

**PUBLIC ACCOUNTS COMMITTEE
(1971-72)**

(FIFTH LOK SABHA)

NINETEENTH REPORT

[Action taken by Government on the recommendations contained in their 118th Report (Fourth Lok Sabha) on Audit Report (Civil), 1969 and Appropriation Accounts (Civil), 1967-68 relating to the Department of Rehabilitation]



**LOK SABHA SECRETARIAT
NEW DELHI**

August, 1971/Bhadra, 1893 (Saka)

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CONTENTS

	PAGE
COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE	(iii)
INTRODUCTION	(v)
CHAPTER I Report	1
CHAPTER II Recommendations/observations that have been accepted by Government	16
CHAPTER III Recommendations/observations which the Committee do not desire to pursue in view of the replies of Government	38
CHAPTER IV Recommendations/observations in respect of which	

CORRIGENDA TO NINETEENTH REPORT (1971-72) OF
P.A.C. PRESENTED TO THE LOK SABHA ON 22.11.71.

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CONTENTS

		PAGE
COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE		(iii)
INTRODUCTION		(v)
CHAPTER I	Report	1
CHAPTER II	Recommendations/observations that have been accepted by Government	16
CHAPTER III	Recommendations/observations which the Committee do not desire to pursue in view of the replies of Government	38
CHAPTER IV	Recommendations/observations in respect of which replies have not been accepted by Committee and which require reiteration	56
CHAPTER V	Recommendations observations in respect of which Government have furnished Interim replies	65
APPENDICES		
	I. Report of the Committee on Power tillers	71
	II. Summary of Conclusions and Recommendations	81

PUBLIC ACCOUNTS COMMITTEE

(1971-72)

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Shri Era Sezhiyan

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3. Shrimati Mukul Banerji
4. Shri C. C. Desai
5. Shri K. G. Deshmukh
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18. Shrimati Vidyawati Chaturvedi
19. Shri Jagadish Prasad Mathur
20. Shri Thillai Villalan
21. Shri Shyam Lal Yadav
22. Shri Sheel Bhadra Yajee

SECRETARIAT

Shri B. B. Tewari—*Deputy Secretary.*

Shri T. R. Krishnamachari—*Under Secretary.*

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Nineteenth Report on the Action Taken by Government on the recommendations of the Public Accounts Committee contained in their 118th Report (Fourth Lok Sabha) relating to the Department of Rehabilitation.

2. On the 8th July, 1971, an "Action Taken" Sub-Committee was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Committee in their earlier Reports. The Sub-Committee was constituted with the following Members :

- | | |
|-------------------------------|-----------|
| 1. Shri B. S. Murthy Convener | } Members |
| 2. Shri Bhagwat Jha Azad | |
| 3. Shri Ram Sahai Pandey | |
| 4. Shri C. C. Desai | |
| 5. Shri Thillai Villalan | |
| 6. Shri Shyam Lal Yadav | |

3. The Action Taken Notes furnished by the Government were considered by the Action Taken Sub-Committee of the Public Accounts Committee (1970-71) at their sitting held on 18th December, 1970. Consequent on the dissolution of the Lok Sabha on the 27th December, 1970, the Public Accounts Committee ceased to exist from that date. The Action Taken Sub-Committee of the Public Accounts Committee (1971-72) considered and adopted this Report at their sitting held on the 3rd August, 1971 based on the suggestions of the Sub-Committee of PAC (1970-71) and further information received from the Department of Rehabilitation. The Report was finally adopted by the Public Accounts Committee on the 31st August, 1971.

4. For facility of reference the main conclusions recommendations of the Committee have been printed in thick type in the body of the Report. A statement showing the summary of the main recommendations/observations of the Committee is appended to the Report (Appendix II).

(vi)

5. The Committee place on record their appreciation of the commendable work done by the Convener and the Members of the Action Taken Sub-Committee (1970-71) in considering the Action Taken notes and offering suggestions for this Report which could not be finalised by them because of the sudden dissolution of the Fourth Lok Sabha.

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

NEW DELHI ;
August 31, 1971.
Bhadra 9, 1893 (S).

ERA SEZHIYAN
Chairman,
Public Accounts Committee.

CHAPTER I REPORT

1.1. This Report deals with action taken by Government on the recommendations contained in their 118th Report (Fourth Lok Sabha) on Appropriation Accounts (Department of Rehabilitation) 1967-68 and Audit Report (Civil) 1969 which was presented to the House on the 30th April, 1970.

1.2. Action taken notes/statements have been received in respect of all the 52 recommendations contained in the Report.

1.3. The action taken notes/statements on the recommendations of the Committee contained in the Report have been categorised under the following heads :

(i) *Recommendations/Observations that have been accepted by Government.*

Sl. Nos. 5, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 22, 28(ii)(iv), 31, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 48, 49, 50, 52.

(ii) *Recommendations/Observations which the Committee do not desire to pursue in view of the replies of Government.*

Sl. Nos. 1, 2, 3, 4, 10, 11, 29, 45, 46, 47.

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

Sl. Nos. 20, 21, 23, 24.

(iv) *Recommendations/Observations in respect of which Government have furnished interim replies.*

Sl. Nos. 25, 26, 27, 28 (i) (iii), 30, 32, 33, 51, 53.

1.4. The Committee hope that final replies in respect of recommendations to which only interim replies have so far been furnished will be submitted to them expeditiously after getting them vetted by Audit.

1.5. The Committee will now deal with action taken notes on some of the recommendations.

Long term Plan for Dandakaranya Project

Para 1.24-1.25 S. Nos. 1-2.

1. 6. In paragraphs 1.24-1.25 of the 118th Report (Fourth Lok Sabha), the Public Accounts Committee while referring to the need for a long term Plan for Dandakaranya Project made the following observations :—

“The Committee feel that the Dandakaranya Project has gone for beyond the scope originally envisaged for it. The preliminary project report contemplated an outlay of Rs. 17.70 crores for the resettlement of 12,000 agriculturist and non-agriculturist families by the end of March, 1961. For this purpose, it envisaged the reclamation of 70,600 acres. However, in actual implementation, the project has been allowed to grow, year after year, without any kind of long-range planning. The actual (gross) expenditure on the project to the end of March 1968 amounted to Rs. 41.16 crores, of which as much as 33.36 was incurred during the period 1961—1968, which fell outside the scope of the project report. As against 70,600 acres which were to be reclaimed for resettling 12,000 families, an area of 125,089 acres has been reclaimed for the settlement of 13,300 families. The data furnished to the Committee indicates that substantial reclamation is still under contemplation of the Project authorities, who are moving the concerned State Governments of release of more land for this purpose.

The Committee are not in favour of the project being allowed to develop in this *ad hoc* fashion. The absence of a long-term perspective plan entails the risk of Government being committed to expenditure on the scheme, without any estimation of its magnitude or of the necessity for expenditure on that scale in the light of an over-all plan. It could be that the developments undertaken so far may not fit in or fall in with the requirements of the place. As early as 1965, the Estimates Committee had drawn attention to the need for a Master Plan for the project. This is yet to be drawn up : a revised project report prepared in 1962 is still awaiting Government's approval, pending formulation of the Master Plan. It is regrettable that Government have so far shelved action on the preparation of a long-term plan for the Project. In the Committee's opinion, this does not brook further delay. The Committee would like immediate action to be taken by Government to draw up such a plan, in the light of objectives which should be clearly spelled out. The Plan should also assess the estimated outlay for the completion of the project, on the basis of definite targets, and should be placed before Parliament along with the demands for grants when next pre-

sented. While drawing up the Plan, Government may take note of two factors which have a bearing on the scope of the scheme:

- (i) the extent to which further reclamation is necessary based on a careful assessment of families now awaiting resettlement and the prospects of these families being persuaded to move to the project site ;
- (ii) the extent to which land suitable for reclamation is likely to be available, taking into account the unwillingness of the States to part with such lands and the fact that a good proportion of land made available in the past has been found after survey to be unsuitable for reclamations."

1.7. In their reply dated the 8th December, 1970, the Ministry of Labour, Employment and Rehabilitation (Department of Rehabilitation) have stated as follows—

"While Government recognise the need for the preparation of a long-term plan for the Dandakaranya Project as suggested by the Committee, they would like to state that, for the reasons given below, it is extremely difficult to do this in the present circumstances :

- (i) In the year 1964, there was a very heavy influx all of a sudden from East Pakistan. This influx gradually died down after the middle of 1965. Last year the position was that the number of families available for resettlement and who were prepared to move to Dandakarnya had gone down considerably. It was at that time contemplated that it might be necessary to wind up the programme in Dandakaranya in the first three years of the Fourth Five Year Plan. However, since the beginning of the current year, there were signs of an increase in the influx from East Pakistan which gathered momentum in the summer months. From January 1970, nearly 2.5 lakh persons have arrived from East Pakistan. It cannot be said at present as to how many more will come. Out of the new influx, Government decided to send 10,000 families, i.e. about 50,000 persons to Dandakaranya. It will thus be observed that the position now is completely different from what it was last year. In such circumstances, it is difficult to foresee the future requirements and to prepare any reasonable plan of operations in Dandakaranya.
- (ii) Agricultural land is not easy to find in the country and particularly in Dandakaranya at this stage of its development. The State Governments of Madhya Pradesh and Orissa have been requested to release more land for the resettlement of East Pakistan refugees in the Dandakaranya area but the response so far has not been very encouraging. The matter is, however,

being pursued further with these Governments but it cannot be said at present as to how much land will be made available by them for the resettlement of East Pakistan migrants in Dandakaranya and when. As such, it is not possible for the Project authorities to assess the extent of land which would be available and the extent to which further reclamation of such land would be necessary."

1.8. In these circumstances, it is hoped that the Committee would kindly appreciate the difficulty in the preparation of a plan of action for Dandakaranya which could be placed before Parliament along with the Demands for grants when next presented. Such a plan can be prepared by the Dandakaranya Project only after the picture regarding further releases of land by the two State Governments becomes clear and a final decision is also taken regarding the ultimate number of families to be resettled in Dandakaranya. Steps for the preparation of a plan of action will be taken as soon as the position becomes clear.

1.9. It may, also, be mentioned in this connection that, in consultation with the Ministry of Health, Family Planning, Works, Housing and Urban Development, certain steps have been taken for the preparation of Master Plan for the Dandakaranya area as a sub-region of the South-East Resource Region.

1.10. The Town & Country Planning Organisation of the Ministry of Health, Family Planning, Works, Housing and Urban Development, are, at the moment, preparing a Regional Development Plan for the South East Resource Region as a whole as also a broad frame-work for the development of the region within which the sub-regional plans could be drawn up. Dandakaranya is a sub-region of the South East Resource Region for which a detailed plan for the development is within its scope.

1.11. The Town & Country Planning Organisation, in consultation with the Planning Commission, have agreed that the Dandakaranya sub-region should be taken up in the first instance. Some preliminary work on the Dandakaranya sub-region has already been done.

1.12. It is understood that the Town & Country Planning Organisation would be able to prepare an interim report, at their earliest.

1.13. The Committee note the difficulties explained by the Department of Rehabilitation in the preparation of a long term Plan for the Dandakaranya Project and to place it before Parliament along with the Demands for

Grants when next presented. The Committee also note Governments view that such a plan can be prepared by the Project only after the picture regarding further release of land by the State Governments of Madhya Pradesh and Orissa becomes clear and a final decision is taken regarding the ultimate number of families to be resettled in Dandakaranya. The Committee desire that efforts should be made to finalise these matters quickly so as to prepare a Master Plan to be laid on the Table of the House with the Demands for Grants for which a target date should be fixed.

Utilisation of Tractors for Mechanised Cultivation

Para 1.63 (Sl. No. 18) and Para 1.75 (Sl. No. 20).

1.14. Referring to the utilisation of Tractors for Mechanised Cultivation, the Committee made the following observations in para 1.63 of their 118th Report (Fourth Lok Sabha) :

“The Committee would like a review to be conducted to ascertain whether the existing fleet of tractors retained for mechanised cultivation are being put to the best possible use. Norms for output should also be evolved and ways and means found to optimise the output from these tractors, so that the scheme could ‘break even’. It should also be ensured that the tractors are used to the maximum possible extent by the settlers for whose facility these are mainly intended.”

1.15. In their reply dated the 2nd December, 1970, the Ministry of Labour, Employment and Rehabilitation (Department of Rehabilitation) have stated as follows : -

“A Committee comprising of Deputy Chief Administrator, Financial Adviser & Chief Accounts Officer, Dandakaranya Project and Agricultural Adviser in the Department of Rehabilitation was constituted to go into the various recommendations made by the Public Accounts Committee and suggest ways and means of improving execution of the mechanised cultivation scheme in Dandakaranya. The findings of the Committee are reproduced below :

‘This Committee has gone into the question of the various uses to which the tractors were put during the last three years.

It was learnt that the season during which the tractors can be used for agricultural operations is severely limited consisting of 20 days to one month at the beginning and fortnight or so at the end of the rainy season and, hence, the utilisability of tractors for agricultural operations is restricted. It was felt that, on the whole, about 100 acres could be ploughed in a season, consisting of 75 plus 30 acres.

In the off-season, the tractors are being used for haulage purposes. For example, in 1967-68 the fleet of 43 on-road tractors was used for 18,108 hours for agricultural operations and for 9,350 hours for haulage purposes. The haulage concerned the transport of agricultural as well as other articles. In 1968-69, the tractors were put to 15,206 hours of ploughing work and 10,200 hours of haulage work, while the respective figures for the period April to November 1969 of 46 on road tractors were 14,337 and 8,276 hours.

We were told that, since the past four years, the Project has taken up manual reclamation as additional to and supplement of mechanical reclamation of forest areas released to it by the State Governments in view of the facts that this type of reclamation does not result in the disturbing of the fertile top soil cover, provides work to the settling families and is, on the whole, more economical than the mechanical reclamation. It is envisaged by the Project that this programme of manual reclamation will be continued and even intensified during the next three or four years. After the manual reclamation is effected, the land needs to be ploughed by tractors and this cannot be done by bullock-driven plough. We were told that, on this scope maintenance of a fleet of tractors is essential.

As is known, the Dandakaranya area is remote, communications poor and the terrain is rough. Private transport hardly exists in the zones where the major works of the Project require transport conveyance. The Project trucks undergo severe punishment whenever they are used on such bad terrain. We were apprised that the tractors have done yet man's service in these interior areas.

Considering these conditions, we agree that maintenance of a fleet of tractors has been necessary in the past and the necessity will continue to be felt in future, and there is no substitute for them.

The technical members of the Committee opened that in order to ensure that the running of tractors was economic, each tractor should have an output of 1,000 hours per year. Otherwise, also a tractor is supposed to have a life of 10,000 hours or 10 years. But, in Dandakaranya agriculture is by and large rain-fed and the utilisability of tractor is limited to Kharif season only. Hence, the said norm may not be wholly appropriate, in conditions obtaining here. According to data furnished to us, the tractors clocked between 500 and 700 hours a year. In order however, to improve the situation we would suggest that haulage should be maximised to counter balance the limitation on cultivation side. This might incidentally, reduce the pressure on trucks.

While, as urged by the Public Accounts Committee, ways and means should be found to optimise the output from these tractors, we are not quite sure whether the scheme could break even. For one thing, the tractors

work in conditions of handicaps *i.e.* in areas freshly won over from forest where they have to effect the first ploughing and in the rugged interior areas where well-defined roads are generally conspicuous by their absence where they perform haulage. These conditions impose strain on their depreciation. Secondly, their working period is stringently limited while the establishment and overheads have to be kept on for the entire year.

