

HUNDRED AND EIGHTY-SECOND REPORT

PUBLIC ACCOUNTS COMMITTEE (1983-84)

(SEVENTH LOK SABHA)

INTRODUCTION OF A NEW SYSTEM OF WEAPON TRAINING

MINISTRY OF DEFENCE

[Action Taken on 148th Report (7th Lok Sabha)]



Presented to Lok Sabha on 29 MAR 1984

Laid in Rajya Sabha on

LOK SABHA SECRETARIAT
NEW DELHI

February, 1984/Phalguna, 1905 (S)

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INTRODUCTION

I, the Chairman of Public Accounts Committee, as authorised by the Committee, do present on their behalf this 182nd Report on action taken by Government on the recommendations of the Public Accounts Committee contained in their 148th Report (7th Lok Sabha) regarding introduction of a new system of weapon training.

2. In their Hundred and Forty-eighth Report, the Committee had expressed deep concern that despite the numerous advantages of the ETM system of training leading to saving in manpower as well as expenditure and the superiority of the system, there had been inordinate delay both in the initial formation of the scheme and its subsequent execution. Even though the then Chief of the Army Staff had issued orders in 1958 to prepare a prototype to introduce the modern system of training, a decision in this regard was taken only in 1965. It further took as many as 5 years to issue necessary sanction to start the work and a prototype was produced only in 1970. The Committee found it shocking that even after so much delay the work was executed in a most leisurely manner as only a little more than 50 per cent of the targeted ranges were modified till then. It took another 8 years for the authorities to decide upon the further improvement of training and in finalising the CSQR for radio controlled target equipment for indigenous development.

3. In their action taken note, the Ministry have stated that till 1965, the army did not have the proper arms to fire on the system. The Ministry have also blamed procedural delays and delays in manufacture of and malfunctioning of certain essential components by civil firms. The Committee have not accepted the reply of the Ministry of Defence. They have expressed the view that had the implementation of this system been followed with the vigour and seriousness it deserved, it would have not only advanced the introduction of the modern system of training in field firing but also resulted in earlier replacement of the antiquated bolt action rifle by self loading rifle, thereby equipping the Army with a modern weapon. The Committee have emphasised that procedural delays should not be allowed to delay the implementation of projects in a vital sector like defence and for this purpose necessary steps to streamline the procedure should be taken immediately.

4. The Committee considered and adopted the Report at their sitting held on 14 February, 1984.

(vi)

5. For facility of reference and convenience, the recommendations and observations of the Committee have been printed in thick type in the body of the Report, and have also been reproduced in a consolidated form in the Appendix to the Report.

6. The Committee place on record their appreciation of the assistance rendered to them in the matter of the Office of the Comptroller and Auditor General of India.

NEW DELHI ;

February 22, 1984
Phalgunā 3, 1905 (Saka)

SUNIL MAITRA

Chairman
Public Accounts Committee.

CHAPTER I

REPORT

1.1 The Report of the Committee deals with the action taken by Government on the Committee's recommendations and observations contained in their 148th Report (Seventh Lok Sabha) on Paragraph 39 of the Report of Comptroller & Auditor General of India for the year 1980-81, Union Government (Defence Services) regarding Introduction of a new system of weapon training.

1.2 The 148th Report which was presented to Lok Sabha on 28th April, 1983, contained 13 recommendations. Action Taken Notes have been received in respect of all the recommendations/observations and these have been categorised as follows :—

(i) *Recommendations and observations that have been accepted by Government.*

Sl. Nos. 1, 2, 4, 6, 7, 8, 11, 12 and 13.

(ii) *Recommendations and observations which the Committee do not desire to pursue in the light of the replies received from Government.*

Sl. Nos. 3, 9 and 10.

(iii) *Recommendations and observations replies to which have not been accepted by the Committee and which require reiteration.*

Sl. No. 5.

(iv) *Recommendations and observations in respect of which Government have furnished interim replies.*

Nil

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

Delay in the introduction of Electric Target Equipment system.

(Sl. No. 5—Para 1.56)

1.4 Criticising the delay in the implementation of the scheme for the introduction of Electric Target system of training in field firing with a view to make to more realistic, the Committee had in Paragraph 1.56 of their 148th Report recommended as follows :—

“The Committee are deeply concerned to note that despite the numerous advantages of the ETM system of training leading to saving in manpower as well as expenditure and the superiority of the system, there has been inordinate delay both in the initial formulation of the scheme and its subsequent execution. It is surprising that even though the then Chief of the Army Staff had issued orders in 1958 to prepare proto type to introduce the modern system of training a decision in this regard was taken only in 1965. It again took as many as 5 years to issue necessary sanction to start the work and a proto type was produced as late as in 1970, i.e., 12 years after the idea was mooted. The delay is unconscionable and requires fuller explanation. What is still more shocking is that even after so much delay the work was executed in a most leisurely manner as is evident from the fact that only a little more than 50 per cent of the targeted ranges have actually been modified so far. It has again taken another 8 years for the authorities to decide upon the further improvements in the system of training and in finalising the GSQR or radio controlled target equipment for indigenous development. A decision to start the work on the remaining ranges has been taken only recently presumably to forestall adverse criticism by the Committee. The fact nevertheless stands out that the Army Authorities have treated a vital matter like training of the army personnel which has direct bearing on their battle worthiness, in a very lackadaisical manner. The delay on the part of Army Authorities becomes all the more glaring in view of the admitted fact that the Ministry of Defence were quite prompt in issuing necessary sanction for the works when approached by the Army Authorities. The Committee cannot but express their severe displeasure at this unfortunate state of affairs.”

