratuity drawn for former service for purposes of counting that service for pension/gratuity on re-enrolment; powers to grant compassionate allowance in respect of deceased personnel of Hyderabad and Jodhpur State Forces; and powers to re-admit to pension establishment MNS officers in cases where pension has not been drawn for a period of twelve months or over.

[Ministry of Defence O.M. No. Pc to F. 36(2)/59/D (Coord.) dated the 23rd February 1962].

Recommendation (Serial No. 15) Para No. 31

The Committee suggest that the justification for the post of Master General of Ordnance in the altered circumstances should be examined particularly in view of the fact that the post had been abolished in 1947.

REPLY OF GOVERNMENT

It is true that the appointment of the Master General of Ordnance was abolished in the year 1947. This was done as a part of a general plan for the reorganisation of the Army Headquarters, with a view to ensure proper co-ordination between all the authorities concerned with military equipment. Subsequent experience, how-

ever, showed that the abolition of the post of the M.G.O. had resulted in lack of co-ordination in the matter of equipping and maintaining the various arms and services. The appointment of the M.G.O. had, therefore, to be revived with effect from the 1st January, 1949.

2. In the light of the recommendation made by the Estimates Committee the question of the retention of this post has been carefully re-examined by Government. The main ground on which the Committee appear to have made this recommendation is that the responsibilities of the M.G.O. have decreased with the transfer of the Directorate of Technical Development from his control, to that of the Ministry of Defence and that he had only two Directors under him. The facts given below will show that the load of work on the M.G.O. is in fact very heavy :—

- (1) The MGO's responsibilities on the Ordnance side have increased steadily particularly since the attainment of Independence. Prior to World War II, the Army Ordnance Corps was responsible for the supply of approximately 30,000 items; the number of items supplied now runs to over 4 lakhs. These items are stocked, preserved and issued from 29 major Ordnance installations located all over the country. In addition, a number of small establishments such as the Ordnance Field Parks, Ammunition Repair Sections, etc., exist to cater for particular requirements of formations. During 1957-58, 29 per cent of the total Army budget was consumed by the Ordnance Services only.
- (2) In so far as the Corps of Electrical and Mechanical Engineers is concerned, there are 9 Army Base/Combined Workshops which constitute the largest repair and maintenance organisation of the country. In addition there are 50 Station Workshops and large number of smaller training establishments/units located all over country. The pay and allowances of combatant personnel and civilian personnel employed on this side amount approximately to Rs. 6.25 crores per annum.
- (3) The M.G.O. Services as a whole employ 63,000 persons excluding industrial and casual employees, of whom about 30,000 are employed in the Ordnance Corps and about 33,000 in the EME. In addition approximately 47,000 industrial and casual employees are employed in these two Corps. The total number of persons employed in the organisations under the M.G.O. is, therefore, approximately 1.10 lakhs.
- (4) An additional consideration which has to be taken into account in this connection is that the Indian Army faces an acute repair problem due to difficulties in the way of procurement of new equipment arising out of shortage of foreign exchange. This entails reliance on old repairable stock and leads directly to an increase in the work-load on the MGO's organisation. Further

the growth of indigenous production in India will also lead to an increase in the work of this organisation as fresh problems of repairs and stocking of spares will have to be faced.

3. Moreover the abolition of the Master General of Ordnance's post will imply the distribution of its two Directorates between the C.G.S. and the Q.M.G. Neither Principal Staff Officer is in a position to take over this extra load in as much as they are already very heavily pressed. Moreover the distribution of the Directorates between the two different P.S.Os. would not be workable as it would lead to difficulties in effecting the close co-ordination which is essential to their proper working.

4. In consideration of the above, Government have recently upgraded the post of the Master General of Ordnance to that of a Lt. Gen. in August, 1958. In addition a post of Deputy Master General of Ordnance in the rank of Maj. General has been created.

5. The Ministry of Defence consider that for the reasons given, the post of the Master General of Ordnance is essential and must be retained.

[*Ministry of Defence O.M. No. F.36(1)/59/D (Coord.) dated 11th September, 1959.*]

Recommendation (Serial No. 18) Para No. 34

The Committee would recommend that there should be an integrated examination of the entire staff strength of the Ministry of Defence and the three Headquarters to ensure the utmost economy and efficiency. They would recommend that this should be done by a Special Committee consisting of one representative each of the Ministries of Finance, Home and Defence, preferably at the level of Joint Secretaries. The Special Committee should also give concrete suggestions regarding the alternative employment that should be provided to the personnel revealed to be surplus as a result of their examination.