As regards the observation of the Committee that the tractors should be used to the maximum possible extent by the settlers, the Committee understood that the entire fleet was being used for the purpose of first ploughing of the manually reclaimed lands during the month of June when the first showers fall in Dandakaranya. In this very period, as we learnt, requisitions from settlers for ploughing and harrowing of their land are at their peak and the Project has been unable to comply with their request on account of the pre-occupation of the tractors. However, ploughing of the manually reclaimed land could also be said to indirectly related to settlers work as these very lands are allotted to the incoming families. We would, however, urge that possible efforts should be made to ensure that wherever settlers come forward to use the tractors on hire basis, the facility should be provided to them."

1.16. The Committee would like to suggest that a suitable norm for output of tractors in respect of both haulage and cultivation be prescribed taking into account the peculiar conditions of the project area so as to ensure their economic utilisation.

1.17. Referring to the loss on account of idling of tractors, the Committee made the following observations in para 1.75 (S. No. 20) of the 118th Report (Fourth Lok Sabha):

"The Committee observe that the tractors acquired by the Project for the purpose of reclamation work are grossly under-utilised. During the period 1961-62 to 1968-69, these tractors remained idle for 2.68 lakh hours over and above the permissible idling time. The loss on this account computed at the rate of Rs. 18/- per idle hour worked out by the Department amounts to Rs. 48.24 lakhs."

1.18. In their reply dated the 30th November, 1970 the Ministry of Labour, Employment and Rehabilitation have stated as follows:

"On reconciliation of figures with A.G., Orissa, the idle hours for the RRO from 1961-62 to 1968-69 come to 1,99,909 say 2.00 lakhs instead of 2.68 lakhs as originally mentioned. A revised statement giving the details of idle hours is enclosed. The Committee has already been informed that while

certain reasons for idling are of the nature which can be controlled, if not eliminated, the idle hours due to certain other reasons are beyond control. Therefore, it would be necessary for us to exhibit the loss under two heads namely 'avoidable' and 'unavoidable' loss. On this basis, the break-up of 1,99,909 hours would be as under :—

(a) Avoidable reasons	--	1,45,100
(b) Unavoidable reasons	--	54,809

Total		1,99,909

The reasons for the 'avoidable' loss on account of idleness are as under :

- (i) due to mechanical breakdowns over and above the permissible norm;
- (ii) due to want of land;
- (iii) due to want of POL.

Every effort is being made by this Organisation to reduce the losses on these accounts to the barest minimum but is not possible to completely eliminate them. In spite of best efforts, many times it would not be possible to avoid the loss due to one reason or the other. For example, as the age of the machines increases, the breakdowns also proportionately increase and many times some unforeseen breakdowns also occur for which we have to spend a considerable time in procuring spares to repair the tractors and re-commission the same. The various processes involved between the period of initial planning of the reclamation of land and the actual start of reclamation operations by the tractors have already been explained in great detail to the Committee. If a fortuitous hitch in the release of land at the last minute led to the idling of the tractors due to want of land, in such circumstances, idling could not be avoided, in spite of the best planning and efforts by the D.D.A. as well as the concerned State Government. Coming to the loss due to non-availability of POL at times, it is intimated that out of 5,361 hours on this account, about 3,000 hours were lost in respect of the tractors working in Andaman Islands alone due to some shipping difficulties of POL from the mainland to Andaman Islands and the shifting of the same from one Island to another in Andaman Island. Further, on the mainland, the tractors are working in the interior forest areas where no transport facilities were available and during certain peak periods of the season, there was acute shortage of POL all over the country and the loss on this score could not be avoided. Because of these reasons and unforeseen breakdown on the POL tankers on the way, sometimes there may be some slight delay in the POL tankers reaching the work-site in the interior forest, thus, starving the tractors of POL and resulting in idleness. As may be seen from the figures, the loss on this account is very negligible, as about 5,000 hours were lost over a period of eight years, particularly in view of the old circumstances in which the RRO tractors are to work.

The reasons for unavoidable loss on account of idleness are as under:—

- (i) Rains;
- (ii) Shifting from patch to patch;
- (iii) Mounting or changing of heavy land clearing equipment;
- (iv) Boggy area;
- (v) Presence of large number of lengthy and thorny creepers and canes, particularly in Andaman Islands;
- (vi) Menace of wild animals like elephants etc. etc.

It would be readily agreed that the losses on account of the above reasons are definitely unavoidable as no one has got any control over the rains menace of wild beasts, boggy area, growth of creepers and canes etc. etc. In fact, it would be more appropriate if these hours are excluded from the normal expected time *viz.* potential hours available for the tractors during a season. This cannot be treated as 'loss' to the Government of India due to the said reasons.

As regards computing the expenditure incurred in the idling of the tractors, it is felt that the expenditure incurred on 1,45,100 hours only being of avoidable nature should be taken into account for obvious reasons. Accordingly, the amount involved on this account works out to Rs. 26.12 lakhs. From this figure, a deduction of Rs. 4 lakhs is to be made representing the recoveries from the State Governments on account of idling of tractors due to their inability of providing work in time. Accordingly, the net loss on account of the idling of the tractors for the Organisation works out to Rs. 22.12 lakhs or say Rs. 22 lakhs."

1.19. In view of the foregoing details, the Committee may kindly treat Rs. 22 lakhs as loss over a period of eight seasons.

1.20. The Committee have observed that the tractors acquired by the Project for the purpose of reclamation work are 'grossly' under-utilised. In this connection it would be worthwhile to mention for information of the members of the PAC, some details about the circumstances under which men and machinery clear the jungle. The area being undeveloped, transport and communications are meagre. Transport of heavy machinery like tractors poses special problems since the National and State Highways are interspersed with a large number of wooden bridges and culverts. Further, for proper maintenance and servicing of machinery, continuous supply of various brands of oils, lubricants and spare parts are required. The nearest rail heads from which these facilities can be had, are situated at quite far off places and it is, therefore, a strenuous task to keep the machines running under such odd circumstances.

1.21. The living conditions in the field for both officers and staff are also not satisfactory. Since it is the reclamation staff, who are first to enter the interior area for taking up the work where both accommodation and water facilities are scarce, they have to face great hazards and hardships. Despite all such difficulties, sustained efforts are continued to be made both by the officers and staff of RRO to achieve the maximum output of work. Under these circumstances, it would be necessary for us to give some consideration to the forced loss of hours. From the loss of hours, it may be seen that maximum hours are lost due to non-availability of lands in time for reclamation. This loss had mainly occurred in respect of the tractors deployed in Dandakaranya area. For the information of the Committee, the ^{process} generally followed by DNK Project with regard to the release of land ^{under the permit}, briefly mentioned at Appendix 'B'. From the details given therein, it would be seen that not only the release of lands for reclamation by the State Governments is a laborious process, there is a considerable time-lag ^{between} the date of initial release of land by the State Government and the ^{time} on which RRO is actually allowed to take up the reclamation operations. Needless to say that the State Government and their Forest Departments have difficulties of their own in completing this process and at times serious delays in final release of the area to be reclaimed are inevitable. No doubt the DDA and RRO do continuously pursue the matter with the State authorities for the timely release of lands and the extraction of the valuable timber, instances are not wanting when in spite of these efforts, there have been avoidable delay in this regard.

1.22. In terms of percentage, the loss of hours due to avoidable reason comes to 8.9% when compared to the potential hours available for work. In view of the foregoing details about the conditions under which the jungle is cleared and the laborious process involved in the actual release of land, the percentage of loss over a period of eight seasons is rather within the acceptable limit, if not considered as negligible. As such, it may not be correct to conclude that the tractors were grossly under-utilised, and the Committee are requested to kindly reconsider their observations.

1.23. The Committee understand that as a result of reconciliation of figures with Audit the number of idle hours of tractors during the period 1961-62 to 1968-69 has since been revised to 2 lakhs approximately. The revised figures include 1.45 lakh idle hours due to avoidable reasons. While the Committee take note of the difficulties leading to loss of hours they would urge that efforts should be made to reduce the idle hours due to avoidable reasons by better provisioning of spares and P.O.L. for tractors and closer coordination with State Governments concerned for timely availability of land for reclamation.

Breakdowns on Komatsu and HD 21 P Tractors :

Para 1.27

Sr. No. 22.

1.24. Referring to the heavy breakdown of Komatsu and HD 21 P tractors the Committee made the following observations in para 1.77 of their 118th Report (Fourth Lok Sabha):—

“The data furnished to the Committee indicates that some of the Komatsu Tractors supplied by the Director General, Ordnance Factories to the Project have been constantly breaking down. The view has been expressed that these have “certain inherent faults” which could be “inherent defects.” The matter calls for close investigation and definition. As many as 36 of these tractors (out of the total fleet strength of 208 tractors with the Project) have been grounded for “the last two years”. The Committee would like to be apprised of the results of this investigation and the steps taken to rectify these defects.”

1.25. In their reply dated the 30th November, 1970 the Ministry of Labour, Employment and Rehabilitation have stated as follows:—

“This Organisation acquired 133 Nos. Komatsu Tractors through D.G.O.F. during the years 1959 to 1961. All these Komatsu Tractors were imported from Japan for the first time by the Defence Department with a view to start progressive manufacture of the same tractors in the Ordnance Factories and later on the undertaking of manufacture of these machines was transferred to M/s. Bharat Earth Movers Limited. Since these machines were a new introduction in the country and that it was a very high level decision to undertake the progressive manufacture of these tractors as a matter of national policy, this Organisation had no say in this matter, and these tractors had to be accepted by this Department. These machines being a new introduction in the country, the inherent defects of these tractors started coming to light only after they were commissioned, and ultimately a stage came when 36 out of 133 Nos. of these Japanese machines had to be grounded. These tractors alongwith other Komatsu Tractors were studied in detail for their inherent defects by Technical Co-ordination Mission of Central Water & Power Commission and also by this Department. As and when some defects came to notice, certain modifications as suggested by the C.W. & P.C. were carried out on most of the Komatsu Tractors in an effort to run these tractors in an economical manner which had already been acquired by this Organisation. After the modifications, 97 Komatsu Tractors fitted with Komatsu engines started giving satisfactory service, whereas the performance of the Komatsu Tractors fitted with Mitsubishi engines still remained unsatisfactory. The cases of frequent breakdowns and inherent defects on 36 tractors fitted with Mitsubishi engines were examined by this

Organisation in detail and certain modifications on the engines were suggested. It was decided in the meeting held with the representative of D.G.O.F. and Ministry of Rehabilitation in New Delhi on 25-8-1965 that the cost of spare parts required to carry out the modification on the Komatsu Tractors fitted with Mitsubishi engines will be shared 50 : 50 by D.G.O.F. and R.R.O. Some of the spare parts as recommended by our Department and agreed to by the D.G.O.F. had been received but a few are still awaited. It is proposed on receipt of the spare parts, to carry out modifications on the Mitsubishi engines in an attempt to re-commission these tractors. It is premature to say whether these machines will give satisfactory service after carrying out the modifications. Modifications on a few selected tractors will be carried out as soon as the conversion kits are received and a trial run made and in case the performance is found satisfactory, modifications on the remaining tractors will also be carried out. By resorting to modification on all the Mitsubishi engines at a stage when we cannot fully visualise the performance, conversion of all tractors in one lot is not considered advisable. Depending on the results of the modification on a few tractors and the future requirement of tractors in this Organisation, action will be taken either to commission these machines or to dispose them of."

1.26. The Committee are not satisfied with Ministry's reply that depending on the results of the modifications on a few Mitsubishi engines and the future requirement of tractors in the Organisation, action will be taken either to commission the Komatsu tractors fitted with these engines or to dispose them of.

The Committee feel that the actual requirement of the project should have been assessed and action taken to dispose of the surplus ones long back.

Purchase of Power Tillers

Para 1.93-1.94 Sr. Nos. 23-24.

1.27. Referring to the purchase of power tillers for use in Dandakaranya Project as replacement to bullock power, the Committee made the following observations in paras 1.93-1.94 of their 118th Report (Fourth Lok Sabha):—

"The Committee feel that a thorough investigation into this transaction is called for. 62 power-tillers costing Rs. 3.29 lakhs purchased for the project have been found defective. The orders were placed despite an unfavourable report on the performance of these tillers received from the Indian Agricultural Research Institute which was not taken notice of. Government have stated that the matter is being looked into. The Committee would like the investigation to be speedily completed and the findings intimated to them."

“The question of rectification of defects which is stated to be under examination in consultation with the DGS & D and the firm’s representative should also be energetically pursued.”

1.28. In their reply dated the 4th December, 1970, the Ministry of Labour, Employment and Rehabilitation (Department of Rehabilitation) have stated as follows:—

“With reference to para 1.93, it is submitted that the report received from the Indian Agricultural Research Institute in January, 1966 had nothing categorical to say regarding the krishi power tillers and this in fact referred to the performance of the other power tillers which were earlier prototypes of the same Japanese company with whose collaboration the krishi power tillers were being manufactured at Sanatnagar, Hyderabad.

In pursuance of the recommendation contained in para 1.94, a Committee comprising of Agricultural Adviser, Department of Rehabilitation, Deputy Chief Administrator, Financial Adviser & Chief Accounts Officer, Director of Agriculture & Animal Husbandry and Superintendent (Transport & Workshop), Dandakaranya Project, was constituted to:—

- (i) enquire into the causes of the non-utilisation of Power Tillers in Dandakaranya;
- (ii) suggest the desirability and ways and means of putting the power tillers in working order; and
- (iii) suggest measures for full utilization/disposal of surplus of Power Tillers.

2. A copy of the Report* is enclosed.

3. Action is in hand to declare the Power Tillers surplus, to the requirements of the Dandakaranya Project, to D.G.S. & D.”

1.29. The Committee find from the enquiry report of the Committee on Power Tillers that the basic considerations on which the scheme of Power Tillers was introduced have been found to be not true. The Committee would like Government to fix responsibility for the faulty Planning.

1.30. The Committee further note from the enquiry report that no action could be taken against the firm for the persisting defect of overheating of engine as the D.G.S. & D. has agreed with the firm’s contention that “it being design feature was beyond the scope of contract.” The Committee would like Government to examine as to why an engine with defective design was accepted and what course of action was now open to Government.

*Appendix I

Working of Industrial Scheme

Paras 1.130-1.131 Sr. Nos. 32-33.

1.31. Referring to the working of Industrial Scheme in the Project, the Committee made the following observations in para 1.130—1.131 of their 118th Report (Fourth Lok Sabha):—

“The Committee observe that no details are available with the Project authorities in respect of goods worth Rs. 24.30 lakhs shown in the accounts as manufactured under the Industrial Scheme. This amounts to more than a third of the total value of goods manufactured under the scheme according to the accounts *i.e.* Rs. 61.44 lakhs. The matter needs thorough investigation and the Committee would like to be apprised of the results thereof.

The data compiled by Audit shows that this scheme incurred a cumulative loss of Rs. 35.60 lakhs upto end of March, 1967. The project authorities have, however, not accepted these figures, which are stated to be under verification. It is regrettable that the Project authorities did not keep any systematic record of the receipts and outgo under the scheme in which substantial investment took place year after year. The Committee would like the accounts to be overhauled within a period of six months and the correct picture of the working of the scheme to be presented to them.”

1.32. In their reply dated the 5th December, 1970, the Ministry of Labour, Employment and Rehabilitation have stated as follows:

“An Officer of the Department of Rehabilitation has been nominated to conduct investigation regarding the details of the goods worth Rs. 24.30 lakhs shown in the accounts as manufactured under the Industrial Schemes in Dandakaranya. The Enquiry officer has already visited the Project area twice. A detailed report from him is awaited.

It is understood that the discrepancy has been brought down from Rs. 24.30 lakhs to Rs. 2.24 lakhs. Further reconciliation is in progress. A correct picture regarding losses will become available after reconciliation of accounts is carried out fully.”

1.33. In their further reply dated 20th April, 1971, the Department of Rehabilitation have stated as under :

“The Officer nominated to conduct investigation regarding the details of the goods worth Rs. 24.30 lakhs shown in the accounts as manufactured under the Industrial Schemes in Dandakaranya has since submitted his Report. A copy of the Report is enclosed*.