1.5 In their action taken note dated 6 December, 1983, the Ministry of Defence have stated :—

“Though the Chief of the Army Staff had seen the Electric Target Equipment System in 1958 in one of the modern armies, on his visit abroad, there is no record to suggest that it was to be introduced in our army then. It would also be recalled that the new system was only suitable for firing of the self loading rifles and not the antiquated bolt

action with which the army was then equipped. The introduction of self loading rifles commenced only after the Chinese aggression of 1962 and this continued well beyond 1965 when the actual decision to introduce this system was taken. The period from 1958 to 1965 should not thus be taken into account as we did not have the proper arms to fire on the system.

Work on the scheme started only after a decision was taken during the Army Commanders Conference in 1965 when we had the weapons to use it. Here, it may be recalled that the year 1965 was full of operational commitments from April onwards, when Pakistan stirred action in Kutch followed by infiltration in J&K which ultimately conflagrated into an armed conflict. The entire army was involved in operations and no work could have started until the final withdrawals in 1966.

The scheme was first tried out at a regimental centre in Delhi and then extended to other stations. The period from 1966 to 1969 was taken up by trials and production of the equipment. It is submitted that any indigenously manufactured equipment generally takes three or more years to be accepted. Had we accepted outright import of the system, perhaps the time could have been saved, but it would have involved foreign exchange, more expenditure and would have been against our national policy of self reliance, where possible.

Though the Army authorities were not lacking in liaison, different conditions prevailed in each station and it is difficult to exercise control over local conditions and problems, which cause delays and unexpected increase in expenditure. Since procedural delays cannot be eliminated altogether, they had an effect on implementation.

The delay in the project due to the 1971 war and subsequent pull back and re-deployment which continued well upto 1973 had been highlighted to the Committee and does not need repetition.

Some civil firms which had been given sub contracts for manufacture of essential components, like micro switches and relays could not meet their schedule. Moreover when the equipment was actually installed for troops trials, it was found to malfunction. This delayed the trials and submission of reports to Army Headquarters. In the

light of the factors mentioned above, delays in manufacture of essential components by civil firms and procedural delays at the local levels over which no effective direct control can be exercised delayed the implementation of the system."

1.6 In their earlier Report, the Committee had expressed deep concern that despite the numerous advantages of the ETM system of training leading to saving in manpower as well as expenditure (the actual annual saving expected being Rs. 2.28 crores) and the superiority of the system, there had been inordinate delay both in the initial formation of the scheme and its subsequent execution. The Committee had expressed surprise that even though the then Chief of the Army Staff had issued orders in 1958 to prepare prototype to introduce the modern system of training a decision in this regard was taken only in 1965. It further took as many as 5 years to issue necessary sanction to start the work and a prototype was produced as late as in 1970. The Committee had found it shocking that even after so much delay the work was executed in a most leisurely manner as only a little more than 50 per cent of the targeted ranges were modified till then. It again took another 8 years for the authorities to decide upon the further improvement of training and in finalising the GSQR for radio controlled target equipment for indigenous development. In their action taken note, the Ministry of Defence have stated that although the Chief of the Army Staff had seen the Electric Target Equipment system in 1958 in one of modern armies, on his visit abroad, there is no record to suggest that it was to be introduced in our army then. According to the Ministry of Defence, the new system was suitable only for firing of the self loading rifles and not the antiquated bolt action with which the Army was then equipped. The introduction of self loading system commenced only after 1962 and this continued well beyond 1965 when the actual decision to introduce this system was taken and the period from 1958 to 1965 should not thus be taken into account as they did not have the proper arms to fire on the system. The Ministry have also put blame on procedural delays and delays in manufacture of and malfunctioning of certain essential components by civil firms.

1.7 The Committee are not convinced by the above explanation given by the Ministry of Defence. The Committee feel that had the implementation of this system been then followed with the vigour and seriousness it deserved, it would have not only advanced the introduction of the modern system of training in field firing but also resulted in earlier replacement of the antiquated bolt action rifle with self loading rifles, thereby equipping the army with a modern weapon, so vital for our army. The Committee need hardly emphasis that procedural delays should not be allowed to delay the implementation of projects in a vital sector like defence and for this purpose necessary steps to streamline the procedure should be taken immediately.

The Committee trust that necessary lessons would be drawn by the Army Authorities from the experience in this case and it would be ensured that such delays do not recur. The Committee have noted similar casual approach in planning as well as execution of other defence projects and commented adversely about the same. The Committee would therefore, like to stress once again that in defence matters where Parliament is so generous in granting funds, delays in formulating and executing projects having a vital bearing on the defence of the country should not be allowed to occur.

Rescheduling of priorities due to paucity of funds.