REPLY OF GOVERNMENT

The recommendation of the Estimates Committee has been examined by this Ministry, at length, in the light of the following important facts :—

- (a) The Defence Ministry has been examined on two previous occasions by the SRU. The first examination was from May to September 1955. The SRU discussed its draft report with the Joint Secretaries of this Ministry when it was decided that it should make a further examination. This examination was completed in January 1956.
- (b) The SRU examined the Controller General of Defence Production Organisation in August 1958.

- (c) The SRU has been engaged since October 1959 in a work-study of the office of the Director General of Armed Forces, Medical Services.
- (d) The SRU has completed a work-study of a portion of the Naval Headquarters in May 1959.
- (e) A sample survey by the SRU of certain Sections in the Armed Forces HQs is now in progress.
- (f) Certain proposals in regard to a closer integration of the work of this Ministry with the Services Headquarters, with a view to effecting economy and achieving greater efficiency, were examined and adopted.
- (g) The experience gained from the previous draft report of SRU was that the recommendations were in favour of augmentation of the staff strength of the Ministry.
- (h) A study of the establishment sanctioned and the workload in this Ministry compared to some other Ministries during 1958-59 showed that the work, at practically all levels, was very much higher in this Ministry.
- (i) The time factor as well as the work involved in protracted work-study of the entire Ministry and the Services Headquarters.

2. Having regard to the aforesaid facts and taking into consideration the rapid expansion of this Ministry, particularly on the production and scientific sides, and the new and increasing responsibilities in regard to frontier problems and development schemes, it is felt that it would not be expedient at the present time, to undertake an integrated examination of the entire staff strength of the Ministry of Defence and the three Services Headquarters, because this is bound to cause considerable diversion of the time, energy and attention of not only the Ministry of Defence but also, and in particular, the Defence Services Headquarters from their immediate and inescapable responsibilities.

[Ministry of Defence O.M. No. F.36(1)/59/D (Coord.)
dated the 29th April, 1960]

Recommendation (Serial No. 21) Para No. 37

The Committee fail to understand the reasons for the difference in the composition of the Standing Establishment Committees to examine, approve and review the establishments of the Army, Air Force and inter-service organisations. They also do not see any special merit in having these three separate committees when the functions performed by them are of a similar character. The Committee recommend that the constitution of these Committees should be reviewed. The Committee would suggest that for the Ministry of Defence and in case the Council system is adopted, for the integrated services headquarters also, there should be one such Standing Establishment Committee, which would examine proposals for increase of staff applying the principles mentioned in paras 35 and 36.

REPLY OF GOVERNMENT

The constitution and working of the three Standing Establishment Committees was fully examined in the Ministry and also thoroughly reviewed by the Defence Ministry Economy Board with a view to seeing whether it would be advantageous to replace them by a single Standing Establishment Committee as suggested by the Estimates Committee.

2. As a result of this review, the Ministry consider that it would be inadvisable to replace the Standing Establishment Committees by a single Committee in view of the following main considerations, amongst others :—

- (i) Each of the existing Committee deals with different organisations. Since the problems of these organisations differ, their needs have to be examined in the light of the considerations appropriate to them. A single Committee would be greatly handicapped in dealing with all these organisations adequately, effectively and promptly.
- (ii) No serious difficulties in the working of the ASEC, AFSEC and ISEC have come to notice so far. On the whole, the existing Committees have done the job for which they were set up in a manner satisfactory to all concerned. Rather than replacing them, it is considered that they should be assisted in functioning more effectively in case any difficulty comes to light.

[Ministry of Defence O.M. No. F.36(1)/59/D(Coord.) dated 24th May, 1960.]

Recommendation (Serial No. 22) Para No. 38

The Committee feel that many of the military officers in the Services Headquarters are doing routine administrative duties. They feel that it is not desirable to engage professional military officers to do the work of civil servants particularly when there is a general shortage of service officers.

REPLY OF GOVERNMENT

At present there are 1182 Gazetted posts in the three Service Headquarters out of which 858 are held by Service Officers, 316 by Civilians while 8 posts are lying vacant. In other words the Civilians are holding 26.7 per cent of the total number of Gazetted Posts in the three Services. Further, 4 posts of the Status of Director are also being held by the Civilians. A decision has already been taken to civilianise 5 posts and proposals are under consideration for civilianising 33 more posts in the Army and Naval Headquarters. As regards Air Headquarters, 275 posts are being held by the Service Officers and 45 by the Civilians (2 for a limited period). If civilianisation of the 38 posts mentioned above is effected, approximately 30 per cent. of the total number of gazetted posts in the three Service Headquarters will be held by Civilians. The Ministry of Defence consider that Service experience is essential for the posts held by Service Officers and that further civilianisation of the remaining gazetted posts is not feasible.