* Not printed.

The Enquiry Officer observed that after taking into consideration the closing stocks, the unaccounted for debits, the double entry of raw materials and the typographical mistake in Audit notes, the discrepancy in the manufacture of goods under the Industrial Schemes in Dandakaranya has further been brought down to Rs. 1.97 lakhs. Further reconciliation is still in progress. The Enquiry Officer has come to the conclusion that there was nothing very seriously wrong with the production of the Industrial Units except that proper care was not taken to keep the accounts up-to-date. Audit is being requested to verify the reconciliation effected so far."

1.34. The Committee note that the discrepancy in the accounts with regard to the goods manufactured under the Industrial Scheme in Dandakaranya has been brought down from Rs. 24.30 lakhs to Rs. 1.97 lakhs subject to verification by Audit. The Committee desire that further reconciliation should be completed as early as possible and the Committee apprised of the results thereof duly vetted by Audit.

CHAPTER II
RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN
ACCEPTED BY GOVERNMENT.

Recommendation

One particular aspect of the working of the Project has been the increasing burden of the cost of establishment employed in the project. Out of the total expenditure of Rs. 41.16 crores incurred upto the end of March, 1968, as much as Rs. 9.77 crores represented outlay on establishment. The establishment expenditure, on a percentage of the gross expenditure of the project increased progressively (except for a marginal drop in 1963-64 and 1967-68), from 18.72% in 1957-61 to 30.06% in 1967-68. These figures leave little doubt in the Committee's mind that the project has been and continues to be burdened with large and unnecessary establishment. The Committee would like the matter to be at once subjected to study by the staff Inspection Unit of the Ministry of Finance, so that the situation can be remedied.

[Serial No. 5—Para 1.32—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

In compliance with the recommendation of the Committee, the Staff Inspection Unit of the Ministry of Finance has been requested to conduct a review of the staff requirements of the Dandakaranya Project. The Staff Inspection Unit have agreed to include the study of the Dandakaranya Project in their next programme (October, 1970 to March, 1971).

[Deptt. of Rehabilitation OM No. 16(7)/70 DNK dated 18-11-1970]

Recommendation

Another material factor that pushed up the cost of resettlement was the fact that a substantial number of families deserted the rehabilitation camps. The data furnished to the Committee by Audit shows that this factor alone increased the cost of resettlement per capita by Rs. 3,625. This gives rise to grave doubts whether the objective of the project is being fulfilled. The Committee would like the causes of this phenomenon to be closely studied and suitable remedial measures taken.

[Serial No. 6—Para 1.33—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

Desertions, wherever they have occurred in significant numbers, have been the subject of close and careful study. Some of the important reasons of desertions are indicated below :

- (a) desire to avoid rigours of life in Dandakaranya and seek easier prospects elsewhere and in non-agricultural pursuits;
- (b) desire of indolent families to pass off as new influx families and be registered as new migrants and thus secure doles and rehabilitation benefits afresh;
- (c) desire to secure settlement in West Bengal where they may reside with their relations already there;
- (d) mass desertions from other rehabilitation projects;
- (e) unsettled political situation in West Bengal and rumours passed to settlers that it was easier to get resettlement benefits in West Bengal.

Appropriate remedial measures are being taken wherever necessary.

[Depatt. of Rehabilitation OM No. 16(5)/70 DNK dated 5-12-1970]

Recommendation

The Committee were given to understand that certain families which had earlier deserted were applying for re-admission to the Project. The Committee hope that their cost of resettlement will correspondingly be reduced in accordance with the benefits enjoyed by them earlier.

[Serial No. 7—Para 1.34—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

Re-admission of deserter families is done after very careful scrutiny of the circumstances in which the family deserted and reasons why the family wants to come back for re-admission. Re-admission of deserter families is not automatic and generally each family is treated as "On probation" for some time and its conduct watched. It is only after the Zonal authorities are satisfied that the family is genuinely repentant and wants to settle down that it qualifies for re-admission. Payment of doles to such families is recalculated so that there is no double benefit to any family.

[Depatt. of Rehabilitation OM No. 16(5)/70-DNK dated 5-12-1970]

Recommendation

The Committee regret to observe that the Project Authorities incurred an avoidable expenditure of Rs. 7.2 lakhs on payment of subsidy to certain families pending their resettlement on land, when reclaimed land was available for allotment to them. It should be investigated how this situation arose and the Committee apprised of the results of the investigation. Adequate procedures should also be evolved to ensure that in future reclaimed land which is fit for allotment is promptly allotted.

[Serial No. 8—Para 1.42—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

A Committee comprising Deputy Chief Administrator, Financial Adviser & Chief Accounts Officer, Dandakaranya Project and Agricultural Adviser, Department of Rehabilitation, was constituted to investigate how an avoidable expenditure of Rs. 7.2 lakhs on payment of subsidy to certain families pending their resettlement on land, was incurred and to suggest adequate procedures to ensure that in future reclaimed land which is fit for allotment is promptly allotted. The Committee went into the matter fully and found as a result of its investigation that, in some cases, there were reasons beyond control, which necessitated the expenditure on maintenance subsidy. For example induction of families for rehabilitation purposes was in progress in the Paralkote Zone of Dandakaranya where land was reclaimed during the Working Season commencing from November, 1969. Rains are generally expected in Paralkote about the 2nd or 3rd or even in the 4th week of June each year. The monsoon set in rather early this year *i.e.* by the last week of May and it was raining heavily in the first week of June, 1970. The early advent of the monsoon made it impossible for other operations like sinking of tube-wells to be done; hence even where land had been fully reclaimed, it was not possible to induct new families for want of drinking water facilities etc. For example, in one village *i.e.* Pithabondia where land was reclaimed, induction was not possible notwithstanding the fact that the families were standing by, on account of the failure met in the sinking of tube-wells. It is, therefore, sometimes not possible and beyond the purview of the Project Administration to ensure cent per cent co-ordination and elimination of the possibility of land being available but induction of families not being possible.

2. Attempts at further improvement of co-ordination continue and instructions have been issued emphasising the necessity therefor.

[Depatt. of Rehabilitation OM No. 16(5)/70-DNK dated 5-12-1970]

Recommendation

The Committee also observe that year after year from 1960 onwards substantial areas of land ranging from 2,231 acres to 12,532 acres have remained unallotted to the settlers. In the initial stages of the project this is stated to have occurred because of settlers not turning up in expected numbers, but it would appear that other factors like non-provision of drinking water, absence of accommodation, roads and other living amenities have lately contributed to this situation. In the opinion of the Committee, this indicates that the implementation of the project is not proceeding in a co-ordinated manner. Suitable remedial measures to avoid this situation should be taken.

[Serial No. 9—Para 1.43—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The Recommendation of the Committee has been duly noted and is being kept in view in the utilisation of land in Dandakaranya.

2. It may be mentioned that the reclaimed area which remained unallotted and which was 12,532 acres at the end of June, 1967 was brought down to 8,288 acres at the end of June, 1968 and 5,767 acres at the end of June, 1969. The position is likely to improve further. It may, however, be mentioned that certain area of land has also to be kept in reserve for future adjustments etc.

3. The Dandakaranya Project Administration are taking suitable remedial measures to ensure better co-ordination between the works of various executing agencies particularly Administration and Construction so that different process of rehabilitation are dovetailed and the entire machinery is streamlined.

[Depatt. of Rehabilitation OM No. 16(5)/70—DNK dated 5-12-1970]

Recommendation

It is also regrettable that the Project authorities did not maintain any systematic account of the expenditure incurred on the scheme. In fact, the accounts were drawn up for a period of six years after Audit reported the matter to the Committee. In the Committee's opinion, this indicates to what extent the authorities in charge of the project lacked cost consciousness.

[Serial No. 12—Para 1.52—of Appendix to 118th Report (Fourth Lok Sabha)]

***Action Taken**

The Recommendation of the Committee has been brought to the notice of the Dandakaranya Development Authority.

[Depatt. of Rehabilitation OM No. 16(5)/70—DNK dated 5-12-1970]

Recommendation

The Committee note that the scheme has now been discontinued. It had to be undertaken all these years because the Project authorities were not able to allot land soon after reclamation. The Committee hope that, with better co-ordination, the project will be able to avoid a situation where reclaimed lands remain unallotted to settlers.

[Serial No. 13—Para 1.53—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The Recommendation of the Committee has been noted.

[Depatt. of Rehabilitation OM No. 16(5)/70—DNK dated 5-12-1970]

Recommendation

The Committee are dissatisfied with the way the mechanised cultivation scheme has been implemented.

[Serial No. 14—Para 1.59—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The Recommendation of the Committee has been brought to the notice of the Dandakaranya Development Authority.

[Depatt. of Rehabilitation OM No. 16(5)/70—DNK dated 5-12-1970]

Recommendation

The scheme has been in operation since 1960-61. In February, 1961 Government had issued instructions that "simple proforma accounts" should be maintained by the project authorities so as to keep a watch on the working results of the scheme. The instructions for the maintenance of accounts were also reiterated in June, 1967 but the project authorities are yet to finalise the form of the accounts in consultation with Audit. The Committee deprecate the delay in this regard and would like it to be examined why Government's instructions were not complied with by the Project authorities.

[Serial No. 15—Para 1.60—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

It has not been possible to trace any instructions said to have been issued by Government in February, 1961 to the effect that 'simple proforma accounts' should be maintained by the Project Authority so as to keep a watch on the working results of the scheme. The actual instructions were issued only in 1967. Subsequent to this difficulties arose in regard to the principles on which these Proforma Accounts should be maintained. Most of the difficulties have been sorted out with Audit and are presently under finalisation in consultation with the Comptroller & Auditor General of India. A short note explaining the background is enclosed.

[Depatt. of Rehabilitation OM No. 16(5)/70—DNK dated 5-12-1970]

ANNEXURE

LOSS ON THE WORKING OF MECHANISED CULTIVATION SCHEME

Explanation of Project Administration

No instruction seems to have been issued by Government that "simple proforma accounts" should be maintained by the Project authorities so as to keep a watch on the working results of the Scheme.

Briefly stated, the facts of the case are :—

- (i) The Comptroller & Auditor General of India, New Delhi, in his letter No. 2671-Admn. II/397-58 dated the 29th October, 1958 stated that it would be desirable to express the final results in the Commercial form of Balance Sheet and Profit and Loss Account.
- (ii) The Financial Adviser & Chief Accounts Officer, Dandakaranya Project, in December, 1960, advised the Chief Administrator of the Project for the maintenance of a simple proforma account, even though the schemes started in the Project may not be with a profit motive but to assist the settlers in the process of resettlement, to know the working results of the various activities. The Chief Administrator, Dandakaranya Project was also requested to issue suitable instructions to the various officers. The Secretary, Dandakaranya Development Authority, issued as circular letter to that effect in February, 1961 and asked the departmental officers to furnish their proposals on the various issues involved in the preparation of such accounts.
- (iii) On a reference from the Pay & Accounts Officer, Ministry of Works, Housing & Supply regarding the levy of departmental charges on purchases made by the Dandakaranya Project against D. G. S. & D. Contracts, it was decided in consultation with the Comptroller & Auditor General of India to treat the Dandakaranya Development Authority as a 'non-Commercial Civil Department of the Union Government.'

- (iv) It was in April, 1967, that the Deputy Accountant General, Dandakaranya Project, insisted on the maintenance of proforma accounts of all schemes in Dandakaranya. The Government decided in June, 1967 that proforma accounts should be maintained "for all schemes where there is income". The scheme and forms in which the Proforma Accounts are to be maintained were to be decided upon in consultation with the Accountant General, Orissa. It will thus be seen that the decision to maintain Proforma Accounts was taken in 1967.
- (v) The principles of preparation of proforma accounts of various schemes in Dandakaranya have been discussed with Audit in January and July, 1970, and certain decisions have been reached. The question is still under discussion with Audit.

The only issue which now remains to be discussed and agreed upon pertains to the calculation of Capital-at-charge and interest thereon. Audit is of the view that the formula already prescribed should be adopted and proforma accounts drawn up. The Accountant General, Orissa, has, however, appreciated the inconsistency in capitalising the past losses in an Organisation which was not anticipated to make profits in the future to make up for its past losses. He desired that Government should be approached for write off of the cumulative loss of the past years as a way out of the difficulty. The Dandakaranya Project Administration are of the view that the procedure for obtaining Government orders to be writing off of the past losses are omitted in anticipation of write off orders of the Government, the preparation of Proforma Accounts may be indefinitely delayed. It has, therefore, been desired that Government orders may be issued for reducing past losses from the Capital-at-charge. Action is already in hand to obtain concurrence of the Ministry of Finance and the Comptroller & Auditor General of India to this procedure.

Recommendation

In the absence of any contemporaneous accounting records, the data about the scheme that has been furnished to the Committee cannot be taken as a very reliable indicator of the working of the scheme. But even this data shows that the working expenses of tractors employed under the scheme have consistently exceeded the value of their outturn. It seems to the Committee that the tractors are underutilised. The representatives of the Project stated during evidence that in the conditions obtaining in the project areas,

the output of the tractors could be "only 100 acres" per tractor in a working season, as against 240 to 250 acres which constitutes the normal output of the tractors.

[Serial No. 16—Para 1.61—of Appendix to 118th Report (Fourth Lok Sabha)]

A significant factor emerging from the data given by the project authorities is that the bulk of the work has been done for other departments. In fact during a period of seven years ending March, 1967, out of the value of work amounting to about Rs. 11 lakhs done by the tractors, over Rs. 9 lakhs worth of output was for other departments. It is quite evident that very little use was made of the tractors by the settlers for purpose of cultivation.

[Serial No. 17—Para 1.62—of Appendix to 118th Report (Fourth Lok Sabha)]

The Committee would like a review to be conducted to ascertain whether the existing fleet of tractors retained for mechanised cultivation are being put to the best possible use. Norms for output should also be evolved and ways and means found to optimise the output from these tractors, so that the scheme could 'break even.' It should also be ensured that the tractors are used to be maximum possible extent by the settlers for whose facility these are mainly intended.

[Serial No. 18—Para 1.63—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

A Committee comprising of Deputy Chief Administrator, Financial Adviser & Chief Accounts Officer, Dandakaranya Project and Agricultural Adviser in the Department of Rehabilitation was constituted to go into the various recommendations made by the Public Accounts Committee and suggest ways and means of improving execution of the mechanised cultivation scheme in Dandakaranya. The findings of the Committee are reproduced below :—

This Committee has gone into the question of the various uses to which the tractors were put during the last three years.

It was learnt that the season during which the tractors can be used for agricultural operations is severely limited consisting of 20 days to one month at the beginning and a fortnight or so at the end of the rainy season and, hence, the utilisability of tractors for agricultural operations is restricted. It was felt that, on the whole, about 100 acres could be ploughed in a season, consisting of 75 plus 30 acres.

In the off-season, the tractors are being used for haulage purposes. For example, in 1967-68 the fleet of 43 on-road tractors was used for 18,108 hours for agricultural operations and for 9,350 hours for haulage purposes. The haulage concerned the transport of agricultural as well as other articles. In 1968-69, the tractors were put to 15,206 hours of ploughing work and 10,200 hours of haulage work, while the respective figures for the period April to November 1969 of 46 on road tractors were 14,337 and 8,276 hours.

We were told that, since the past four years, the Project has taken up manual reclamation as additional to and supplement of mechanical reclamation of forest areas released to it by the State Govts. in view of the facts that this type of reclamation does not result in the disturbing of the fertile top soil cover, provides work to the settling families and is, on the whole, more economical than the mechanical reclamation. It is envisaged by the Project that this programme of manual reclamation will be continued and even intensified during the next three or four years. After the manual reclamation is effected, the land needs to be ploughed by tractors and this cannot be done by bullock-driven ploughs. We were told that, on this score maintenance of a fleet of tractors is essential.