(Sl. No. 6—Para 1.57)

1.8 Commenting upon the aspect of rescheduling of priorities due to paucity of funds, the Committee had in paragraph 1.57 of their 148th Report observed as follows :—

“As pointed out earlier, the review of the project (January 1975) revealed heavy shortfall in production of ETM equipment and control Panels *vis-a-vis* the production programme. According to the authorities the major reasons for this poor performance was paucity of funds resulting in resheduling of priorities as per instructions issued after 1971 operations for exercising utmost economy in expenditure on Defence Works. It is unbelievable that the programme of providing training to the armed forces which is so crucial to their fighting capabilities, was accorded a low priority and its implementation was allowed to be slowed down because of shortage of funds. The Committee are not at all convinced with this argument since substantial savings to the tune of Rs. 1.09 crores annually were expected to accrue (the actual savings is expected to be much higher, being Rs. 2.28 crores) as a result of introduction of the new method of training. The Ministry owe a detailed explanation to the Committee in this regard stating *inter-alia* at what level and for what precise reasons such a decision was taken.”

1.9 The action taken note dated 6 December, 1983 furnished by the Ministry of Defence, reads as follows :—

“It is submitted that the 1971 War brought out a set of new priorities in our Defence Planning. We needed to replace our lost, damaged and unserviceable arms and equipment of all types. There were schemes to modernise the army by acquiring new equipment. All this had to be accorded higher priorities for allocation of funds over the other on-going projects of peace time training. As stated earlier operational requirements always take precedence over other projects. The decision

to curtail the ETR scheme was taken at a conference held under the Chairmanship of the Vice Chief of the Army Staff and attended by the QMG, E-in-C, DMT, DY DOS, D Qr. Dy DEME and DDMT (A) on 31 Jan., 1975.

Instructions have been issued to Army Head quarters that hence forth any proposals—projects approved by the Government should not be foreclosed as a result of periodical reviews carried out by them. They should, on the other hand, report full facts in regard to the difficulties faced, the expenditure incurred, achievements made, technical advancements made in the relevant work area during the implementation period and the need to change over to more advanced system and all other related factors. The decision taken by the Government should be followed thereafter.

All on-going projects and projects conceived in future, which have to implemented in different locations throughout the country will be checked by a monitoring cell centrally constituted for the purpose in Army Hqrs. so that appropriate steps could be taken to remove the bottlenecks, if any, faced by the executing agencies. The monitoring cell will also be responsible to carry out periodical reviews and submit the results thereof to the Government seeking such assistance and directions, as deemed necessary in each case.

DADS has seen.”

1.10 In their earlier Report the Committee had observed that it was unbelievable that the programme of providing training to the armed forces which was so crucial to their fighting capabilities, was accorded a low priority and its implementation was allowed to be slowed down because of shortage of funds. In their action taken note, the Ministry of Defence have intimated that instructions have been issued to Army Headquarters that henceforth any proposals or projects approved by the Government should not be foreclosed as a result of periodical reviews carried out by them. They should on the other hand, report full facts in regard to the difficulties faced, the expenditure incurred achievements made technical advancements made in the relevant work area during the implementation period and the need to change over to more advanced system and all other related factors.

1.11 The Ministry have also intimated that all on going projects and projects conceived in future, which have to be implemented in different locations throughout the country will be checked by a monitoring cell centrally constituted for the purpose in Army Headquarters so that appropriate steps could be taken to remove the bottlenecks, if any, faced by the

executing agencies. The monitoring cell will also be responsible to carry out periodical reviews and submit the result thereof to the Government seeking such assistance and directions as deemed necessary in each case. The Committee hope that the monitoring cell centrally constituted for the purpose would perform its functions effectively and instructions issued in this regard could be followed meticulously both in letter and spirit so that important defence projects are implemented with utmost expedition in the interest of improving the fighting skill and capabilities of our armed forces.

CHAPTER II

RECOMMENDATIONS AND OBSERVATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

In order to modernise the training in field firing sanction was accorded in July, 1970 to the modification of 253 classification ranges and production of ETM (electronically controlled target mechanism) equipment for introduction of a new method of weapon training at a total cost of Rs. 185.24 lakhs which was subsequently revised to Rs. 202.50 lakhs in January 1972. The old method prepared a soldier to fire his weapon under ideal and peace conditions. The new method is designed to train a soldier to shoot under battlefield conditions of stress, surprise and night firing. The new method of weapon training was proposed to be introduced under a phased programme between 1970-71 and 1974-75. According to the original calculations, the introduction of the new system was expected to result in an annual saving to the extent of Rs. 109 lakhs on ammunition, besides saving in training time. The project envisaged the production of 9,345 numbers of ETM and 446 numbers of control panels at an estimated cost of Rs. 79.44 lakhs and 6.24 lakhs respectively and modification of 253 numbers of existing ranges at an estimated cost of Rs. 116.81 lakhs.

[Serial No. 1 (Para 1.52) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha)].

Action Taken

The conclusions/recommendations of the Public Accounts Committee have been noted.

2. DA DS has seen.

[Ministry of Defence O.M. No. 2 (2)/83/D (GS-II) dated 6-12-1983]

Recommendation

The manufacture of ETM equipment and control panel was entrusted to Army Base Workshop in November, 1970 and the entire manufacturing work

was to be completed by the end of March, 1975. Civil works for modification of the ranges were to be executed through the Military Engineer Services (MES).

[Serial No. 2 (Para 1.53) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha)].

Action Taken

The conclusions/recommendations of the Public Accounts Committee have been noted.

2. DA DS has seen.

- [Ministry of Defence O.M. No. 2 (2)/83/D (GS-II) dated 6-12-1983]

Recommendation

The Committee note that the idea to introduce the ETM system of training was first conceived in 1958 when the then Chief of Army Staff had visited one of the modern armies and had seen the firing system there. He then issued some directions and a prototype was produced. It was, however, only in 1965 that a decision to introduce the system was taken at an Army Commander's Conference. The sanction for the works relating to the conversion of 253 ranges was issued in July 1970.