[Ministry of Defence O.M. No. F.36(1)/59/D(Coord.) dated 11th January, 1960.]

Recommendation (Serial No. 23) Para No. 40

The Committee suggest that the feasibility of adopting the principles outlined in the recommendations of Hoover Commission on the 'Business Organization of the Department of Defence in the U.S.A.' should be considered with regard to appointments in the Headquarters dealing with commercial type of support activities. They would also recommend that similar principles should be applied to other activities like transport, supplies, store-keeping etc. even in the lower echelons. Civilians entrusted with such duties should also be trained adequately in business management.

REPLY OF GOVERNMENT

The suggestion of the Second Hoover Commission regarding specialized management and technical personnel in support-activities, which has been recommended by the Estimates Committee of the Second Lok Sabha for adoption by our Armed Forces, does not have applicability to India. It has relevance only to a country like the United States, where the Services are responsible for their own support-activities. In India, the support-activities are organised differently. After the requirements of the Armed Forces have been assessed by the Services authorities, the approval of the Government is obtained. The procurement of supplies, which is the major support-activity, is entrusted almost completely to the various civilian agencies like the Director General Supplies and Disposals (DGS&D), Director General India Stores Department (DGISD) in the U.K., the India Supply Mission (ISM) in the U.S.A. and the Food and Agriculture Ministry. The question, therefore, of creating a separate civilian agency for making purchases for the Armed Forces does not arise. The only two exceptions when the Armed Forces make their own purchases are: (i) small supplies up to the value of Rs. 10,000 and (ii) local purchase of fresh supplies.

In respect of the other support-activities of storage, distribution and repair, there is a considerable civilian element—about 78 per cent under the Directorate of Ordnance Services (D.O.S.) and 31 per cent under the Electrical and Mechanical Engineering Directorate (DEME). It may, however, be emphasized that these activities cannot be entirely organised under civilian agencies, as a nucleus of trained service staff has to be retained so that in the event of war, a quick expansion can take place.

[Ministry of Defence O.M. No. 36(1)/59/DI (Coord.), dated 10th November, 1961.]

Recommendation (S. No. 24, para No. 41)

As the civilian staff in all the three Headquarters are borne on one common roster for purposes of promotions and confirmations, the Committee consider that there is no justification for maintaining separate establishments for dealing with their day to day administration. The Committee would recommend that the position should be reviewed.

REPLY OF GOVERNMENT

All matters connected with the common roster, including promotions and confirmations, are already dealt with by the Chief Administrative Officer in respect of all the three Headquarters. If a common roster is established for Class IV Government servants, matters connected with that roster would be dealt with by one central agency, namely the Chief Administrative Officer. There are, however, a number of establishment matters unconnected with the common roster which are dealt with by Naval and Air Headquarters. Such matters would still have to be dealt with in the Headquarters concerned, and the staff dealing with them would have to be retained.

2. The question of making the Chief Administrative Officer responsible for dealing with all matters pertaining to day-to-day administration has been very carefully considered. It is felt that, for the reasons stated below, it would be desirable to maintain the *status quo*:

- (i) It would not be possible to transfer all matters pertaining to day-to-day administration to the Chief Administrative Officer, particularly in respect of Naval Headquarters.
- (ii) As a result, some of the staff in Naval and Air Headquarters dealing with administrative matters would have to be retained in those Headquarters and additional staff would have to be appointed in the CAO's office to cope with the increased load of work.
- (iii) Transfer of all such matters to the CAO's office would result in over-centralisation.
- (iv) The existing arrangement has not given rise to any particular difficulty or inconvenience.

[Ministry of Defence O.M. No. F. 36(1)/59/D (Coord.), dated the 6th January, 1962.]

CHAPTER IV

**RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF
GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE
COMMITTEE**

Nil

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAITED

Recommendation (Serial No. 16) Para No. 32

The Committee suggest that in view of the experience gained since 1947, the justification for a separate organisation for the selection and recruitment of Officers and other ranks for the Air Force alone should be re-examined especially since a joint Selection Board is working satisfactorily and efficiently for the Army and the Navy.

Recommendation (Serial No. 17) Para No. 33

The Committee feel that there is scope for integration of several other activities which are common to the three Services, e.g. Transport, Education, Medical Services, Repair Services, etc. The Committee feel that inter-service organisations should have a very large practical content of inter-service integration so as to eliminate duplication of effort. The Committee, therefore, desire that the feasibility of integrating as many common activities and services as possible and bringing them under Inter-Service Organisations should be given earnest consideration. They recommend that a committee should be appointed to examine this matter carefully and make concrete proposals.