As is known, the Dandakaranya area is remote, communications poor and the terrain is rough. Private transport hardly exists in the zones where the major works of the Project require transport conveyance. The Project trucks undergo severe punishment whenever they are used on such bad terrain. We were apprised that the tractors have done yeomans service in these interior areas.

Considering these conditions, we agree that maintenance of a fleet of tractors has been necessary in the past and the necessity will continue to be felt in future, and there is no substitute for them.

The technical members of the Committee opined that in order to ensure that the running of tractors was economic, each tractor should have an output of 1,000 hours per year. Otherwise, also a tractor is supposed to have a life of 10,000 hours or 10 years. But in Dandakaranya, agriculture is by and large rain-fed and the utilisability of tractor is limited to Kharif season only. Hence, the said norm may not be wholly appropriate in conditions obtaining here. According to data furnished to us, the tractors clocked

between 500 and 700 hours a year. In order however to improve the situation we would suggest that haulage should be maximised to counter-balance the limitation on cultivation side. This might incidentally, reduce the pressure on trucks.

While, as urged by the Public Accounts Committee, ways and means should be found to optimise the output from these tractors, we are not quite sure whether the scheme could break even. For one thing, the tractors work in conditions of handicaps *i.e.* in areas freshly won over from forest where they have to effect the first ploughing and in the rugged interior areas where well-defined roads are generally conspicuous by their absence where they perform haulage. These conditions impose strain on their depreciation. Secondly, their working period is stringently limited while establishment and overheads have to be kept on for the entire year.

As regards the observation of the Committee that the tractors should be used to the maximum possible extent by the settlers, the Committee understood that the entire fleet was being used for the purpose of first ploughing of the manually reclaimed lands during the month of June when the first showers fall in Dandakaranya. In this very period, as we learnt, requisitions from settlers for ploughing and harrowing of their land are at their peak and the Project has been unable to comply with their request on account of the pre-occupation of the tractors. However, ploughing of the manually reclaimed land could also be said to indirectly related to settlers work as these very lands are allotted to the incoming families. We would, however, urge that possible efforts should be made to ensure that wherever settlers come forward to use the tractors on hier basis, the facility should be provided to them.

[Depatt. of Rehabilitation O.M. No. 16(5):70-DNK, dated 5-12-1970].

Recommendation

The Committee would also like expeditious action to be taken for recovery of dues aggregating Rs. 11.25 lakhs awaiting recovery from various departments which used the tractors.

[Serial No. 19--Para 1.64--of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The Recommendation of the Committee has been noted.

2. Instructions have been issued by the Project Administration, to the officers concerned to accept debits raised by the Director of Agriculture and Animal Husbandry towards the recovery of dues from various Departments which used the tractors.

[Depatt. of Rehabilitation O.M. No. 16(5)/70-DNK dated
5-12-1970]

Recommendation

“The date furnished to the Committee indicates that some of the Komatsu Tractors supplied by the Director General, Ordnance Factories to the Project have been constantly breaking down. The view has been expressed that these have “certain inherent manufacturing defects”. The matter calls for close investigation since as many as 36 of these tractors (out of the total fleet strength of 208 tractors with the Project) have been grounded for “the last two year”. The Committee would like to be apprised of the results of this investigation and the steps taken to rectify these defects.”

[Serial No. 22—Para No. 1.77—of Appendix to 118th Report (Fourth
Lok Sabha)]

Action Taken

Following comments are offered on their recommendations :—

This Organisation acquired 133 Nos. Komatsu Tractors through D.G.O.F. during the years 1959 to 1961. All these Komatsu Tractors were imported from Japan for the first time by the Defence Department with a view to start progressive manufacture of the same tractors in the Ordnance Factories and later on the undertaking of manufacture of these machines was transferred to M/s. Bharat Earth Movers Limited. Since these machines were a new introduction in the country and that it was a very high level decision to undertake the progressive manufacture of these tractors as a matter of national policy, this Organisation had no say in this matter, and these tractors had to be accepted by this Department. These machines being a new introduction in the country, the inherent defects of these tractors started coming to light only after they were commissioned, and ultimately a stage came when 36 out of 133 Nos. of these Japanese machines had to be grounded. These tractors along with other Komatsu

Tractors were studied in detail for their inherent defects by the Technical Co-ordination Mission of Central Water & Power Commission and also by this Department. As and when some defects came to notice, certain modifications as suggested by the C.W. & P.C. were carried out on most of the Komatsu Tractors in an effort to run these tractors in an economical manner which had already been acquired by this Organisation. After the modifications, 97 Komatsu Tractors fitted with Komatsu engines started giving satisfactory service, whereas the performance of the Komatsu Tractors fitted with Mitsubishi engines still remained unsatisfactory. The cases of frequent breakdowns and inherent defects on 36 tractors fitted with Mitsubishi engines were examined by this Organisation in detail and certain modifications on the engines were suggested. It was decided in the meeting held with the representative of D.G.O.F. and Ministry of Rehabilitation in New Delhi on 25-8-1965 that the cost of spare parts required to carry out the modification on the Komatsu Tractors fitted with Mitsubishi engines will be shared 50:50 by D.G.O.F. and R.R.O. Some of the spare parts as recommended by our Department and agreed to by the D.G.O.F. had been received but a few are still awaited. It is proposed on receipt of the spare parts, to carry out modifications on the Mitsubishi engines in an attempt to re-commission these tractors. It is premature to say whether these machines will give satisfactory service after carrying out the modifications. Modifications on a few selected tractors will be carried out as soon as the conversion kits are received and a trial run made and in case the performance is found satisfactory, modifications on the remaining tractors will also be carried out. By resorting to modification on all the Mitsubishi engines at a stage when we cannot fully visualise the performance, conversion of all tractors in one lot is not considered advisable. Depending on the results of the modification on a few tractors and the future requirement of tractors in this Organisation, action will be taken either to commission these machines or to dispose them of.

[Depatt. of Rehabilitation O.M. No. 5(5)/70--RH- III, dated 30-11-1970].

Recommendation

Four other points emerging from the data furnished to the Committee need attention :—

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* * * * * *

(ii) According to the departmental accounts out of Rs. 96 lakhs for hire charges due from other departments upto 31st March, 1966,

Rs. 53 lakhs were outstanding as at the end of December, 1969. This is yet to be reconciled with the figures booked by Financial Adviser & Chief Accounts Officer. The outstandings in respect of subsequent years are not known as debits have not been raised, in full in respect of any of these years. These along with other dues, which might be disclosed when accounts are recast should be expeditiously realised.

* * * * *

- (iv) The trucks are used for transport operations in project areas for which truck operators are stated to be offering very competitive rates. The scope for the maximum use of private transport should be examined and on that basis the necessity for the present fleet strength reviewed.

[Serial No. 28—Para No. 1.117—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

* * * * *

(ii) Debits for the period ending 31-3-1966 have been raised in full. Out of the total debits of Rs. 95.80 lakhs, debits for Rs. 59 lakhs have been accepted and for Rs. 36.68 lakhs are due for acceptance from other Departments. The respective Departments have been instructed to speed up acceptance of these outstanding debits.

It is confirmed that all debits relating to truck hire charges for period from 1-4-1966 onwards upto the end of the last calendar year have been raised in full and the position of acceptance has also shown a significant improvement in these years.

* * * * *

(iv) The places between which private transporters carried the materials at a cheaper rate are on the main/trunk roads and not in the interior areas of the Zones whereas the trucks in Dandakaranya are primarily engaged in carrying materials in the interior places in the Zones, where quite often even pucca roads do not exist. However, the scope for utilisation of private transport has been maximised and instructions have been issued that transportation of all materials upto the Zonal Headquarters and even beyond wherever possible should be done by private transport, so that the Project

transport could be exclusively utilised for the works in the interior areas of the Zones where no such transport facility is available.

[Depatt. of Rehabilitation O.M. No. 16(5)/70—DNK, dated 7-12-1970]

Recommendation

The Committee have already pointed out in paragraph 1.16 of their Sixty-Sixth Report (Fourth Lok Sabha) that high cost of transporting commodities to the interior is one major reason for the losses under the scheme. Steps should be taken to bring down this element of cost, by engaging private transport, where it is more economical and through other measures.

[Serial No. 31—Para 1.125—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The recommendation of the Committee has been noted for compliance.

2. Private transport is being increasingly utilised for carrying the commodities not only upto the Zonal Headquarters but even to interior areas in the Zones wherever possible, subject to its availability.

[Depatt. of Rehabilitation O.M. No. 16(5)/70-DNK, dated 5-12-1970].

Recommendation

It is obvious however, that the scheme has been operating at a substantial loss. The data furnished to the Committee by the Department shows that as many as 15 industrial centres out of 24 were opened at different places in the project site between 1959 and 1967 were closed down. The Department have not been able to furnish data about the expenditure incurred on these centres, but it is obvious that a substantial part of the total expenditure of Rs. 91.67 lakhs incurred on 'industries' (upto 1966-67) has been largely infructuous. While some of them might have been intended as pilot projects and served some purpose by imparting skills to the resettled persons, the large number of centres closed down would suggest that they were not planned with care. The Committee would like to impress on the Department that these centres should hereafter be opened only after their necessity and the scope for running them successfully have been adequately examined.

[Serial No. 34—Para 1.132—of Appendix to 118th Report (Fourth Lok Sabha)].

Action Taken

The Recommendation of the Committee that Centres should hereafter be opened only after their necessity and the scope for running them successfully have been adequately examined, has been noted for compliance.

[Department of Rehabilitation O.M. No. 16(5)/70—DNK dated 5-12-1970].

Recommendation

The Forest Organisation Scheme is another of a number of schemes the working results of which are not susceptible of verification in the absence of any systematic accounts. The data furnished by Audit would indicate that, upto March, 1966, the scheme ran up a loss of Rs. 16.23 lakhs. The Committee would like the accounts to be speedily drawn up and measures taken to arrest the losses.

[Serial No. 35—Para—1.136—of Appendix to 118th Report (Fourth Lok Sabha)].

Action Taken

The Recommendation of the Committee has been noted.

2. The Dandakaranya Project Administration has been asked to speedily draw up the accounts of the Forest Organisation Scheme and take necessary measures to arrest the losses.

[Depatt. of Rehabilitation O.M. No. 16(5)/70-DNK dated 5-12-1970].

Recommendation

The scheme was started in the context of large scale construction of houses undertaken by the project for the purpose of resettlement. A careful appraisal of the future scope for the scheme is called for, in the light of the plans for resettlement to be evolved on the basis of an overall perspective plan earlier suggested by the Committee.

[Serial No. 36—Para 1.137—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

A careful appraisal of the future scope of the Forest Organisation Scheme has been made by the Project Administration, as reported by them.

2. It has been decided to induct 10,000 families of the recent influx in Dandakaranya during the current financial year. The Forest Organisation

would be required to undertake work in the very near future with regard to these 10,000 families as also the families already in position, and will have to devote itself to the following broad items of such work as :—

- (i) Work connected with land releases, that is, selection/suitable areas from the forest point of view for the future work of the Project, processing of proposals for release with the State Forest authorities; enumeration and marking of valuable timber standing in the released areas; felling, stacking and handing them to the State Forest authorities or looking after them on behalf of the State Forest authorities till their extraction payment of royalty for timber utilised or damaged by the Project; formulation of Nistar policy and proposals for the settler villages established in the re-settlement Zones; negotiating with the State Forest authorities for the terms and conditions to govern release of areas to the Dandakaranya Development Authority.
- (ii) Procurement and supply of Ballies and sawn sections; in the coming season 20,000 pieces of Ballies are likely to be required by the Construction Organisation for use in the Paralkote Zone and 50,000 Ballies in the Malkangiri Zone. Sawn sections will also have to be supplied to the Construction Organisation in the Paralkote Zone for doors and windows to be fitted to the village houses of the settlers.
- (iii) Manual reclamation: This Organisation normally supervises the reclamation of areas undertaken manually (as against mechanical reclamation) for DP settlers as well as tribals. This work was undertaken in the last few seasons and is due to continue in the coming season. In fact, if any large scale programme of resettlement is taken up for the new influx DPs in the Potteru, Bijapur or Koilibeda area, much greater areas than hitherto will be reclaimed manually and this work would be the responsibility of the Forest Organisation of this Project.

[Depatt. of Rehabilitation O.M. No. 16 (5)/70—DNK dated 5-12-1970].

Recommendation

The Committee note that equipment costing Rs. 1.29 lakhs purchased by the project for the manufacture of wooden boxes and crates became surplus even before it was installed.

[Serial No. 37—Para—1.144—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The observation/recommendation made by the Committee has been noted. The Industrial programme in Dandakaranya is now prepared with extreme caution and for the last few years, the Project Administration have not made any significant purchase of machinery.

[Depatt. of Rehabilitation O.M. No. 16(5)/70—DNK dated 5-12-1970].

Recommendation

It has been stated that the equipment was purchased when the project had certain orders from the Directorate of Ordnance Factories for manufacture of boxes and crates and that further orders were expected to flow in regularly. However, the scheme had to be given up, as manufacture on terms stipulated by the Directorate was found uneconomic. The Committee do not find these arguments convincing. By the time the indents for the equipment were placed, the project had virtually completed supplies against two orders that it had then. The project authorities should have, therefore, known what standards were expected of them and whether it was an economic proposition for the project to manufacture boxes and crates conforming to those standards. There was also no definite prospect of more orders on a continuing basis, particularly as the Directorate of Ordnance Factories was following the tender procedure for selecting the suppliers. Besides, it would appear that boxes and crates supplied against the orders already placed were rejected in a number of cases due to defects and bad workmanship. It was therefore imprudent for the project authorities to have gone in for the purchase of new equipment for the scheme in the optimistic expectation that there would be a continuing flow of orders in the face of competition from trade.

[Serial No. 38—Para 1.145—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The observation/recommendation made by the Committee has been noted. The Industrial programme in Dandakaranya is now prepared with extreme caution and for the last few years, the Project Administration have not made any significant purchase of machinery.

[Depatt. of Rehabilitation O.M. No. 16(5)/70—DNK dated 5-12-1970.]

Recommendation

One aspect of the case calls for particular comment. Certain packages containing seasoning kilns (which was part of the equipment) were not even

opened by the Project authorities after they were received from the supplier. The explanation given is that as full payment for the supply had not been made and the firm itself had to instal the kiln "it was not thought fit to open the packages." The Committee consider this an extraordinary explanation. The Committee trust that Government will impress on the project authorities the need to safeguard public interest in transactions involving purchase of costly equipment by devising appropriate procedures for check of incoming stores.

[Serial No. 39—Para—1.146—of Appendix to 118th Report (Fourth Lok Sabha)].

Action Taken

The observation/recommendation made by the Committee has been noted and the Project Administration have been advised accordingly. The Industrial programme in Dandakaranya is now prepared with extreme caution and for the last few years, the Project Administration have not made any significant purchase of machinery.

[Depatt. of Rehabilitation O.M. No. 16(5)/70—DNK dated 5-12-1970].

Recommendation

The Committee feel that the purchase of the drop hammer (cost Rs. 17,600) was avoidable. It has been stated that the hammer could not be used because power connection had not been made available. If this was so and there was need for the hammer, it need not have been declared surplus.

[Serial No. 40—Para—1.149—of Appendix to 118th Report (Fourth Lok Sabha)].

Action Taken

The observation/recommendation made by the Committee has been noted. The Industrial programme in Dandakaranya is now prepared with extreme caution and for the last few years, the Project Administration have not made any significant purchase of machinery.

[Depatt. of Rehabilitation O.M. No. 16(5)/70 DNK dated 5-12-1970].

Recommendation

This is yet another case where the project authorities did not even open the packages containing the supplies.