[Serial No. 4 (Para 1.55) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha)].

Action Taken

The conclusions/recommendations of the Public Accounts Committee have been noted.

2. DADS has seen.

- [Ministry of Defence O.M. No. 2(2)/83/D (GS-II) dated 6-12-1983]

Recommendation

As pointed out earlier, the review of the project (January 1975) revealed heavy shortfall in production of ETM equipment and control Panels vis-a-vis the production programme. According to the authorities the major reasons for this poor performance was paucity of funds resulting in rescheduling of priorities as per instructions issued after 1971 operations for exercising utmost economy in expenditure on Defence Works. It is unbelievable

that the programme of providing training to the armed forces which is so crucial to their fighting capabilities, was accorded a low priority and its implementation was allowed to be slowed down because of shortage of funds. The Committee are not at all convinced with this argument since substantial savings to the tune of Rs. 109 crores annually were expected to accrue (the actual savings is expected to be much higher, being Rs. 2.28 crores) as a result of introduction of the new method of training. The Ministry owe a detailed explanation to the Committee in this regard stating *inter-alia* at what level and for what precise seasons such a decision was taken.

[Serial No. 6 (Para 1.57) of Appendix to 143th Report of the Public Accounts Committee (Seventh Lok Sabha)]

Action Taken

It is submitted that the 1971 War brought out a set of new priorities in our Defence Planning. We needed to replace our lost, damaged and un-serviceable arms and equipment of all types. There were schemes to modernise the Army by acquiring new equipment. All this had to be accorded higher priorities for allocation of funds over the other on-going projects of peace time training. As stated earlier operational requirements always take precedence over other projects. The decision to curtail the ETR scheme was taken at a conference held under the Chairmanship of the Vice Chief of the Army Staff and attended by the QMG, E-in-C, DMT, Dy DOS D Qr, Dy DEME and DDMT (A) on 31 Jan. 1975.

2. Instructions have been issued (Annexure) to Army Head quarters that henceforth any proposals or projects approved by the Government should not be foreclosed as a result of periodical reviews carried out by them. They should, on the other hand, report full facts in regard to the difficulties faced, the expenditure incurred, achievements made, technical advancements made in the relevant work area during the implementation period and the need to change over to more advanced system and all other related factors. The decision taken by the Government should be followed thereafter.

3. All on-going projects and projects conceived in future, which have to be implemented in different locations throughout the country will be checked by a monitoring cell centrally constituted for the purpose in Army HQrs. so that appropriate steps could be taken to remove the bottlenecks, if any, faced by the executing agencies. The monitoring cell will also be responsible to carry out periodical reviews and submit the results thereof to the Government seeking such assistance and directions, as deemed necessary in each case.

4. DA DS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D (GS-II) dated 6-12-1983]

ANNEXURE

No. 2(2)/83-D (GS-II)
Government of India
Ministry of Defence
New Delhi, the 4th October, 1983

To

The Chief of the Army Staff,
New Delhi.

**SUBJECT : 148th Report (7th Lok Sabha) Public Accounts Committee
(Introduction of the new system of weapon training).**

Sir,

I am directed to invite your attention to the recommendations and conclusions of the Public Accounts Committee in their 148th Report on the above mentioned subject, which was presented to the Lok Sabha on 28th April, 1983 and say that while implementing projects of this nature in future, the following instructions/guidelines should be taken note of :—

- (a) Any proposals or projects approved by the Government should not be foreclosed as a result of periodical reviews carried out in Army HQrs., but on the other hand a report giving full details in regard to the difficulties faced, expenditure incurred, achievements noticed in the relevant work area during the implementation period and the need of changeover to more advance system etc. and all other related factors should be submitted to the Government for a decision.
- (b) All on-going projects as well as projects conceived/planned in future, which have to be implemented in different locations throughout the country need be monitored by a cell centrally constituted for the purpose in Army HQrs. so that appropriate steps could be taken to remove the bottlenecks, if any, faced by the implementing agencies. The Monitoring Cell shall also be responsible to carry out the periodical reviews and submit the results thereof to the Government seeking such assistance and directions as deemed necessary in each case.

- (c) If as a result of implementation review, a decision is taken to foreclose the project on account of adequate reasons therefor, a review will also be simultaneously carried out about the reduced stocks/equipment required for the purpose and all possible measures shall be adopted to foreclose production thereof after keeping suitable reserves for future requirements to keep such projects functional during their estimated span of life.
- (d) While working out the estimated cost of such projects, a representative figure shall be arrived at after taking into account the local conditions prevailing in different parts of the country so that the expenditure so estimated is more realistic.

2. With special reference to the recommendations of the Committee contained in para 1.63 of their aforesaid Report, it is requested that appropriate steps should be taken to gear up the concerned agencies so that the modernisation of the remaining ranges with radio controlled target system could commence without any avoidable delay.

A copy of this letter is being endorsed to the CNS and CAS also so that they may take note of the observations of the Public Accounts Committee for appropriate action in so far as they are concerned.

Yours faithfully,
(K.A. NAMBIAR)

Joint Secretary to the Govt. of India

Copy to :—

CNS/CAS

Copy also to

All Joint Secretaries.