Recommendation (Serial No. 28) Para No. 49

With regard to the maintenance of pay accounts, the Committee feel that it is not desirable to have three types of organisations for performing duties of a similar nature in the three Services as also that the accounts staff of the Navy and Air Force should include service personnel. The Committee would suggest that there should be a review of the existing Finance and Accounts organisations for the three Services so as to attain the objectives of (i) economy, (ii) uniformity in the application of rules, and (iii) greater co-ordination between this organisation and the executive authorities. In this connection they would also suggest that the pattern of the Defence, Finance and Accounts Organisation in U.K. as also of the Railway Financial administration in India should be carefully examined to see to what extent they may be followed in the case of the Defence Organisation in India.

APPENDIX I

(Vide reply to recommendations Nos. 8 and 9 in Chapter III)

THE DEFENCE SYSTEM IN U.K.

Supreme responsibility for national defence rests, under the ultimate control of Parliament (which makes annual financial provision for defence needs), with the Prime Minister and the Cabinet. Subject to this supreme responsibility, defence problems which engage the collective responsibility of the Cabinet are normally handled on the Cabinet's behalf by the Defence Committee, meeting under the chairmanship of the Prime Minister. The Prime Minister determines which members of the Defence Committee should attend particular meetings of the Committee, according to the subjects to be discussed and the ministerial responsibilities involved. The Minister of Defence who is a member of the Cabinet and of the Defence Committee, answers to Parliament for all matters of policy common to the three fighting Services—the Royal Navy, the Army and the Royal Air Force. The Minister has authority to decide (subject to the responsibilities of the Cabinet and the Defence Committee) all major matters of defence policy affecting the size, shape, organisation and disposition of the armed forces, and their weapons and war like equipment and supply (including defence research and development). He is also ministerially responsible to the Prime Minister for the execution of military operations approved by the Cabinet or the Defence Committee. Recommendations for the more important Service appointments are submitted by the Service ministers (the First Lord of the Admiralty, the Secretary of State for war, who deals with the Army, and the Secretary of State for Air) for the approval of the Minister of Defence, who, in appropriate cases, seeks the covering approval of the Prime Minister.

2. The Service Ministers, working through the Board of Admiralty and the Army and Air Councils, are responsible for the efficiency and administration of the three Services. The Minister of Aviation is responsible for the supply to the Services of aircraft, guided and nuclear weapons, and electronic equipment. All these ministers are members of the Defence Committee; consultation on defence policy between them and the Minister of Defence and discussion of inter-Service problems take place at meetings of the Defence Board, of which the Minister of Defence is Chairman.

3. The Chiefs of Staff Committee, which comprises the Chief of Defence Staff (who is principal military adviser to the Minister of Defence), as chairman, and the professional heads of the three Services, is collectively responsible to the Government for professional advice on strategy and military operations and on the military implications of defence policy generally. Its collective advice is given to the Minister of Defence by the Chief of the Defence Staff, who tenders his own advice, together with the views of the other members of the committee, if the committee cannot reach agreement. The Chief of

The Defence Staff is responsible for issuing operational orders, and he is entitled to call on the respective Chiefs of Staff to make available, to assist him in his functions, the services of the Naval, General and Air Staffs. The Chiefs of Staff are members of the Defence Board, are in attendance at meetings of the Defence Committee and may be invited to attend meetings of the full Cabinet as necessary; they have at all times a right of access to the Minister of Defence and, when necessary, to the Prime Minister.

4. The composition and functions of the Army Council Board of Admiralty and the Air Council, are given in Annexures I to III to this Appendix.

Annexure I to Appendix I

COMPOSITION AND FUNCTIONS OF ARMY COUNCIL

Composition

1. Secretary of State for War (Civilian)—*President*.
2. Parliamentary Under Secretary of State for War and Financial Secretary of the War Office (Civilian)—A Minister.—*Vice-President*.
3. Permanent Under Secretary of State for War (Civilian)—*Secretary*.

Service Members

1. Chief of the Imperial General Staff.
2. Vice-Chief of the Imperial General Staff.
3. Deputy Chief of the Imperial General Staff.
4. The Adjutant General to the Forces.
5. The Quartermaster General to the Forces.
6. The Master General of Ordnance.

Functions

The control of the Army.

Note.