[Serial No. 41—Para—1.150—of Appendix to 118th Report (Fourth Lok Sabha)].

Action Taken

The observation/recommendation made by the Committee has been noted. The Industrial programme in Dandakaranya is now prepared with extreme caution and for the last few years, the Project Administration have not made any significant purchase of machinery.

[Deptt. of Rehabilitation O.M. No. 16(5)/70—DNK dated 5-12-1970]

Recommendation

The Committee feel that it was unnecessary for the project authorities to have proceeded with the purchase of the bamboo splitting machine, when an identical machine obtained by them meantime had not been put to use. The latter was received by the project authorities in December, 1960 and by that time orders, had not been placed by the Director General, Supplies and Disposals against the indent for the former. The indent could have therefore well been cancelled. In any case, the project authorities could have waited to see whether bamboo mats (for the production of which these machines were purchased) were suitable for walling of houses, before burdening themselves with two machines. Ultimately the mats were not found useful for the houses constructed for settlers nor could the machines be operated, as power was not available. Thus the purchase was not a well-considered one.

[Serial No. 42—Para 1.154 of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The observation/recommendation made by the Committee has been noted. The Industrial programme in Dandakaranya is now prepared with extreme caution and for the last few years, the Project Administration have not made any significant purchase of machinery.

[Deptt. of Rehabilitation O.M. No. 16(5)/70 DNK dated 5-12-1970]

Recommendation

The Committee note that a review carried out has disclosed surplus machinery with the Project to the extent of Rs. 5.25 lakhs. Expeditious action for its disposal should be taken.

[Serial No. 43—Para 1.156 of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The recommendation of the Committee has been noted for compliance. Items of machinery reported by the Project as surplus to their requirements have already been declared surplus.

2. A committee comprising Agricultural Adviser and Officer on Special Duty (Industries) has been constituted to undertake the investigation to determine the extent to which machinery with the Project is under-utilised/unutilised and to suggest ways and means for maximising their use. The Committee has already met in Dndakaranya in August, 1970.

3. The Report of the Committee is still awaited.

[Deptt. of Rehabilitation O.M. No. 16(5)/70—DNK dated 5-12-1970]

Recommendation

Earlier in this Report, the Committee have referred to underutilisation of costly equipment, like tractors employed in the project. Later, a mention has been made of similar underutilisation of equipment deployed for the construction of the Bhaskal Dam and of certain tempo vans. The Committee are, therefore, left with the impression that the Project carries a heavy inventory of equipment, which is not being put to the best possible use. This results in substantial sums of money getting avoidably blocked up. The Committee would like Government to undertake an investigation to determine the extent to which machinery with the project is underutilised/unutilised and the avenues for maximising their use by transfer to other Departments/Organisations. It will also be necessary to evolve adequate procedures to ensure that purchase of equipment is resorted to only when absolutely essential. The Project Administration are stated to be undertaking a survey for this purpose, but the Committee feel that this survey should be made by Government itself, as the investment in inventories in the project is quite substantial.

[Serial No. 44—Para 1.157 of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

A committee comprising of Agricultural Adviser and Officer on Special Duty (Industries) of the Department of Rehabilitation has been constituted to undertake an investigation to determine the extent to which machinery in Dandakaranya is under utilised/unutilised and suggest measures for maximising its use and/or disposal. The Report of the Committee is still awaited.

[Deptt. of Rehabilitation O.M. No. 16(5)/70—DNK dated 5-12-1970]

Recommendation

Thirdly, before deciding to undertake the work, it was overlooked that the Dandakaranya Development Authority would have no power to collect water charges from the beneficiaries, as irrigation is a state subject and irrigation laws have to be administered by the State Government. The result of this is that no water charges have been recovered all along for over three years, nor betterment charges (the project report not having envisaged the recovery of the latter). To get over the difficulty, proposals have been made since 1965 to the State Government to take over the completed dam.

[Serial No. 48—Para 1.175 of Appendix to 118th Report (Fourth Lok Sabha)]

The Committee would like the Government of India to take up immediately at the highest level the question of transfer of the dam to the State Government on a mutually acceptable basis. The exact expenditure incurred on the project should also be worked out without further delay.

[Serial No. 49—Para 1.176 of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The transfer of Bhaskal Dam to the Government of Orissa was discussed at the Fortyeighth meeting of the Dandakaranya Development Authority held on August 22, 1970. The representative of the State Government of Orissa on the D.D.A. stated that the State Government was ready to take over the Dam. It was decided that the Dam should be transferred with effect from 1-4-1971, pending finalisation of the terms and conditions between the Centre and the State Government.

2. The revised estimate, based on the actual expenditure incurred on the construction of the Bhaskal Dam (including water courses), has been framed by the Superintending Engineer (Irrigation) Dandakaranya Project. The revised estimate is for Rs. 129.12 lakhs. This estimate excludes the expenditure (upto March, 1969) on 'Establishment' (Rs. 8.66 lakhs) and 'Tools & Plant' (Rs. 0.98 lakh) as in the sanctioned estimate, but includes an amount of Rs. 4.00 lakhs for water-courses unlike in the earlier estimate. The revised estimate is under examination of the Dandakaranya Project Administration pending approval by Government.

[Deptt. of Rehabilitation O.M. No. 16(5)/70 DNK dated 5-12-1970]

Recommendation

The Committee note that four tempo vans purchased at a cost of Rs. 39,200 in 1966 to provide transport facilities to settlers for carrying their agricultural and poultry produce have been virtually idle. The scope for maximising their usage through suitable adjustment of line charges or by transfer to marketing societies stated to have been organised by some of the settlers should be examined.

[Serial No. 50—Para 1.183 of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The Marketing Societies organised in the various Zones of Dandakaranya are still in the process of building up and have not yet reached the stage of purchasing their own transportation vehicles. However, the recommendation of the Committee has been noted. In the meantime, the tempo vans are being utilised in connection with the arrival of the additional displaced families of the recent influx in Dandakaranya.

2. The question of maximising the usage of tempo vans by suitable adjustment of hire charges has been carefully examined by the Dandakaranya Project Administration. It is felt that the chances of hiring of tempo vans by settlers even at reduced rates are very remote.

[Deptt. of Rehabilitation O.M. No. 16(5)/70 DNK [dated 2-11-1970]]

Recommendation

The Committee cannot help feeling that the Rashtriya Vikas Dal, started with the intention of enrolling volunteers for various construction activities from amongst displaced persons awaiting resettlement, was a failure. Out of 3,359 persons recruited under the scheme, as many as 1,730 persons either deserted or were released before the completion of three years which was the minimum period for which they were to serve the Dal. The only redeeming feature is that out of an expenditure of Rs. 108.72 lakhs incurred on the schemes, the net outgo was only Rs. 9.60 lakhs. But this is *inter alia* on the assumption that a sum of Rs. 60.21 lakhs would have been payable to the recruits to the Dal as doles if they had not joined the scheme and further that a sum of Rs. 10.37 lakhs was actually recovered from the recruits for food supplied to them. The Committee would like these facts to be verified and the position intimated to them.

[Sl. No. 52 Para 1.198 of Appendix to 118th Report (4th Lok Sabha)]

Action Taken

The facts have been verified and are correct.

[Deptt. of Rehabilitation O.M. No. 6/3/70 SA dated 23-11-1970]

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF GOVERNMENT

Recommendation

The Committee feel that the Dandakaranya Project has gone far beyond the scope originally envisaged for it. The preliminary project report contemplated an outlay of Rs. 17.70 crores for the resettlement of 12,000 agriculturist and non-agriculturist families by the end of March, 1961. For this purpose, it envisaged the reclamation of 70,600 acres. However, in actual implementation, the project has been allowed to grow, year after year, without any kind of long-range planning. The actual (gross) expenditure on the project to the end of March, 1968 amounted to Rs. 41.16 crores, of which as much as Rs. 33.36 was incurred during the period 1961-1968, which fell outside the scope of the project report. As against 70,600 acres which were to be reclaimed for resettling 12,000 families, an area of 125,089 acres has been reclaimed for the settlement of 13,300 families. The data furnished to the Committee indicates that substantial reclamation is still under contemplation of the Project authorities, who are moving the concerned State Governments for release of more land for this purpose.

[Serial No. 1—Para 1.24 of Appendix to 118th Report (Fourth Lok Sabha)]

The Committee are not in favour of the project being allowed to develop in this *ad hoc* fashion. The absence of a long-term perspective plan entails the risk of Government being committed to expenditure on the scheme, without any estimation of its magnitude or of the necessary for expenditure on that scale in the light of an overall plan. It could be that the developments undertaken so far may not fit in or fall in with the requirements of the place. As early as 1965, the Estimates Committee had drawn attention to the need for a Master Plan for the project. This is yet to be drawn up; a revised project report prepared in 1962 is still awaiting Government's approval, pending formulation of the Master Plan. It is regrettable that Government have so far shelved action on the preparation of a long-term plan for the project. In the Committee's opinion, this does not brook further delay. The Committee would like immediate action to

be taken by Government to draw up such a plan, in the light of objectives which should be clearly spelled out. The plan should also assess the estimated outlay for the completion of the project, on the basis of definite targets, and should be placed before Parliament along with the demands for grants when next presented. While drawing up the Plan, Government may take note of two factors which have a bearing on the scope of the scheme.

- (i) the extent to which further reclamation is necessary, based on a careful assessment of families now awaiting resettlement and the prospects of these families being persuaded to move to the project site;
- (ii) the extent to which land suitable for reclamation is likely to be available, taking into account the unwillingness of the States to part with such lands and the fact that a good proportion of land made available in the past has been found after survey to be unsuitable for reclamation.

[Serial No. 2—Para 1.25 of Appendix to 118th Report
(Fourth Lok Sabha)]

Action Taken

While Government recognise the need for the preparation of a long-term plan for the Dandakaranya Project as suggested by the Committee, they would like to state that, for the reasons given below, it is extremely difficult to do this in the present circumstances:

- (i) In the year 1964, there was a very heavy influx all of a sudden from East Pakistan. This influx gradually died down after the middle of 1965. Last year the position was that the number of families available for resettlement and who were prepared to move to Dandakaranya had gone down considerably. It was at that time contemplated that it might be necessary to wind up the programme in Dandakaranya in the first three years of the Fourth Five Year Plan. However, since the beginning of the current year, there were signs of an increase in the influx from East Pakistan which gathered momentum in the summer months. From January 1970, nearly 2.5 lakh persons have arrived from East Pakistan. It cannot be said at present as to how many more will come. Out of the new influx, Government decided to send 10,000 families, i.e., about 50,000 persons to Dandakaranya. It will thus be observed that the position now is completely different from what it was last year. In such circumstances, it is diffi-

cult to foresee the future requirements and to prepare any reasonable plan of operations in Dandakaranya.

- (ii) Agricultural land is not easy to find in the country and particularly in Dandakaranya at this stage of its development. The State Governments of Madhya Pradesh and Orissa have been requested to release more land for the resettlement of East Pakistan refugees in the Dandakaranya area but the response so far has not been very encouraging. The matter is, however, being pursued further with these Governments but it cannot be said at present as to how much land will be made available by them for the resettlement of East Pakistan migrants in Dandakaranya and when. As such, it is not possible for the project authorities to assess the extent of land which would be available and the extent to which further reclamation of such land would be necessary.

2. In these circumstances, it is hoped that the Committee would kindly appreciate the difficulty in the preparation of a plan of action for Dandakaranya which could be placed before Parliament along with the Demands for Grants when next presented. Such a plan can be prepared by the Dandakaranya Project only after the picture regarding further releases of land by the two State Governments becomes clear and a final decision is also taken regarding the ultimate number of families to be resettled in Dandakaranya. Steps for the preparation of a plan of action will be taken as soon as the position becomes clear.

3. It may, also, be mentioned in this connection that, in consultation with the Ministry of Health, Family Planning, Works, Housing and Urban Development, certain steps have been taken for the preparation of a Master Plan for the Dandakaranya area as a sub-region of the South-East Resource Region.

4. The Town & Country Planning Organisation of the Ministry of Health, Family Planning, Works, Housing & Urban Development are, at the moment, preparing a Regional Development Plan for the South East Resource Region as a whole as also a broad framework for the development of the region within which the sub-regional plans could be drawn up. Dandakaranya is a sub-region of the South East Resource Region for which a detailed plan for development is within its scope.

5. The Town & Country Planning Organisation, in consultation with the Planning Commission, have agreed that the Dandakaranya sub-region should be taken up in the first instance. Some preliminary work on the Dandakaranya sub-region has already been done.

6. It is understood that the Town & Country Planning Organisation would be able to prepare an interim report, at their earliest.

[Deptt. of Rehabilitation O.M. No. 16(5)/70-DNK dated 7-12-1970]

Recommendation

The Committee observe that against an expenditure of Rs. 6,000 which was contemplated for resettlement per family the actual expenditure has amounted to more than double, *i.e.* Rs. 12,610 per family. Even this does not represent the final expenditure as it has been indicated that it is likely to go up further, when some of the families at the project are fully resettled.

[Serial No. 3—Para 1.30 of Appendix to 118th Report (Fourth Lok Sabha)]

While Government have stated that the increase in expenditure was inevitable due to the rise in prices that occurred since 1958-59, the Committee would like to point out that no systematic effort was made to control the expenditure on the various schemes for resettlement. On land reclamation, for instance, the per capita expenditure amounted to Rs. 3,152 as against Rs. 1,917 originally contemplated. Elsewhere in this Report, mention had been made of large areas of land given up as unsuitable for reclamation after surveys and to the fact that a substantial part of land reclaimed remained un-allotted. It is obvious that both these factors substantially pushed up costs. Other schemes, where expenditure substantially over-shot estimates, were those connected with provision of industries in the project area and operation of trucks. The Committee have referred later in this Report to substantial losses incurred on both these schemes and to the fact that even proper proforma accounts were not maintained by the Administration. It is evident, therefore, that systematic attempts were not made to evaluate the working of these schemes. It would also appear that no control was maintained on loans and grants to displaced persons. These two components of cost pushed up the expenditure on resettlement by as much as Rs. 2,213 per capita.

[Serial No. 4—Para 1.31 of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The estimates made in the preliminary Project Report were tentative. According to these estimates 12,000 families were proposed to be resettled at a cost of Rs. 712.30 lakhs. The estimated expenditure of

Rs. 6,000 per family had been arrived at on the basis of these tentative estimates as regards the number of families and financial outlay.

Subsequent to the preparation of the preliminary Project Report, it was brought to the notice of the Rehabilitation Committee of the Cabinet in December, 1961, that against the financial allocation of Rs. 17.70 crores, approximately, 7,450 families would be settled in the first phase of the scheme. The actual provision in the estimates for reclamation, housing etc., was only for 9,000 families including tribals. Making allowance for 25% tribal families, the number of D.P. families which could be resettled with an outlay of Rs. 712.30 lakhs (excluding cost of general development and residual value of assets from the total allocation of Rs. 17.70 crores) would be about 7,000. On this basis, the estimated expenditure per family would work out to be approximately Rs. 10,000. Therefore the figure of Rs. 10,000 and not Rs. 6,000 should be taken for purposes of comparison with the actual cost of rehabilitation.

Considering:

- (i) the increase in the price level in the years during which the resettlement took place;
- (ii) the fact that some of the outlay related to the families which deserted the project after enjoying the rehabilitation benefits for sometime; and
- (iii) a proportionately larger number of agriculturist families, the per capita cost of resettlement of which is higher than that of non-agriculturist family, were resettled;

the variation between the estimated and actual average expenditure appears to be reasonable.

[Deptt. of Rehabilitation O.M. No. 16(5)/70 DNK dated 5-12-1970]

Recommendation

The Committee also note that in a number of cases lands initially allotted to the settlers were found unsuitable and that the allottees had to be given other lands in exchange. The data furnished to the Committee shows that as many as 1847 families complained about the quality of land allotted and that new lands were allotted to 1773 out of them. This constitutes more than a tenth of the number of families settled in the project. It is obvious that the reclamation work in all these cases was not satisfactory.