Recommendation

The Committee consider that other factors leading to delays such as lack of suitable infrastructure, land disputes, irregular supply of electricity and delay in procurement of equipment, could also be resolved any delays minimised by proper liaison and continuous follow up with the concerned autho-

rities. It bears no repetition that the authorities whether at the centre or in the States are quite considerate and accommodating as and when any demands relating to our defence forces are made. The Committee cannot therefore help concluding that had the authorities implemented the project with the seriousness it deserved, these delays could have been avoided.

[Serial No. 7 (Para 1.58) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha)].

Action Taken

The installation of electric target equipment system involved stations spread in all parts of the country. For the purpose of implementation, instructions have to be issued to Command Headquarters, who in turn give the responsibility to Area and Sub Area headquarters. Therefore as many as 40 Garrison Engineers were involved in the project. Regulations regarding land use and building up of infrastructure including construction of roads and provision of electricity are peculiar to each station. Delays invariably occur where local bodies fail to meet the laid down targets. Local Commanders do maintain liaison with civilian authorities at appropriate levels but their failure to meet specific targets have direct effect on the military projects. Liaison is an on going process over which Army Headquarters have no direct control.

2. Instructions have been issued (copy enclosed) to the effect that difficulties or bottlenecks faced at the implementation stage will be reported to the Ministry of Defence for taking up the issues involved at appropriate level till the agencies concerned are able to remedy such situations in future.

3. DADS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D(GS-II) dated 6-12-1983]

Recommendation

The Committee are pained to learn that as a result of the failure of the authorities to execute the project as per programme, the old, obsolete and unrealistic method of training in field firing is still being followed in as many as 125 ranges, which proves beyond doubt that the basic training of our armed forces in field firing continues to be impaired and might as well affect their morale in actual battle conditions. It has been admitted by the Ministry of Defence albeit guardedly that ".....The curtailment of the scheme has affected training only to the extent that at remaining stations while the new range course has been introduced, the process involves greater time and

commitment of manpower as well as some impairment in realism". This to say the least, is most unfortunate.

[Serial No. 8 (Para 1.59) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha).]

Action Taken

Originally 253 ranges were identified for conversion, but 128 were actually converted. It is submitted that the new range classification practices are applicable at all the converted/non-converted ranges. Therefore the training is not unrealistic and does not affect morale but it does take longer to conduct the firing at non-converted ranges. Maximum use of the existing ranges is being made by the troops who are located close to them. The remainder get exposed to them whenever turn overs take place.

2. Observations of the Committee have, however, been noted.
3. DADS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D(GS-II) dated 6-12-1983]

Recommendation

The Committee are further concerned to note that there was huge escalation in the cost of manufacture of the ETM equipment and control panels. The actual expenditure incurred for the manufacture of 3540 ETM equipment was Rs. 79.65 lakhs against the estimate of Rs. 26 lakhs showing an increase of 204 per cent. Similarly, actual cost of manufacture of 258 control panels was Rs. 3.61 lakhs against the estimate of Rs. 2.19 lakhs showing an increase of 65 per cent. The committee feel that much of this escalation in costs could have been avoided if the project was monitored and implemented according to the programme.

[Serial No. 11 (Para 1.62) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha)].

Action Taken

The period 1972-75 saw unprecedented inflation in our country. As a result of this, escalation in cost of manufacture and construction also took place. The army procedures ensure proper monitoring at all appropriate levels during execution. Periodic rises in cost of manufacture of defence oriented equipment are a global phenomenon.

2. It is conceded that the original estimated cost was not realistic because there was no previous experience of this nature.

3. Instructions have again been issued (copy enclosed) for close monitoring of such projects.

4. DA DS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D(GS-II) dated 6-12-1983]

Recommendation

The Committee noted that in order to further modernise the method of training in field firing, there is a proposal for the introduction of a more advanced radio controlled target system, the GSQR in respect of which has since been finalised. The Committee need hardly stress the urgency of introducing this system in our armed forces.

[Serial No. 12 (Para 1.63) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha)].

Action Taken

The GSQR for the radio controlled target equipment system duly finalised was forwarded to the WE directorate on 20-8-1983. We do not expect long delays after approval of the GSQR by the GSEPC as a certain degree of expertise already obtains in the country and parallel development work using the same technology is under way.

2. Army Headquarters have been asked to gear up their agencies to take appropriate action expeditiously so that modernisation of the remaining ranges with radio controlled system could commence without any avoidable delay.

3. DA DS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D(GS-II) dated 6-12-1983]

Recommendation

In conclusion, the Committee would like to point out that this is yet another instance where a project which is not only cost effective but which also has a vital bearing on the preparedness and battle worthiness of our troops has been inordinately delayed because of delay in decision making as well as tardy implementation. As pointed out earlier, the project was

conceived as early as in 1958 and has not come to complete fruition even thus far. The Committee desire that their findings in this case and the remedial measures taken/proposed to be taken should be specifically brought to the notice of the highest decision-making authority in the Ministry.

[Serial No. 13 (Para 1.64) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha)].

Action Taken

The conclusions/recomendations of the Public Accounts Committee have been noted and instructions have been issued to all concerned both in the Ministry of Defence as well as in the three Services HQrs vide O.M. No. 2 (2)/83/D(GS-II), dated 4-10-1983. Action Taken Notes have also been seen and approved by the Defence Secretary.