The normal functions of each of the Service members, other than the Chief of the Imperial General Staff, are as under:

- (a) The Vice-Chief of the Imperial General Staff is responsible for strategic policy and plans, operations and intelligence.
- (b) The Deputy Chief of the Imperial General Staff is responsible for war organisation equipment, weapons and training.
- (c) The Adjutant General to the Forces, is responsible for manpower, personnel, discipline, medical services, welfare, education and the women's services.
- (d) The Quartermaster General to the Forces is responsible for supplies, transport, jointly with the Permanent Under Secretary, works services.
- (e) The Master General of Ordnance is responsible for research into, and the design, development, production and procurement of Army stores.

*Annexure II to Appendix I.***COMPOSITION AND FUNCTIONS OF THE BOARD OF ADMIRALTY**

The Board of Admiralty consists of 3 Civilian and 6 Naval members.

Composition

1. The First Lord of Admiralty—*Minister*.
2. The Civil Lord (a *Minister*).
3. The Permanent Secretary, a civil servant (responsible for the general conduct of Admiralty business including Finance).

Naval Members

1. The First Sea Lord and the Chief of Naval Staff.
2. The Second Sea Lord and the Chief of Naval Personnel.
3. The Third Sea Lord and the Controller of the Navy.
4. The Fourth Sea Lord, Chief of Supplies and Transport and Vice-Controller.
5. Vice-Chief of Naval Staff.
6. The Deputy Chief of Naval Staff and Fifth Sea Lord.

Functions

The Board of Admiralty governs the Royal Navy.

Note

The normal functions of each of the Naval Member of the Board, other than the First Sea Lord and the Chief of Naval Staff, are as under:—

- (a) The Second Sea Lord controls the personnel.
- (b) The Third Sea Lord is the controller of the Navy and his responsibility includes Ship construction and repair, research and the provision and repair of Naval Aircrafts.
- (c) The Fourth Sea Lord is the Chief of Supplies and Transport and is also responsible for maintenance and dockyard organisation.
- (d) The Vice-Chief of Naval Staff assists the First Sea Lord.
- (e) The Deputy Chief of Naval Staff and the Fifth Sea Lord is responsible for stating requirements, for ships, aircraft and weapons and for laying down admiralty policy on aircraft research and development.

*Annexure III to Appendix I.***COMPOSITION AND FUNCTIONS OF AIR COUNCIL****Composition.**

1. The Secretary of Staff for Air—*President*.

2. The Parliamentary Under Secretary for Air—Vice-President.
3. The Permanent Under Secretary for Air-Secretary.

Service Members

1. Chief of the Air Staff.
2. Vice-Chief of the Air Staff.
3. Deputy Chief of the Air Staff.
4. Air Member for Personnel.
5. Air Member for Supplies and Organisation.

Functions

Administration of the Royal Air Force.

Note

The normal responsibilities of the members of the Council are :—

- (a) The Chief of Air Staff is responsible for strategic policy and the fighting efficiency of the R.A.F.
- (b) The Vice-Chief of the Air Staff is responsible for Inter-Service policy, operations, intelligence, liaison with other air forces, standardisation and ground defence.
- (c) The Deputy Chief of Air Staff is responsible for the preparedness for war of the R.A.F., for command, staff and air training and for policy regarding future aircraft and weapons.
- (d) The Air Member for Personnel is responsible for personnel matters.
- (e) The Air Member for Supplies and Organisation is responsible for supplies and organisation matters.

APPENDIX II

(Vide *reply to recommendations Nos. 8-9 in Chapter III*)

THE DEFENCE SYSTEM IN INDIA

Supreme responsibility for national defence rests with the Cabinet. The Defence Committee of the Cabinet deals, on behalf of the Cabinet, with all important questions relating to defence and put up to the Cabinet all matters as they consider necessary. The composition and functions of the Committee are given in Annexure I to this Appendix.

There are three Defence Minister's (Inter-Service) Committees, Defence Minister's (Army), (Navy) and (Air Force) Committees, Defence Minister's (Production) Committee and Defence Research & Development Council. The composition and functions of these Committees are shown in Annexures II to IX to this Appendix.

The composition and functions of the Chiefs of Staff Committee are given in Annexure X to this Appendix.

Annexure I to Appendix II.

1. DEFENCE COMMITTEE OF THE CABINET

COMPOSITION:

Chairman: Prime Minister.

Members:

The Minister of Finance.

The Minister of Transport and Communications.

The Minister of Economic and Defence Co-ordination.

The Minister of Home Affairs.

The Minister of Railways.

The Minister of Commerce & Industry.

The Minister of Defence.

The Minister of Mines & Fuel.

The Minister of Steel & Heavy Industries.

In attendance:

The Minister of Defence Production.

The Deputy Minister of Defence.

The Secretary, Ministry of Defence.

The Chief of the Army Staff.

The Chief of the Naval Staff.