[Serial No. 10—Para 1.44 of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

Land for reclamation was selected on the basis of a sample survey to determine its suitability for agricultural purposes. Such a survey could not guarantee cent per cent suitability. It may be mentioned here that the total area reclaimed upto June, 1969 was 1,25,089 acres, out of which land found unsuitable for agriculture was 3,840 acres, that is about 3% of the total area reclaimed.

The Public Accounts Committee seems to have drawn its conclusions on the basis of the number of families which complained about the quality of land and not with reference to the actual area found unsuitable. Usually complaints were only about a portion of the land and in the cases of the above 1847 families, it would be seen that the complaints on an average were about 2 acres out of 6 acres of lands, allotted.

[Deptt. of Rehabilitation O.M. No. 16(5)/70 DNK dated 5-12-1970.]

Recommendation

While the objectives of the follow-up cultivation scheme was unexceptionable, the Committee feel that the scheme was not efficiently executed. Between 1960 and 1966, 12,316 acres of reclaimed land were brought under the scheme. Complete data is not available about the produce obtained, but from such information as Government have furnished on this point (which is reproduced at page 48 of this Report) it is obvious that the yield from land was negligible. The scheme was intended to maintain the reclaimed lands in a cultivable condition pending allotment to the settlers. This it largely failed to achieve, as in a number of cases (precise data not available with project authorities) land brought under the scheme had to be reharrowed again at the time of allotment to the settlers.

[Serial No. 11—Para 1.51—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The main purpose of the follow-up cultivation scheme was to check soil erosion and stop jungle growth. It was stipulated that land under follow-up cultivation should not be reharrowed. There might have been only marginal cases of reharrowing of some land which might have been under follow-up cultivation. Further, irrespective of the yield obtained by covering the area under green manuring crops etc. the main purpose of checking soil erosion was achieved.

[Deptt. of Rehabilitation O.M. No. 16(5)/70 DNK dated 5-12-1970.]

Recommendation

The Committee note from the information furnished by Audit that credit sales to the extent of Rs. 6.34 lakhs were made under the consumer goods scheme and that full details of these are not available. It has been stated that the case has been referred to Government for regularisation. It should be examined on what authority these sales were permitted and whether there have been leakage. Appropriate action should be taken thereafter.

[Serial No. 29—Para 1.123—of Appendix to 118th Report (Fourth Lok Sabha)].

Action Taken

It has been observed on an examination of the matter that Credit Sales had to be resorted to by the Zonal Officers to relieve distress and in other emergent situations in the Zones. In many cases, such Credit Sales were made with the due permission of the Chairman/Chief Administrator etc., while in other cases such permission was not obtained. However, the sales were always made for alleviating distress.

Of Rs. 6.34 lakhs shown as Credit sales upto 31-3-1967, the actual outstandings worked out to Rs. 6,00,946. This includes a sum of Rs. 2,69,163 in the shape of supply of foodgrains to Permanent liability/Dis-tressed families. This amount will have to be written off by Government.

In addition, recoveries have been made in different years totalling Rs. 78,000 approximately. The upto-date figures from all the Zones have not yet become available.

[Deptt. of Rehabilitation O.M. No. 16(5)/70 DNK dated 5-12-1970].

Recommendation

The Committee feel that the construction of Bhaskal Dam, on which over Rs. 1 crore has been spent (exact expenditure still to be worked out by the project authorities), was undertaken without adequate investigation, though the Committee do not wish to question the utility of the project.

[Serial No. 45—Para 1.172—of Appendix to 118th Report (Fourth Lok Sabha)]

In the first place the project authorities did not ascertain to what extent there was scope for using the irrigation potential that would become available. The result of this has been a substantial waste of water available for irrigation. The maximum area irrigated by the project during any of

the three years ending 1968-69 was 5,457 acres as against its capacity to irrigate 16,500 acres annually. Further utilisation of the potential would have to await development of irrigable lands by adivasis "who have yet to prepare their fields by bunding levelling etc. and make them suitable for irrigation." It has also been reported that "in many instances clearance of shrub jungle is yet to be done" and that the irrigable area "is sparsely populated." As early as 1966, Government had informed the Estimates Committee that steps are being taken to construct water-courses to maximise utilisation of water but even the estimates for this work are yet to be worked out.

[Serial No. 46—Para 1.173—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

(a) The utilisation of the irrigation potential of any scheme depends on many factors such as (1) density of population; (2) development of land; (3) economic conditions of peasantry; (4) agronomic measures etc.

The Dandakaranya Development Authority operates in the areas where tribal population is maximum when considered with the All India average. In the Project Report of the Bhaskal Dam estimate sanctioned by the Ministry of Rehabilitation in their No. 2(25)/DNK/59 dated 20-1-1962 it has been detailed in the history of the report that the density of the population in the area proposed to be irrigated is very low and majority of the people are Adivasis. (It may be remembered that the Adivasis have been kept far from the main stream of progress for quite some centuries and it can be very well stated that their conditions, outlook and the way of earning their livelihood are most primitive when compared with other population in India.) This scheme was prepared for the over-all development of the area, agriculturally, industrially, socially and economically. This was also in line with the objective for which the Dandakaranya Development Authority was constituted in 1958 (relevant extracts taken from the Estimate Committee 1964-65 is appended as Annexure 'A').

Low density of population is generally obtained in scarcity and famine areas where the land is not able to maintain peasants. Peasants, therefore, adopt migratory attitude. The methods adopted by the Adivasis would, therefore, be not suited to the agricultural practises employed under the irrigated lands and it would be necessary to convert them mostly from migratory dry farmers to a farmer who practices wet farming (irrigated land farming). This change over has to be attained by the Agricultural Extension Practices, Agricultural Farms etc.

Sometimes, mobilisation of agricultural labour from neighbouring States or from one part of the State to another part is also adopted, as was done in the case of Sukkur Barrage Canal developed in pre-independence period. This has also been done in the case of Hirakud Canal System where farmers from Andhra area had migrated and had taught farmers in the Sambalpur area the economics and agronomic measures of agriculture under the irrigation systems. However, the Tribal lands in this area are protected under the Tribal Laws to avoid exploitation of tribals by out-siders. Hence, development of the irrigation potential will have to depend primarily on the Tribals who have to change their agricultural practices. Extensive extension work and financing of Tribals will have to be done for the development which is time consuming, and it would be seen from the Annexure 'B' attached that in various irrigation Projects it has taken periods upto 21 years. Even in case of Mettur Reservoir across Cauveri, the irrigation potential had developed after lapse of about 20 years and poor development was attributed to the economic depression. This is also to some extent true with the backward areas in which the dam is located and as such full utilisation of water can not be expected in a short period.

Development of land is also necessary for complete utilisation of irrigation potential which means, (a) removal of forest; (b) removal of mounds; (c) filling up of pits; (d) levelling of land; (e) addition of silt or soil to make the soil fit to receive irrigation; (f) construction of field channels; (g) manuring by chemicals and fertilisers to meet the intensive cropping and improved methods of agriculture. Most of the Tribals do not have necessary capital which will be required to be invested into the land, whereas the settlers land in the command of the Bhaskal dam has been utilised to a large extent. Development of Tribal land is lagging behind in this respect and the short-fall in the utilisation of irrigation is mainly on the tribal land and not on the settler's lands.

The irrigation in the Bhaskal command started in the year 1966 and there has been substantial growth during the last three years as would be seen from Annexure 'C' and with the efforts put in by the Dandakaranya Project, the utilisation of the irrigation potential will grow further.

(b) The estimates have been worked out and work taken up and completed wherever the development of land is complete.

[Deptt. of Rehabilitation O.M. No. 16(5)/70-DNK dated 5-12-1970].

Annexure 'A'

Extract of Para 128(i) Umerkote (Bhaskal Dam) of Estimates Committee (1964-65) Seventy-Second Report (Third Lok Sabha), New Delhi.

128. It is stated that the Bhaskal Dam Scheme was approved by the Dandakaranya Development Authority in September, 1959. After the technical approval of the Central Water and Power Commission the scheme was approved by the Government of India in May, 1960. It has been stated that the construction of the Project fits in with the scheduled objective of Dandakaranya Development Authority. *i.e.*, resettlement of displaced persons from East Pakistan and the general development of the area with special reference to the tribal population as outlined in the Government of India Resolution dated 12th September, 1958 creating the Dandakaranya Development Authority.

Annexure 'B'

Extract of paras from Engineers Seminars (Third) of C.W. & P.C. Third (Vol. II), Srinagar from 16th to 18th July, 1955.

Measures of accelerate utilisation of Water for Irrigation (by Sri M.G. Heiannaudari)

Page : 233 :

DENSITY OF POPULATION

The progress of irrigation in sparsely populated area does not generally keep pace with the programme of development on account of the increased requirements of labour live-stock and capital. Some concessions with a view to induce labour to migrate to such areas are necessary to encourage development. Measures to mobilise and move agricultural labour from neighbouring States or from one part of the State to another along with inducements to facilitate such an exodus should, therefore, form an essential part of a scheme proposed to be executed in a thinly populated area if the anticipations from such a project are expected to be realised.

Page : 249 :

CAUVERY METTUR PROJECT

The Mettur Reservoir formed by a dam across the Cauvery at Mettur is intended not only to send down a regular and adequate supply to the existing delta but also to irrigate a new area of 3,01,000 acres adjacent to it by means of a new canal known as the Grand Anicut Canal. In 1933-34 the system was opened to irrigate 11,93,000 acres and in 1934-35 an area of 2,20,000 acres. In the next year the full area was thrown open. The pace of development, however, was not encouraging. It is indicated below:

1933-34	25,982 Acres
1934-35	82,440 "
1935-36	1,01,375 "
1936-37	1,24,594 "
1937-38	1,14,834 "
1938-39	1,58,335 "
1939-40	1,58,511 "
1940-41	1,77,213 "
1941-42	1,88,106 "
1942-43	2,00,048 "

The poor development was attributed to economic depression and the whole area lying in Zamin and Inam tracts. It was also due to the reason that a portion of the ayacut land was of high level, had some jungle or was saline. Further the ryots at first were not hopeful of assured and continued supply in the channel and so hesitated to launch on large scale cultivation. Then they saw plentiful supplies being maintained throughout the season, even in a bad year they began to evince keen interest.

* * *

Srinagar 23rd to 25th June, 1958 (Volume-I).

Page-38:—5.0 Measures to accelerate utilisation of Irrigation Waters :

5.2.3. Preliminary Report on measures to Accelerate utilisation of Irrigation Waters (by Shri U.N. Mahida).

The experiences of First and Second five year plans have shown that water facilities provided for irrigation have not been adequately utilised while it is recognised that a certain time lag between creation of facilities and their utilisation is inevitable the rate of development of irrigation has been unduly slow.

It is pointed out that unlike construction works, the pace of development of agriculture cannot be correspondingly accelerated by a steady flow of funds, materials and labour or by mechanisation and that need for realistic appraisal of agricultural targets is necessary.

The causes for the lack of achievement of targets have been dealt at length and the conditions which are generally hampering the speedy development of irrigation have been attributed to the existence of partially inhabited regions in the areas commanded by irrigation canals, poverty of ryots, low prices of agricultural products, lack of knowledge necessary for changing over from a system of dry farming to that of irrigated agriculture, high water rates, ignorance of the crop pattern, lack of adequate transport facilities and enlightened publicity.

* * *

Page 12 : Appraisal of utilisation of irrigation waters

(by Dr. K.L. Rao).

2. Estimation of Irrigation Potential

One of the reasons for the present controversy is in the estimation of irrigation potential itself. The irrigation potential created as a result of the partial or full completion of the first plan projects has been worked from the reports from the various States by the Planning Commission. These reports are not prepared on a basis comparable from State to State. The word 'potential' itself does not seem to have been understood very clearly. This has led

to an estimation which is different at different times. The definition of potential adopted here is "the area of the land which can be irrigated on completion or partial completion of the projects *i.e.* the area for which water is provided either by diversion from the river or from storage and also for which the canal system is complete". Thus on Bhakra project, canals are ready for taking water for the entire area commanded but Bhakra Dam is not built up as yet and there is no storage and therefore the potential is limited to what is possible by the existing supplies available in the river which vary from year to year. For example, in Rajasthan portion the potential taken by the Planning Commission Officers for the Bhakra System is 0.57 million acres whereas the water that can be supplied at present without Bhakra Storage is only for 0.15 million acres, giving a difference of 0.42 million acres in irrigation potential. Similarly in Kakrapar project the weir is complete and it is possible to divert water but distributaries from the main canal structures are not complete and, therefore, the potential that is taken for purpose of calculation is only the area for which the canal system is ready. This potential is called for clarification as the "effective potential". The effective potential available in the different States compiled by the CW and PC is shown in the enclosed Statement--J.

The irrigation potential worked by the Planning Commission to the end of March, 1956 is 5.3 million acres and utilisation 3 million acres against CWPC's estimation of 4.7 million acres in effective potential and 2.9 million acres in utilisations. This excludes in both cases, for the potential and utilisation, the figures for tubewells and minor schemes which were included in the 1st Plan in major irrigation sector but are now, deleted as these are dealt with by the Ministry of Agriculture. It is of interest to note that while utilisation figures are nearly the same there is a difference in the potential estimation due to the reasons mentioned above.

3. Pace of Irrigation Development

It is pertinent to review the development of irrigation under some of the canal systems constructed during the first half of this century in India. In the case of Pravara canals constructed in 1926, of 57,000 acres the area irrigated during the first ten years was only 50 per cent. In the Sardar canal constructed about the same time, the area irrigated in the first ten years was about 50 per cent. In Mettur Project, the area irrigated even after 20 years was not more than 70 per cent. Similar state of affairs is seen in Ken canal and Neera canals.

Even in the advanced countries like U.S.A. it takes time for the irrigation potential created to be utilised. Thus Mr. Nelson of U.S. Bureau of Reclamation observes in "Water and Our Future"—"Irrigation Projects

are not built, settled and brought into full production overnight. The time required ranges from 2 years to 20 years and even longer". The pattern of development in some of the projects in U.S.A. is given below:—

S. No.	Name of Project	Total irrigable area million acres.	Development
1.	Salt River (Arizona)	0.213	Full development, 6 years after completion project.
2.	Yakima (Washington)	0.262	87 per cent, 12 years after completion of project.
3.	Rio Grande (New Maxico, Texas)	0.155	75 per cent 21 years after completion.
4.	Klamath (Oregon-California)	0.08	83 per cent, 26 years after completion.
5.	Owyhee (Oregon-Idaho)	0.11	92 per cent, 12 years after completion.
6.	Central Valley (California)	0.70 in 1950	67 per cent, 10 years after commencement of irrigation.
7.	Columbia Basin (Washinton)	0.19* in 1954	55 per cent, 6 years after commencement of irrigation.

* The ultimate potential for which reservior provision is made is one ml. acres.

Thus it will be seen that in the past the full irrigation development was taken more than ten years and in some cases even more than 20 years. Realising that much larger amounts of money are being spent on the irrigation projects now than in the past and the great need for as large food production as possible, emphasis has to be given to accelerate the utilisation. There is, however, an optimum period which will be required in any case for the full irrigation development to take place. Under no circumstances will it be possible to utilise completely the irrigation potential immediately. There are inherent difficulties which a practical engineer has to realise. It will take time to test the newly constructed canal system and to ensure that it carries the required amount of water. There will be a number of breaches and these will have to be made good before full supply can be passed. Actual field tests are necessary even with regard to finalisation of some of the outlets, however, carefully the survey might have been made earlier. The farmer himself has to take some time for preparing his field, especially when the dry lands are being converted into the wet and the terrain conditions are such as will require extensive levelling, as in south India. It is not possible to expect the farmer to advance money and lock it up before the water comes in the canals. Besides, this, the farmer has to find money for the purchase of bulls,

mannure, etc. which will require re-adjustment in his financial budgets. It is, therefore, very necessary to realise that after the creation of the potential there would normally be a lag in the utilisation of a minimum period which can be taken as about five years.