2. DA DS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D(GS-II) dated 24-12-1983]

CHAPTER III
RECOMMENDATIONS AND OBSERVATIONS WHICH THE
COMMITTEE DO NOT DESIRE TO PURSUE IN THE
LIGHT OF THE REPLIES RECEIVED FROM
GOVERNMENT

Recommendation

As a result of the review of the progress of the project conducted by the Army Headquarters in January, 1975, it was revealed that only 2030 numbers of ETM equipment and 200 control panels had been manufactured till then (against 9345 and 446 numbers respectively). Similarly against the original programme to convert 253 ranges by March 1975. Civil works for 117 ranges only had been completed and work on 10 ranges was in progress. Work on as many as 126 ranges had not even commenced. Subsequently the Army Headquarters issued instructions in February, 1975 limiting the modification to only 127 ranges where civil works had either been completed or were in progress. The demand for ETM and control panel was reduced to 4451 and 226 respectively as it was decided to effect further improvement in the system of training. The demand of the ETM was further lowered in June/July 1975 to 4193 ETM. According to the Audit Paragraph actual modification work on 128 ranges only was completed and actual manufacture of 3540 ETM and 258 control panels was achieved. The Ministry are stated to have since issued orders for conversion of the remaining 116 ranges.

[Sereal No. 3 (Para 1.54) of Appendix to 148th Report of the Public
Accounts Committee (Seventh Lok Sabha)].

Action Taken

The conclusions/recommendations of the Public Accounts Committee have been noted. However with reference to the issuing of orders for conversion of the remaining 116 ranges purported to have been stated by the Ministry in the above recommendation, it is clarified that the Government have not sanctioned the conversion of the remaining 116 ranges because the remaining ranges are proposed to be converted on the more advanced Radio Controlled Target Equipment System for which a GSQR has already been

finalised. The figure of 116 in the PAC Report also appears to be a misprint because out of the original programme of converting 253 ranges, it is a statement of fact accepted in the Audit Para that 128 ranges have already been modified and consequently the balance should be 125 ranges. The observations of the PAC to that extent appears to be based on some gap in communication or misinterpretation of the evidence given by the Government. In view of this, the question of indicating the date of release of the work order does not arise.

2. DA^DS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D(GS-II) dated 6-12-1983]

Recommendation

The Committee find that 3540 ETM equipment and 258 control panels were actually manufactured for use in 128 modified ranges. The latest stock position as on 30 June, 1982 in respect of ETM equipment and control panels, was 1831 numbers and 83 numbers, respectively. Further 65083 aluminium targets were still in stock as on 10 July, 1982. According to Audit these requirements were over-estimated at the time of framing the scheme and were not reviewed even when the scope of the scheme was curtailed in February, 1975, thereby resulting in an avoidable expenditure of Rs. 50.59 lakhs on the excessive manufacture of various items of equipment. The Ministry of Defence have conceded that requirements for control panels was 226. However, when orders for curtailment were issued some control panels were in the pipeline and as such final figure at which production of control panels was stopped was 258. Further, according to the Ministry of Defence while there has been no reduced demand for control panels, there has been a reduced demand for ETM equipment on account of the change in the design of the Electric Target Range. Thus, the infructuous expenditure could have been avoided, had the authorities concerned taken adequate steps to finalise the new designs expeditiously.

[Serial No. 9 (Para 1.60) of Appendix to 148th Report of the Public Accounts Committee (Seventh Lok Sabha)].

Action Taken

When the orders for curtailment of scheme were given in 1975, some items were in pipeline and hence they became surplus. Some item also became surplus because of modification in the design of range. It is submitted that these should not be taken as 'loss' but as assets as they will be utilised to keep the existing 128 ranges functional. In any case on approxi-

mate reduction on fifty per cent was ordered consequent to the decision to curtail work at 128 ranges. The available assets stocks are deemed to be reserves for future and as such it would be difficult to conclude that there has been any infructuous expenditure in this regard, more so, when these items are not having any fixed shelf life. On the other hand, these stocks built up at lower costs, are bound to be useful in the already converted ranges and will help in keeping them functional.

2. The Aluminium targets are expendable items and as such the available stocks will be used up in training practice gradually. The same stock will cost much more today as well as in years to come in view of the price escalation.

3. DA DS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D(GS-II) dated 6-12-1983]

Recommendation

The Committee regret to note that consequent on reduction in the original scope of the project by about 50 per cent in February 1975, spares to the extent of Rs. 4.98 lakhs were rendered surplus. Further, an infructuous expenditure of Rs. 0.55 lakh had to be incurred towards payment of compensation on 7th July, 1978, awarded by an arbitrator to one of the five private firms, as orders placed for certain components on these firms, were short-closed in July-September, 1975, as a result of curtailment of the scope of the project. The Committee emphasise that proper and timely use of these surplus spares should be made lest they become obsolete.

[Serial No. 10 (Para 1.61) of Appendix to 148th report of the Public Accounts Committee (Seventh Lok Sabha)]

Action Taken

Once again it is submitted that the spares worth Rs. 4.98 lakhs with Cod Agra are being utilised to sustain and keep the existing ranges functional. They are not likely to become obsolete in the next five to seven years, the surpluses are 'spares' and should be taken as assets on which the existing ranges will depend.