**The Chief of the Air Staff.
The Financial Adviser (Defence)**

Secretariat:

Cabinet Secretariat.

FUNCTIONS:

The Defence Committee will deal, on behalf of the Cabinet, with all important questions relating to Defence and report to the Cabinet such matters as they consider necessary. In the absence of a specific directive from the Defence Committee, it will be the responsibility of the Chairman to determine which of the Committee's decisions should be reported to the Cabinet.

Annexure II to Appendix II.

DEFENCE MINISTER'S (INTER-SERVICE) COMMITTEE (A)

COMPOSITION:

***Chairman:* Minister of Defence.**

Members:

- Minister of Defence Production.**
- Deputy Minister of Defence.**
- Secretary, Ministry of Defence.**
- Chief of the Army Staff.**
- Chief of the Naval Staff.**
- Chief of the Air Staff.**
- Financial Adviser (Defence).**

Secretariat:

Cabinet Secretariat (Military Wing).

FUNCTIONS:

The Committee will submit to the Defence Committee of the Cabinet plans and papers on Defence subjects which require the approval of the Cabinet. The Committee will give decisions on all important matters which are not weighty enough to merit reference to the Defence Committee of the Cabinet.

Annexure III to Appendix II.

DEFENCE MINISTER'S (INTER-SERVICE) COMMITTEE (B).

COMPOSITION:

***Chairman:* Minister of Defence.**

Members:

Minister of Defence Production.
 Deputy Minister of Defence.
 Secretary, Ministry of Defence.
 Chief of the Army Staff.
 Chief of the Naval Staff.
 Chief of the Air Staff.
 Financial Adviser (Defence).

Secretariat:

Cabinet Secretariat (Military Wing).

FUNCTIONS:

The Committee will give decisions on all matters relating to:—

- (a) All policy questions relating to:—
 - (i) Welfare of the Service personnel;
 - (ii) Resettlement of Ex-Serviceman;
 - (iii) Lands & Cantonments; and
 - (iv) Educational facilities for the children of the Service personnel.
- (b) Policy in regard to control and management of the following welfare funds, etc.:—
 - (i) Armed Forces Re-construction Fund.
 - (ii) Armed Forces Benevolent Fund.
 - (iii) Flag Day Fund.
 - (iv) Army Central Welfare Fund.
 - (v) I.S.S. & A Board Fund.
 - (vi) Board of control-Canteen Services.

*Annexure IV to Appendix II***DEFENCE MINISTER'S (INTER-SERVICE) COMMITTEE (C).****COMPOSITION:****Chairman :**

Minister of Defence.

Members :

Minister of Defence Production.
 Deputy Minister of Defence.
 Secretary, Ministry of Defence
 Chief of the Army Staff.
 Chief of the Naval Staff.

Chief of the Air Staff.
Financial Adviser (Defence).

Secretariat:

Cabinet Secretariat (Military Wing).

FUNCTIONS:

The Committee will deal with all matters relating to works and construction concerning all the three Services.

Annexure V to Appendix II

DEFENCE MINISTER'S (ARMY) COMMITTEE

COMPOSITION:

Chairman :

Minister of Defence.

Members :

Minister of Defence Production.
Deputy Minister of Defence.
Secretary, Ministry of Defence.
Chief of the Army Staff.
Financial Adviser (Defence).

Secretariat:

Cabinet Secretariat (Military Wing).

FUNCTIONS:

To consider such questions of major policy relating to the Army as have no bearing on the other Services.

Annexure VI to Appendix II

DEFENCE MINISTER'S (NAVY) COMMITTEE

COMPOSITION:

Chairman :

Minister of Defence.

Members :

Minister of Defence Production.
Deputy Minister of Defence.
Secretary, Ministry of Defence.
Chief of the Naval Staff.
Financial Adviser (Defence).

Secretariat:

Cabinet Secretariat (Military Wing).

FUNCTIONS:

To consider such questions of major policy relating to the Navy as have no bearing on the other Services.

*Annexure VII to Appendix II***DEFENCE MINISTER'S (AIR) COMMITTEE****COMPOSITION:*****Chairman :***

Minister of Defence.

Members :

Minister of Defence Production.

Deputy Minister of Defence.

Secretary, Ministry of Defence.

Chief of the Air Staff.

Financial Adviser (Defence).

Secretariat:

Cabinet Secretariat (Military Wing).

FUNCTIONS:

To consider such questions of major policy relating to the Air Force as have no bearing on other Services.

*Annexure VIII to Appendix II***DEFENCE MINISTER'S (PRODUCTION) COMMITTEE****COMPOSITION:*****Chairman :***

Minister of Defence.