Bangalore, 10th to 12th September, 1960 (Volume—I).

Page No. 131 : (Item No. 3—Construction of Water Courses and Steps Necessary to ensure Maximum utilisation of Irrigation facilities.)

3. The irrigation benefits accruing from the first and second plan schemes at the end of the first plan and during the Second Plan are given in the table below:—

BENEFITS FROM IRRIGATION SCHEMES

(Million acres)

End of year	Political at channel outlets for gross irrigation	Utilisation		Percentage worked out by T.O.
		Gross	Net	
1955-56	6.5	3.3	2.9	45
1956-57	7.3	4.1	3.4	47
1957-58	8.1	5.7	4.9	40
1958-59	9.6	6.4	5.9	61
1959-60 (Estimated)	11.7	8.6	7.4	63
1960-61 (Anticipated)	14.0	10.5	9.0	64

STATEMENT—I

Statement of Potential Created and utilisation in Different States by Schemes in the Major and Medium Irrigation Sector

Sl. No.	Name of State	Total ultimate benefit of scheme which have created potential	Potential created to end of March 1956	Utilisation to end of March 1956	% age worked out by T.O.	Potential created to end of March '57	Utilisation to end of March '57	% age worked out by T.O.	Balance potential to end of March 1957	% age worked out by T.O.
(In Million Acres)										
1.	Andhra	0.264	0.088	0.037	42	0.194	0.073	38	0.121	62
2.	Assam	Nil	—	—	—	—	—	—	—	—
3.	Bihar	0.397	0.36	0.231	64	0.361	0.295	82	0.066	18
4.	Bombay	0.827	0.114	0.047	41	0.152	0.069	45	0.083	55
5.	Jammu & Kashmir	0.036	0.036	0.011	31	0.036	0.011	31	0.025	69
6.	Kerala	0.135	0.074	0.074	100	0.090	0.090	100	Nil	—
7.	Madhya Pradesh	0.010	0.010	0.010	100	0.010	0.010	100	Nil	—
8.	Madras	0.303	0.202	0.180	89	0.255	0.208	82	0.047	18
9.	Mysore	1.098	0.128	0.060	47	0.222	0.104	47	0.118	53
10.	Orissa	0.672	Nil	Nil	—	0.189	0.089	100	Nil	—
11.	Punjab	3.853	1.627	1.459	90	1.885	1.803	96	0.082	4
12.	Rajasthan	0.692	0.185	0.185	100	0.197	0.197	100	Nil	59
13.	Uttar Pradesh	1.878	1.531	0.394	26	1.692	0.696	41	0.996	46
14.	West Bengal	2.079	0.339	0.223	67	0.487	0.264	54	0.223	32
		12.224	4.694	2.916	62	5.670	3.909	68	1.761	

NOTE: (1) The above figures do not include potential and utilisation of tubewell schemes and minor schemes included under the head 'other schemes' in the major irrigation sector of 1st Plan.

(2) There is a difference of nearly 6.5 million acres between the ultimate benefits and the potential created to end of March '57. This is mainly due to the major projects such as Bhakra, Hirakud, Kakrapur, D.V.C., Tungbhadra and Mayurakshi which have still a balance of 5.3 million acres to develop.

ANNEXURE 'C'

IRRIGATION ACHIEVEMENTS

BHASKAL DAM

		Adivasi	Settler	Total
1965-66	Rabi	—	63.48	63.48
1966	Khariff	—	Not available	
1966-67	Rabi	436	70	506
1967	Khariff	—	Not available	
1967-68	Rabi	1164	400	1564
1968	Khariff	3000	650	3650
1969	Khariff	3400	600	4000
1968-69	Rabi	1397	410	1807

BHASKAL DAM (RABI-1968-69)

		Adivasi	Settler	Mixed Farm		Total
				Flow	Lift	
(1)	Paddy					
	(i) High Yield	363.55	191.85	30.00	—	587.40
	(ii) Local	93.00	—	—	—	93.00
(2)	Wheat	70.20	46.50	13.00	6.00	135.70
(3)	Maize/Jowar	107.00	84.16	2.50	7.50	201.16
(4)	Vegetables & Others (Ragi Potato, G. Nut Moong, Gram, Mustard, Till, Cane, etc.)	761.45	15.88	—	14.00	791.33
TOTAL		1,347.20	338.39	45.60	27.501	808.59

Recommendation

In the second place, the bulk of the area that the project can irrigate (14,850 out of 16,000 acres) constitutes non-settlers land on which the Dandakaranya Development Authority has not settled any families. Faced with this situation, the project authorities are obliged, in order to maximise use of water, to undertake construction of water courses on these land also—an item of work that, in the Committee's opinion, belongs to the State Irrigation Department and not the Dandakaranya project. This illustrates the point made by the Committee earlier in this Report that the project authorities are undertaking work for outside their scope.

[Serial No. 47-Para 1.174-of Appendix to 118th Report (Fourth Lok Sabha)].

ACTION TAKEN

The Dandakaranya Development Authority was constituted by a Resolution expressing an effective and expeditious execution of the schemes to resettle displaced persons from East Pakistan in Dandakaranya and for the integrated development of this area, with particular regard to the promotion of the interests of the area's tribal population. During the year 1965, the matter regarding agency for construction of water courses came up for discussion as the Bhaskal dam was going to be completed in the near future. The State Government of Orissa was approached for construction of the water courses for non-settlers. The matter was further discussed in the office of Secretary, Department of Rehabilitation on 14th December, 1965 when it was decided that the State Government should construct the water courses through their Rural Engineering Organisation. If the Orissa Government could not agree to execute the work in time, the Dandakaranya Development Authority could execute the work both for settlers and non-settlers' lands and the State Government could be asked to bear the cost. It was also decided that if the State Government of Orissa did not agree even to this proposal, the work could be taken up by the Dandakaranya Development Authority and cost of construction added to the main dam. The matter was also discussed at the 32nd meeting of the Dandakaranya Development Authority wherein it was desired that the State Government should be approached to construct the water courses for non-settlers land or authorise the D.D.A. to take up the work within the frame work of the law. The Government of Orissa, in Health (LSG) Department, requested the Dandakaranya Development Authority to complete the dam in every respect including the water-courses and pass on the same to the State Government enabling them to levy water charges from the beneficiaries. The matter was further discussed at Bhubaneswar during March, 1966 between the Secretary, Department of Rehabilitation and the Chief Secretary, Government of Orissa and it was agreed that the Dandakaranya Development Authority would construct the water courses as a part of dam work. The D.D.A. at its 33rd meeting decided that the cost of the water courses should be included in the dam cost and revised estimate sent to the Government of India for sanction.

Thus it is evident from the above that the water courses for the non-settlers' lands in the Ayacut of the Bhaskal dam have been constructed only after getting authorisation from the Department of Rehabilitation and also the D.D.A. and in consultation with the State Government. The Dandakaranya Development Authority has also undertaken similar works for general development of the tribals as the aims and objects of the D.D.A. are to expedite the execution of the various schemes for the area development for resettlement of the displaced persons and also improvement of the economic conditions of the local tribals. Further the site for construction of such a medium

irrigation Project entirely depends on technical considerations and can not be linked up with the benefits to accrue exclusively to settlers. Non-construction of water courses for non-settlers lands would have meant a national waste as the dam waters could not have been utilised and the tribals are too poor to have taken up and completed this work.

In view of this, construction of water courses by the Dandakaranya development Authority for the non-settlers lands (done with the prior approval of the appropriate authority) is not to be treated as work outside the scope of the Dandakaranya Development Authority.

[Deptt. of Rehabilitation O.M. No. 16(5)/70-DNK dated 21-11-1970].

CHAPTER IV

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

Recommendation

“The Committee observe that the tractors acquired by the Project for the purpose of reclamation work are grossly under-utilised. During the period 1961-62 to 1968-69, these tractors remained idle for 2.68 lakhs hours over and above the permissible idling time. The loss on this account computed at the rate of Rs. 18 per idle hour worked out by the Department amounts to Rs. 48.24 lakhs.”

[Serial No. 20-Para 1.75 (-) of appendix 118th Report (Fourth Lok Sabha)].

Action Taken

On reconciliation of figures with A.G., Orissa, the idle hours for the RRO from 1961-62 to 1968-69 come to 1,99,909 say 2.00 lakhs instead of 2.68 lakhs as originally mentioned. A revised statement giving the details of idle hours is enclosed as Appendix 'A'. The Committee has already been informed that while certain reasons for idling are of the nature which can be controlled, if not eliminated, the idle hours due to certain other reasons are beyond control. Therefore, it would be necessary for us to exhibit the loss under two heads namely 'avoidable' and 'unavoidable' loss. On this basis, the break up of 1,99,909 hours would be as under:—

(i) Avoidable reasons—	1,45,100
(ii) Unavoidable reasons—	54,809

TOTAL : 1,99,909

The reasons for the 'avoidable' loss on account of idleness are as under :

- (i) due to mechanical breakdowns over and above the permissible norm;
- (ii) due to want of land;
- (iii) due to want of POL.

Every effort is being made by this Organisation to reduce the losses on these accounts to the barest minimum but it is not possible to completely eliminate them. In spite of best efforts, many times it would not be possible to avoid the loss due to one reason or the other. For example, as the age of the machines increases, the breakdowns also proportionately increase and many times some unforeseen breakdowns also occur for which we have to spend a considerable time in procuring spares to repair the tractors and re-commission the same.

The various process involved between the period of initial planning of the reclamation of land and the actual start of reclamation operations by the tractors have already been explained in great detail to the Committee. If a fortuitous hitch in the release of land at the last minute led to the idling of the tractors due to want of land, in such circumstances, idling could not be avoided, in spite of the best planning and efforts by the D.D.A. as well as the concerned State Government. Coming to the loss due to non-availability of POL at times, it is intimated that out of 5,361 hours on this account about 3,000 hours were lost in respect of the tractors working in Andaman Islands alone due to some shipping difficulties of POL from the mainland to Andaman Islands and the shifting of the same from one island to another in Andaman Island. Further, on the mainland, the tractors are working in the interior forest areas where no transport facilities are available and during certain peak periods of the season, there was acute shortage of POL all over the country and the loss on this score could not be avoided. Because of these reasons and unforeseen breakdown on the POL tankers on the way, sometimes there may be some slight delay in the POL tankers reaching the work-site in the interior forest, thus, starving the tractors of POL and resulting in idleness. As may be seen from the figures, the loss on this account is very negligible, as about 5,000 hours were lost over a period of eight years, particularly in view of the odd circumstances in which the RRO tractors are to work.

The reasons for unavoidable loss on account of idleness are as under:-

- (i) Rains;
- (ii) Shifting from patch to patch;
- (iii) Mounting or changing of heavy land clearing equipment;
- (iv) Boggy area;
- (v) Presence of large number of lengthy and thorny creepers and canes, particularly in Andaman islands.
- (vi) Menace of wild animals like elephants etc. etc.

It would be readily agreed that the losses on account of the above reasons are definitely unavoidable as no one has got any control over the rains,

menace of wild beasts, boggy area, growth of creepers and canes etc. etc. Infact, it would be more appropriate if these hours are excluded from the normal expected time *viz.* potential hours available for the tractors during a season. This cannot be treated as 'loss' to the Government of India due to the said reasons.

As regards computing the expenditure incurred in the idling of the tractors, it is felt that the expenditure incurred on 1,45,100 hours only being of avoidable nature should be taken into account for obvious reasons. Accordingly, the amount involved on this account works out to Rs. 26.12 lakhs. From this figure, a deduction of Rs. 4 lakhs is to be made representing the recoveries from the State Governments on account of idling of tractors due to their inability of providing work in time. Accordingly, the net loss on account of the idling of the tractors for the Organisation works out to Rs. 22.12 lakhs or say Rs. 22 lakhs.

In view of the foregoing details, the Committee may kindly treat Rs. 22 lakhs as loss over a period of eight seasons.

The Committee have observed that the tractors acquired by the Project for purpose of reclamation work are 'grossly'? under-utilised. In this connection, it would be worthwhile to mention for information of the members of the PAC, some details about the circumstances under which men and machinery clear the jungle. The area being undeveloped, transport and communications are meagre. Transport of heavy machinery like tractors poses special problems since the National and State Highways are interspersed with a large number of wooden bridges and culverts. Further, for proper maintenance and servicing of machinery, continuous supply of various brands of oils, lubricants and spare parts are required. The nearest rail heads from which these facilities can be had are situated at quite far off places and it is, therefore, a strenuous task to keep the machines running under such odd circumstances.

The living conditions in the field for both officers and staff are also not satisfactory. Since it is the reclamation staff, who are first to enter the interior area for taking up the work where both accommodation and water facilities are scarce, they have to face great hazards and hardships. Despite all such difficulties, sustained efforts are continued to be made both by the officers and staff of RRO to achieve the maximum output of work. Under these circumstances, it would be necessary for us to give some consideration to the forced loss of hours. From the loss of hours, it may be seen that maximum hours are lost due to non-availability of lands in time for reclamation. This loss has mainly occurred in respect of the tractors deployed in Dandakaranya area. For the information of the Committee, the procedure generally followed by DNK. Project with regard to the release of land has been briefly

mentioned at appendix 'B'. From the details given therein, it would be seen that not only the release of lands for reclamation by the State Government is a laborious process, there is a considerable time-lag between the date of initial release of land by the State Government and the date on which RRO is actually allowed to take up the reclamation operations. Needless to say that the State Government and their Forest Departments have difficulties of their own in completing this process and at times serious delays in final release of the area to be reclaimed are inevitable. No doubt the DDA and RRO do continuously pursue the matter with the State authorities for the timely release of lands and the extraction of the valuable timber, instances are not wanting when inspite of these efforts, there have been avoidable delay in this regard.

In terms of percentage, the loss of hours due to avoidable reasons comes to 8.9% when compared to the potential hours available for work. In view of the foregoing details about the conditions under which the jungle is cleared and the laborious process involved in the actual release of land, the percentage of loss over a period of eight seasons is rather within the acceptable limit, if not considered as negligible. As such, it may not be correct to conclude that the tractors were grossly under-utilised, and the Committee are requested to kindly reconsider their observations.

[Deptt. of Rehabilitation O. M. No. 5(5)/70-RH-III dated 30-11-1970].

'APPENDIX A'

Statement Showing the details of idle Hours in R.R.O. Year-wise Since 1961-62

Sl. No.	Details	Working Season								Total
		1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	
1	2	3	4	5	6	7	8	9	10	11
1.	<i>Mechanical Breakdowns:</i>									
	(a) Hours allowed for breakdowns.	52,709	51,205	29,906	49,014	57,537	51,210	40,396	36,114	3,68,091
	(b) Actual number of hours under breakdown	33,620	23,308	18,367	41,626	72,430	61,398	52,721	38,498	3,50,968
	(c) Excess (+) over saving (-) out of (a)	(-)19,089	(-)13,897	(-)11,539	(-)73,88	(+)14,893	(+)10,188	(+)12,325	(+)23,84	(-)17,123
2.	Want of land	1,073	42,485	28,137	31,821	21,484	5,540	20,894	5,428	1,56,862
3.	Want of P.O.L.	—	—	—	1,719	582	2,953	95	12	5,361
4.	Rains strictly speaking there are not idle hours, but amount to reduced potential hours)	1,378	3,828	—	2,927	2,047	5,848	7,800	2,154	25,982
5.	Shifting	—	6,844	—	—	—	5,591	—	—	12,435
6.	Others	3,690	2,448	1,316	891	1,509	1,038	2,169	3,331	16,392
7.	Total: (1(c) +2 +3 +4 +5 +6.	(-)12,948	36,708	17,914	29,970	40,515	31,158	43,283	13,309	1,99,909

APPENDIX B

Procedure generally followed in regard to the release of land for clearance

1. Since the activities of the Dandakaranya Project at present are confined to the States of Orissa and Madhya Pradesh, the estimated requirements of land depending upon the number of families of displaced persons to be resettled are worked out by the DDA well in advance and the same are intimated to the two State Governments.