2. The recommendations of the Committee have, however, been noted.

3. DA DS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D(GS-II) dated 6-12-1983]

CHAPTER IV

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

Recommendation

The Committee are deeply concerned to note that despite the numerous advantages of the ETM system of training leading to saving in manpower as well as expenditure and the superiority of the system, there has been inordinate delay both in the initial formulation of the scheme and its subsequent execution. It is surprising that even though the then Chief of the Army Staff had issued orders in 1958 to prepare prototype to introduce the modern system of training a decision in this regard was taken only in 1965. It again took as many as 5 years to issue necessary sanction to start the work and a prototype was produced as late as in 1970, i.e., 12 years after the idea was mooted. The delay is unconscionable and requires fuller explanation. What is still more shocking is that even after so much delay the work was executed in a most leisurely manner as is evident from the fact that only a little more than 50 per cent of the targetted ranges have actually been modified so far. It has again taken another 8 years for the authorities to decide upon the further improvements in the system of training and in finalising the GSQR or radio controlled target equipment for indigenous development. A decision to start the work on the remaining ranges has been taken only recently presumably to forestall adverse criticism by the Committee. The fact nevertheless stands out that the Army Authorities have treated a vital matter like training of the Army personnel which has direct bearing on their battle worthiness, in a very lackadaisical manner. The delay on the part of Army authorities becomes all the more glaring in view of the admitted fact that the Ministry of Defence were quite prompt in issuing necessary sanction for the works when approached by the Army authorities. The Committee cannot but express their severe displeasure at this unfortunate state of affairs.

[Serial Nos. (Para 1.56) of Appendix to 148th Report of the Public Accounts
Committee (Seventh Lok Sabha)]

Action Taken

Though the Chief of the Army Staff had seen the Electric target Equipment System in 1958 in one of the modern armies, on his visit abroad, there is no record to suggest that it was to be introduced in our army then. It would also be recalled that the new system was only suitable for firing of the self loading rifles and not the antiquated bolt action with which the army was then equipped. The introduction of self loading rifles commenced only after the Chinese aggression of 1962 and this continued well beyond 1965 when actual decision to introduce this system was taken. The period from 1958 to 1965 should not thus be taken into account as we did not have the proper arms to fire on the system.

2. Work on the scheme started only after a decision was taken during the Army Commanders Conference in 1965 when we had the weapons to use it. Here, it may be recalled that the year 1965 was full of operational commitments from April onwards, when Pakistan stirred action in Kutch followed by infiltration in J&K which ultimately conflagrated into an armed conflict. The entire army was involved in operations and no work could have started until the final withdrawals in 1966.

3. The scheme was first tried out at a regimental centre in Delhi and then extended to other stations. The period from 1966 to 1969 was taken up by trials and production of the equipment. It is submitted that any indigenously manufactured equipment generally takes three or more years to be accepted. Had we accepted outright import of the system, perhaps the time could have been saved, but it would have involved foreign exchange, more expenditure and would have been against our national policy of self reliance, where possible.

4. Though the Army authorities were not lacking in liaison, different conditions prevailed in each station and it is difficult to exercise control over local conditions and problems, which cause delays and unexpected increase in expenditure. Since procedural delays cannot be eliminated altogether, they had an effect on implementation.

5. The delay in the project due to the 1971 war and subsequent pull back and re-deployment which continued well upto 1973 had been highlighted to the Committee and does not need repetition.

6. Some civil firms which had been given sub-contracts for manufacture of essential components, like micro switches and relays could not meet their schedule. Moreover when the equipment was actually installed for

troops trials, it was found to malfunction. This delayed the trials and submission of reports to Army Headquarters. In the light of the factors mentioned above delays in manufacture of essential components by civil firms and procedural delays at the local levels over which no effective direct control can be exercised, delayed the implementation of the system.

7. DA DS has seen.

[Ministry of Defence O.M. No. 2(2)/83/D (GS-II) dated 6-12-1983]

CHAPTER V

**RECOMMENDATIONS AND OBSERVATIONS IN RESPECT OF WHICH
GOVERNMENT HAVE FURNISHED INTERIM REPLIES**

NIL

NEW DELHI :

February 22, 1984
Phalgunu 3, 1905 (S)

SUNIL MAITRA
Chairman,
Public Accounts Committee.

APPENDIX

Conclusions & Recommendations

S. No.	Para No.	Ministry concerned	Recommendation
1	2	3	4
1	1.6	Defence	<p>In their earlier Report, the Committee had expressed deep concern that despite the numerous advantages of the ETM system of training leading to saving in manpower as well as expenditure (the actual annual saving expected being Rs. 2.28 crores) and the superiority of the system, there had been inordinate delay both in the initial formation of the scheme and its subsequent execution. The Committee had expressed surprise that even though the then Chief of the Army Staff had issued orders in 1958 to prepare prototype to introduce the modern system of training a decision in this regard was taken only in 1965. It further took as many as 5 years to issue necessary sanction to start the work and a prototype was produced as late as in 1970. The Committee had found it shocking that even after so much delay the work was executed in a most leisurely manner as only a little more than 50 per cent of the targeted ranges were modified till then. It again took another 8 years for the authorities to decide upon the further improvement of training and in finalising the GSQR for radio controlled target equipment for indigenous development. In their action taken note, the Ministry of Defence have stated that although the Chief of the Army Staff had seen the Electric Target Equipment system in 1958 in one of modern armies, on his visit abroad, there is no record to suggest that it was to be introduced in our</p>

army then. According to the Ministry of Defence, the new system was suitable only for firing of the self loading rifles and not the antiquated bolt action with which the Army was then equipped. The introduction of self loading system commenced only after 1962 and this continued well beyond 1965 when the actual decision to introduce this system was taken and the period from 1958 to 1965 should not thus be taken into account as they did not have the proper arms to fire on the system. The Ministry have also put blame on procedural delays and delays in manufacture of and malfunctioning of certain essential components by civil firms.