Members :

Minister of Defence Production.

Deputy Minister of Defence.

Chief of the Army Staff.

Chief of the Naval Staff.

Chief of the Air Staff.

Secretary, Ministry of Defence.

Secretary, Department of Defence Production.

Financial Adviser (Defence).

Scientific Adviser to the Minister of Defence.

Additional Secretary, Ministry of Defence.

Controller General of Defence Production.

Director General of Ordnance Factories.

Chief Controller Research & Development.

Secretariat:

Cabinet Secretariat (Military Wing).

FUNCTIONS:

1. To regulate defence production effort in the country and co-ordinate it with the civil industrial capacity with a view to achieving self-sufficiency in defence stores as economically and as expeditiously as possible;
2. To review from time to time the mobilisation plans for Defence Production, prepared by the Controller General of Defence Production;
3. To examine and approve important industrial projects regarding the modernisation and expansion of the Ordnance Factories;
4. To approve major projects for submission to the Defence Committee of the Cabinet; and
5. To give policy decisions on all matters beyond the competence of Controller General of Defence Production with a view to ensuring effective operation of the Ordnance Factories.

Annexure IX to Appendix II

DEFENCE RESEARCH & DEVELOPMENT COUNCIL

COMPOSITION:

Chairman :

Minister of Defence.

Vice-Chairman:

Minister of Defence Production.

Members:

Defence Secretary.

Scientific Adviser.

Secretary, Defence Production.

Financial Adviser Defence

Director General, Armed Forces Medical Services.

Director General, Council of Scientific and Industrial Research.

Controller General of Defence Production.

Chief Controller, Research & Development.

Secretary:

A Deputy Secretary of Ministry of Defence nominated by the Chairman.

FUNCTIONS:

- (1) to formulate programmes in regard to research and development, training of personnel and associated matters and where necessary, to obtain the approval of Government;
- (2) to consider proposals relating to the defence R. & D. budget for each financial year and submit them for the approval of the Government;
- (3) to implement Government's orders in all matters concerning defence research and development;
- (4) to review work done in the research & development wings of the Scientific Adviser's Organisation in the Ministry of Defence; and
- (5) to liaise with organisations dealing with scientific research and development.

Annexure X to Appendix II

CHIEFS OF STAFF COMMITTEE

COMPOSITION:

Members:

Chief of the Army Staff.

Chief of the Naval Staff.

Chief of the Air Staff.

Note:

Chairmanship will be held by the member who has been longest on the Committee.

Secretariat :

Cabinet Secretariat (Military Wing).

FUNCTIONS :

The Chiefs of Staff are the authority for advising the Defence Minister and normally through him the Defence Committee of the Cabinet on all Military matters which require Ministerial consideration.

APPENDIX III

(Vide reply to recommendation No. 12 in Chapter III)

Statement showing the suggestions made by D (O&M) Unit consequent on the sector study undertaken of one of the sections in the Pension Group and the conclusions reached thereon

Sl. No.	Suggestion	Final Decision with reasons therefor
1	Sanction of pension to officers—Delegation of powers. Service pension to commissioned officers is sanctioned by Ministry even though the claims are undisputed by audit authorities and are clearly made in accordance with the rules and orders on the subject. The power in this case should be delegated to lower authorities.	For the following reasons, the suggestion was not finally approved:— (a) The powers to sanction retiring pension to Commissioned Officers have hitherto been exercised by the Ministry of Defence in consultation with the Ministry of Finance (Defence). In September 1956, the authority to sanction retiring pensions in respect of ICOs (except when an officer is cashiered or dismissed by the sentence of a Court Martial) was delegated to the Ministry of Defence subject to an award being made in accordance with the audit report of the CDA(P) and also subject to any reduction being made at the discretion of this Ministry in the circumstances of each individual case.

(b) As a result of the delegation referred to above, normally it does not take more than a few weeks to finalise a case after the receipt of audit report from the CDA(P). Meanwhile, in straightforward cases, the CDA(P) is authorised to grant anticipatory pension to the officer concerned. Thus, as a result of the present procedure, no undue delay and consequent hardship is caused to the retired officers.

(c) The record of service of officers is maintained at Army Headquarters (MS Branch and AG's Branch). In cases where it is not possible for the CDA (P) to verify the full pay commissioned service of the officers from audit records, the service is got verified with reference to the service records.

(d) The circumstances of retirement of each officer are known at Army Headquarters/Ministry of Defence. It is necessary to consider whether in these circumstances any reduction should be made in the pension on grounds of satisfactoriness or otherwise of service. This aspect of the case is to be considered by the administrative authorities and cannot be delegated to the CDA(P).

(e) The number of officers retiring each month is not very large. Therefore, the work involved in dealing with each case at Army Headquarters and in the Ministry of Defence is not heavy. On the other hand, the amount of pension admissible to each officer being quite substantial, any incorrect award

Sl.
No.

Suggestion
Final Decision with reasons therefor

contrary to the intention of Government would lead to heavy overpayment.

(f) The interests of the officers are been watched by the Services Headquarters in cases where the CDA (P) fails to send in the audit report within a reasonable time from the date of release of the officer concerned, and they keep on reminding the Controller. In this way, it is possible to come to prompt decisions in cases of officers. Moreover, owing to the work relating to the officers being centralised, it is possible to deal with any representation received from the officer, without much difficulty or delay.

(g) In cases where an officer is removed or called upon to retire or is permitted to retire at his own request, the grant of pension is discretionary. There can be, in such cases, no question of delegating powers to the CDA (P).

2 *Draft letters forwarded by Service HQ direct to the Ministry of Finance (Defence) who after concurred in them without any dispute, send them to the Defence Ministry for issue. These may be sent back to service HQs for issue.*

In accordance with the existing instructions, the Services Headquarters are required to refer direct to the Ministry of Finance (Defence) individual cases relating to pay & allowances, leave, pensions, regularisation of overpay-

No Government order issued in the name of the President can be signed by an authority other than a Secretary/ Additional Secretary/ Joint Secretary/ Deputy Secretary/ Under Secretary/Assistant Secretary to the Government

ments. Where the cases are without any dispute the Ministry of Finance (Defence) concur in the draft letters placed on the files and send them to the Defence Ministry merely for issue. Since the contribution of the Defence Ministry in the issue of such letters is practically nil, it is suggested that the letters of such nature after having been concurred in, should be returned by Ministry of Finance (Defence) to Service Headquarters who may issue the order straightforwardly, enclosing copies of all such orders, in one batch every month to the Ministry to keep them informed.

3 *Unnecessary issue of reminders*

During the Sector Study, it was observed that reminders were becoming too frequent and swelling the volume of the receipts without serving any purpose. Urgent and immediate references are not usually delayed. It is only ordinary references which get delayed in the Ministry or Department where the references have been passed for furnishing information or comments. In such ordinary cases, there is no need for the Service Headquarters to remind at intervals of less than one month. In case of individual claims pertaining to pay and allowances, leave, pension regularisation of overpayments etc. which require detailed consideration in consultation with the other parties, the interval after which a reminder may be sent should be two months.

4 *Information to be obtained and given direct by Service Headquarters from/ to Embassies/Civil, Ministers/State Governments.*

Under the existing instructions, there can be direct correspondence with Service Headquarters and the other

of India under the existing instructions issued on the subject. In view of this position, Services Headquarters cannot be delegated the powers to issue Government orders relating to pensionary matters.

The proposal was, therefore, dropped.

Services Headquarters were against laying down any rigid principle or to fix a time limit for the issue of reminders. They urged that their discretion should not be fettered in the matter. The reminders would be issued by them as and when necessary depending on the importance and nature of a case.

The proposal was, therefore, dropped.

Since number of such cases is not unduly large, it was decided that no action on this suggestion was called for.

Sl. No.	Suggestion	Final Decision with reasons therefor
		Ministries/Departments in matters relating to settlement of claims of ex-members of Armed Forces and ex-civilian employees of the Defence Services in employ of civil Ministries/Departments. After the issue of these instructions, the Service Headquarters should not make such references through the Ministry of Defence.

NEW DELHI-1;

April 30, 1964
Vaisakha 10, 1886 (Saka).

ARUN CHANDRA GUHA,

Chairman,
Estimates Committee

APPENDIX IV

Analysis of the action taken by Government on the recommendations contained in the 26th Report of the Estimates Committee (Second Lok Sabha).

1. Total number of recommendations	28
2. Recommendations that have been accepted by Government (vide recommendations Nos. 1, 2, 5, 6, 7, 10, 11, 13, 14, 19, 20, 25, 26 and 27 referred to in Chapter II)	
Number	14
Percentage to total	50%
3. Recommendations which the Committee do not desire to pursue in view of the Government's reply. (vide recommendations Nos. 3, 4, 8, 9, 12, 15, 18, 21, 22, 23 and 24 referred to in Chapter III)	
Number	11
Percentage to total	39.3%
4. Recommendations in respect of which final replies of Government are still awaited (vide recommendations Nos. 16, 17 and 28 referred to in Chapter V)	
Number	3
Percentage to total	10.7%