The Committee are not convinced by the above explanation given by the Ministry of Defence. The Committee feel that had the implementation of this system been then followed with the vigour and seriousness it deserved, it would have not only advanced the introduction of the modern system of training in field firing but also resulted in earlier replacement of the antiquated bolt action rifle with self loading rifles, thereby equipping the army with a modern weapon, so vital for our army. The Committee need hardly emphasise that procedural delays should not be allowed to delay the implementation of projects in a vital sector like defence and for this purpose necessary steps to streamline the procedure should be taken immediately. The Committee trust that necessary lessons would be drawn by the Army Authorities from the experience in this case and it would be ensured that such delays do not recur. The Committee have noted similar casual approach

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in planning as well as execution of other defence projects and commented adversely about the same. The Committee would therefore, like to stress once again that in defence matters where Parliament is so generous in granting funds, delays in formulating and executing projects having a vital bearing on the defence of the country should not be allowed to occur.

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1.10

Defence

In their earlier Report the Committee had observed that it was unbelievable that the programme of providing training to the armed forces which was so crucial to their fighting capabilities, was accorded a low priority and its implementation was allowed to be slowed down because of shortage of funds. In their action taken note, the Ministry of Defence have intimated that instructions have been issued to Army Head-quarters that henceforth any proposals or projects approved by the Government should not be foreclosed as a result of periodical reviews carried out by them. They should on the other hand, report full facts in regard to the difficulties faced, the expenditure incurred achievements made technical advancements made in the relevant work area during the implementation period and the need to change over to more advanced system and all other related factors.

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The Ministry have also intimated that all on going projects and projects conceived in future, which have to be implemented in different locations throughout the country will be checked by a monitoring cell centrally constituted for the purpose in Army Headquarters so that appropriate steps could

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be taken to remove the bottlenecks, if any, faced by the executing agencies. The monitoring cell will also be responsible to carry out periodical reviews and submit the result thereof to the Government seeking such assistance and directions as deemed necessary in each case. The Committee hope that the monitoring cell centrally constituted for the purpose would perform its functions effectively and instructions issued in this regard could be followed meticulously both in letter and spirit so that important defence projects are implemented with utmost expedition in the interest of improving the fighting skill and capabilities of our armed forces.

PART II

Minutes of the Sixty-first sitting of the Public Accounts Committee held on 14 February, 1984.

The Public Accounts Committee set from 1100 hours to 1310 hours in
Committee Room 'D' Parliament House Annexe, New Delhi.

PRESENT

Shri Bhiku Ram Jain—*In the Chair*

2. Shri Chitta Basu
3. Smt. Vidyavati Chaturvedi
4. Shri G.L. Dogra
5. Shri Mahavir Prasad
6. Shri Jamilur Rahman
7. Shri Nirmal Chatterjee
8. Dr. Sankata Prasad

SECRETARIAT

Shri H.S. Kohli—*Chief Financial Committee Officer*

Shri K.K. Sharma—*Senior Financial Committee Officer*

Shri R.C. Anand—*Senior Financial Committee Officer.*

REPRESENTATIVES OF AUDIT

1. Shri R.K. Chandrasekharan—*Addl. Dy. C&AG of India*
2. Shri S.P. Joshi—*Director of Audit, Commerce, works and Misc.,*
3. Shri R.S. Gupta—*Jt. Director, Defence Services*
4. Shri A.N. Mukhopadhyay—*Jt. Director (Reports—Central)*
5. Shri K.H. Chhaya—*Jt. Director (Railways)*
6. Shri N.R. Rayalu—*Jt. Director (Defence)*

In the absence of the Chairman, Shri Bhiku Ram Jain was chosen to act as Chairman of the sitting under Rule 258(2) of the Rules of Procedure and Conduct of Business in Lok Sabha.

The Committee considered and adopted the following Draft Reports subject to the amendments/modifications as indicated in Annexure I to IV :

- (i) * * * * *
- (ii) * * * * *
- (iii) Action Taken Report on the recommendations contained to the 148th Report of PAC (7th L S) relating to Introduction of a new system of weapon training.
- (iv) * * * * *

The Committee also approved some minor modifications/amendments arising out of factual verification of draft Reports by Audit.

The Committee also authorised the Chairman to finalise the Reports and present the same to the House.

The Committee then adjourned.

ANNEXURE III

Modifications made by the Public Accounts Committee at their sitting held on 14-2-1984 in the draft Report or action taken by Government on the recommendations contained in 148th Report of the PAC (7th Lok Sabha).

<i>Page</i>	<i>Para</i>	<i>Line</i>	<i>Modification made</i>
7	1.7		<p><i>Add the following at the end :</i></p> <p>“The Committee have noted similar casual approach in planning as well as execution of other defence projects and commented adversely about the same. The Committee would therefore, like to stress once again that in defence matters where Parliament is so generous in granting funds, delays in formulating and executing projects having a vital bearing on the defence of the country should not be allowed to occur.”</p>