2. As soon as the preliminary approval of the State Government for the release of land is received, a joint reconnaissance survey by the DDA authorities and the State Officials is carried out with a view to ascertain the extent and suitability of the areas proposed to be released.

3. After the reconnaissance survey, a formal application for the release of the areas in question is made by the DDA to the State Government concerned.

4. On receipt of the applications, the State Government concerned usually consult their Revenue and the Forest Departments and unless there is any serious objection to the release of any areas, all land considered suitable on the basis of the reconnaissance survey is generally made available to the DDA for reclamation and Resettlement.

5. As reconnaissance survey is just a general visual inspection of the areas, it does not constitute a detailed soil or other survey. In order, therefore, to avoid any infructuous expenditure being incurred on reclamation of lands which are unsuitable for agriculture, a detailed soil survey by the Agriculture Department of the DDA is absolutely essential. As a result of this survey, it has generally been found that hardly 40 to 50% lands only are really suitable for agricultural purposes. All such areas and those found unfit are, therefore, suitably mapped.

6. It is only after the completion of the detailed soil survey that the details of the areas proposed to be reclaimed are finally indicated to the State authorities to enable them to arrange for the extraction of salable timber through their Forest Department. The areas not found suitable for reclamation revert to the State-Govt.

7. Even though the lands in question are released by the State Government much earlier, the Units of the Reclamation Organisation are allowed to enter these only after the State Forest Department have completed the extraction of salable timber.

Recommendation

“The Committee noted the fact that these tractors were idle due to factors like mechanical breakdown (50,720 hours), want of land (1.57 lakhs hours), rains (25,982 hours) etc. It would be observed that want of adequate land for reclamation was the major factor. As this was a recurring difficulty, year after year, the committee consider that the Project authorities should have in all prudence taken steps to transfer atleast part of the fleet to other Organisations like the C.P.W.D. where they could have been put to better use. The Committee would like an assessment to be made to ascertain, in the light of long-term requirements of the project, what would be the number of tractors the Project would really need and to transfer the balance to other needy Organisation.”

[Serial No. 21-Para 1.76(-) of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

It is a fact that there was a loss of hours for want of land which is the largest single factor towards the idling of tractors for the period from 1961 to 1969. In flux of Refugee into this country is an issue which is primarily controlled by the political situations or the Governments of other countries, and Government of India has no control over such a situation. For example the problem of immigration of minorities from Pakistan has been going on since 1947. Some years the influx is very heavy; then there is a fall for a period of 2-3 years and then again the influx is on the increase. Similar have been the cases of repatriates from Burma, Ceylon and Africa. Refugees have also come to India in large numbers from Tibet. It is felt that no Government engaged in the rehabilitation of suffering humanity can foresee the requirement of lands when it has no control on the influx of refugees. The problem of resettling of refugees is a human one which should not be viewed purely from economic angle.

It may further be brought to the kind notice of the P.A.C. that it was not practical and desirable from various aspects to reduce the number of tractors in this Organisation as and when the requirement of lands went down and again to increase the number of tractors suddenly when the requirement went up. It may be possible at times to dispose of the surplus capacity but it may not be possible to build up the Organisation overnight when the need re-occurs at a very short notice. Disposal by transferring the machinery to other Government Departments for a dull period would have caused much more loss to the Government than the loss the State suffered due to idle hours of the tractors. Most of the tractors even uptill date are imported from various countries like Japan, U.S.A., France

etc. which normally require a long delivery schedule besides the Foreign Exchange problem and it would not have been possible to raise a substantial number of tractor Units in a limited period when the emergency re-arose.

Whenever there is any surplus capacity in this Organisation, we are exploring the possibility of diverting our resources on agency basis with various State Governments. Such an arrangement helps in avoiding any loss to the Government by idling of the tractors which are not otherwise productive. Such works are undertaken mainly on 'no profit no loss' basis. At present, four Units of this Organisation are deployed on works of various State Governments saving them the cost of capital equipment, thus ensuring better utilisation of the expensive machinery in the country and contributing towards the developmental activities of the country.

It may also be mentioned for the information of PAC that we had already approached the various State Governments and also the Departments of the Government of India for taking over of these tractors, but we were unsuccessful as our tractors are of an old model while the Organisation whom we approached can procure new models. Our action to deploy some of our Units for work in States on agency basis was thus the best that could be taken in terms of the recommendations of the P.A.C. so as to prevent their idling. Also this course leaves the Organisation in a position to deal with the problem of a sudden influx from Pakistan as at present.

It may be further mentioned that on the basis of workload for the Units for the next three years, there will be work for all the effective $11\frac{1}{2}$ Units held by this Organisation. In any case, any premature scrapping of tractors can only involve the Organisation in a very heavy loss to Government on account of capital assets. The situation which has been caused by the recent impact of influx of migrants from East Pakistan is well known and it would be an inopportune moment to curtail any existing capacity of the Organisation for reclamation work for rehabilitation.

[Deptt. of Rehabilitation O. M. No. 5(5)/70-RH-III dated 30-11-1970].

Recommendation

The Committee feel that a thorough investigation into this transaction is called for. 62 Power-tillers costing Rs. 3.29 lakhs purchased for the project have been found defective. The orders were placed despite an unfavourable report on the performance of these tillers received from the Indian Agricultural Research Institute which was not taken notice of. Government have stated

that the matter is being looked into. The Committee would like the investigation to be speedily completed and the findings intimated to them.

[Serial No. 23—Para 1.93—of Appendix to 118th Report (Fourth Lok Sabha)]

The question of rectification of defects which is stated to be under examination in consultation with the D.G.S. & D. and the firm's representative should also be energetically pursued.

[Serial No. 24—Para 1.94—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

With reference to para 1.93, it is submitted that the report received from the Indian Agricultural Research Institute in January, 1966 (Copy enclosed) had nothing categorical to say regarding the Krishi power tillers and this in fact referred to the performance of the other power tillers which were earlier prototypes of the same Japanese company with whose collaboration the Krishi power tillers were being manufactured at Sanatnagar, Hyderabad.

In pursuance of the recommendation contained in para 1.94, a Committee comprising of Agricultural Adviser, Department of Rehabilitation, Deputy Chief Administrator, Financial Adviser & Chief Accounts Officer, Director of Agriculture & Animal Husbandry and Superintendent (Transport & Workshop), Dandakaranya Project, was constituted to :—

- (i) to enquire into the causes of the non-utilisation of Power Tillers in Dandakaranya;
- (ii) to suggest the desirability and ways and means of putting the Power Tillers in working order; and
- (iii) to suggest measures for full utilisation/disposal of surplus of Power Tillers.

2. A copy of the * Report is enclosed.

3. Action is in hand to declare the Power Tillers surplus, to the requirements of the Dandakaranya Project, to D. G. S. & D.

[Deptt. of Rehabilitation OM No. 16(5)/70-DNK dated 5-12-1970]

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

Recommendation

The Committee have earlier in this Report referred to laxity in financial control in the Project. The fact that proforma accounts have not been drawn up for a number of commercial schemes in operation since 1960-61 indicates how unsatisfactory the position is. The Committee would like the project authorities without further delay to finalise the form of accounts and have them prepared. The Committee have already emphasised the necessity for the expeditious preparation of these accounts in paragraphs 1.21, and 1.30 of their Sixty-Sixth Report (Fourth Lok Sabha). The matter does not brook further delay.

[Serial No. 25—Para 1.98—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The principles of preparation of proforma accounts of various schemes in Dandakaranya have been discussed with Audit in January and July, 1970 and certain decisions have been taken in consultation with them.

The only issue which now remains to be discussed and agreed upon pertains to the calculation of Capital-at-Charge and interest thereon. Audit is of the view that the formula already prescribed should be adopted and Proforma Accounts drawn up. Accountant General, Orissa has, however, appreciated the inconsistency in capitalising the past losses in an Organisation which was not anticipated to make profits in the future to make up for its past losses. He desired that Government should be approached for write off of the cumulative loss of the past years as a way out of the difficulty. The Dandakaranya Project Administration are of the view that the procedure for obtaining Government orders to the writing off of the past losses would take a lot of time and unless these losses are omitted in anticipation of write off orders of the Government, the preparation of Proforma Accounts may be indefinitely delayed. It has, therefore, been desired that Government orders may be issued for reducing past losses from the Capital-at-Charge. Action is already in hand to obtain concurrence of the Ministry of Finance and the Comptroller and Auditor General of India to this procedure.

Pending concurrence of the Ministry of Finance and the Comptroller & Auditor General of India, instructions have been issued for maintenance of Proforma Accounts in the revised proforma.

[Deptt. of Rehabilitation OM No. 16(5)/70-DNK dated 5-12-70]

Recommendation

The Committee are not convinced by the view expressed by the Department that there was no loss on the Truck Operation Scheme. As pointed out by Audit, a consistent principle has not been adopted by the Project Administration in apportioning the expenditure on repairs, replacement and servicing between trucks and other lighter project vehicles. Systematic records of Petrol, Oil and lubricants consumption have also not been kept. Besides, adequate allowance does not also appear to have been made for depreciation of the trucks.

[Serial No. 26—Para 1.115—of Appendix to 118th Report (Fourth Lok Sabha)]

The Committee would like the project authorities to settle in consultation with Audit the principles which should govern the allocation of common items of expenditure and the basis for determination of depreciation, interest charges etc. Based on these, correct proforma accounts for truck operations should be drawn up expeditiously.

[Serial No. 27—Para 1.116—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The principles which should govern the allocation of common items of expenditure and the basis for determination of depreciation, interest charges etc. have been discussed with Audit on the 20th and 21st July, 1970. It has been agreed that depreciation may be calculated at the rates given in Income Tax Rules, 1962, as amended from time to time.

As regards, calculation of capital-at-charge and interest thereon, Audit has appreciated the inconsistency in capitalising the past losses but desired that Government should be approached for write off of the cumulative losses of the past years. The Financial Adviser & Chief Accounts Officer, Dandakaranya Project is of the view that unless the past losses are omitted in anticipation of write off orders of Government the preparation of proforma accounts will be indefinitely delayed. The matter is still under discussion with the Comptroller & Auditor General of India.

In pursuance of the agreement reached, Audit has revised the proforma accounts of the Truck Operation Scheme and has arrived at a net deficit of Rs. 17.18 lakhs (being revised to Rs. 20.20 lakhs) against the earlier figure of Rs. 69.10 lakhs. If the interest charges are calculated after omitting the past losses on the Scheme, the deficit will come to Rs. 7.17 lakhs and *not* Rs. 20.20 lakhs as worked out by Audit.

[Deptt. of Rehabilitation OM No. 16(5)/70-DNK dated 5-12-1970]

Recommendation

Four other points emerging from the date furnished to the Committee need attention : —

- (i) Out of 346 months when 84 trucks remained idle only 143 months pertained to monsoon period. The idleness was thus not confined to monsoon period as claimed by the Department but it covered other period also.

*	*	*	*	*	*
*	*	*	*	*	*

- (iii) 30 trucks have been condemned and another 15 declared surplus (out of the total fleet of 156 trucks). These should be immediately disposed of.

*	*	*	*	*	*
*	*	*	*	*	*

[Serial No. 28—Para 1.117—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

- (i) Details of 84 trucks which are stated to have remained idle have been called for from Audit. Further information will follow.

*	*	*	*	*	*
*	*	*	*	*	*

- (iii) Action for disposal of the condemned trucks is in hand. Approval of Government for condemnation of 23 trucks has already been accorded.

*	*	*	*	*	*
*	*	*	*	*	*

Deptt. of Rehabilitation OM No. 16(5)/70-DNK dated 7-12-1970]

Recommendation

Action should also be taken to control the shortages of foodgrains during transit and storage which in some cases have been as high as 3.10%. For this purpose some norms for godown and handling losses should be fixed so that the project authorities might be able to ascertain whether losses at these stages are more than what should be normal.

[Serial No. 30—Para 1.124—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

Shortages of foodgrains during transit are being progressively brought down by systematic control at each stage.

Regarding norms for godown and handling losses, attempts were made to ascertain such norms, if any, prescribed by the Food Corporation of India and by the Ministry of Food & Agriculture. We were informed by those authorities that no such norms have been fixed by them and each case was to be decided on its merits. However, the question of fixing norms is being examined further with reference to the procedures followed by other organisations handling foodgrains.

[Deptt. of Rehabilitation OM No. 16(5)/70-DNK dated 5-12-1970]

Recommendation

The Committee observe that no details are available with the project authorities in respect of goods worth Rs. 24.30 lakhs shown in the accounts as manufactured under the Industrial Scheme. This amounts to more than a third of the total value of goods manufactured under the scheme according to the accounts *i.e.* Rs. 61.44 lakhs. The matter needs thorough investigation and the Committee would like to be apprised of the results thereof.

[Serial No. 32—Para 1.130—of Appendix to 118th Report (Fourth Lok Sabha)]

The data compiled by Audit shows that this scheme incurred a cumulative loss of Rs. 35.60 lakhs upto end of March, 1967. The project authorities have, however, not accepted these figures, which are stated to be under verification. It is regrettable that the Project authorities did not keep any systematic record of the receipts and outgo under the scheme in which substantial investment took place year after year. The Committee would like the accounts to be overhauled within a period of six months and the correct picture of the working of the scheme to be presented to them.

[Serial No. 33—Para 1.131—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

An Officer of the Department of Rehabilitation has been nominated to conduct investigation regarding the details of the goods worth Rs. 24.30 lakhs shown in the accounts as manufactured under the Industrial Scheme in Dandakaranya. The Enquiry Officer has already visited the Project area twice. A detailed report from him is awaited.

2. It is understood that the discrepancy has been brought down from Rs. 24.30 lakhs to Rs. 2.24 lakhs. Further reconciliation is in progress. A correct picture regarding losses will become available after reconciliation of accounts is carried out fully.

[Deptt. of Rehabilitation OM No. 16(5)/70-DNK dated 5-12-1970]

Further Information

The Officer nominated to conduct investigation regarding the details of the goods worth Rs. 24.30 lakhs shown in the accounts as manufactured under the Industrial Schemes in Dandakaranya has since submitted his Report. A copy of the Report is enclosed.

2. The Enquiry Officer has observed that after taking into consideration the closing stocks, the unaccounted for debits, the double entry of raw materials and the typographical mistake in Audit notes, the discrepancy in the manufacture of goods under the Industrial Schemes in Dandakaranya has further been brought down to Rs. 1.97 lakhs. Further reconciliation is still in progress. The Enquiry Officer has come to the conclusion that there was nothing very seriously wrong with the production of the Industrial Units except that proper care was not taken to keep the accounts up-to-date. Audit is being requested to verify the reconciliation effected so far.

[Deptt. of Rehabilitation OM. No. 16(5)-DNK/70 Pt. dated 20-4-1971]

Recommendation

The Committee note that an avoidable expenditure of Rs. 0.89 lakh was incurred on soling of a road beyond the specified thickness due to excessive purchase of material by the Divisional Officer, contrary to instructions stated to have been given to him. The matter is under enquiry. The Committee would like to be apprised of the outcome thereof.

[Serial No. 51—Para 1.187—of Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

An enquiry has been instituted to :—

- (a) ascertain whether the entire material purchased was fully and properly utilised; and
- (b) to fix responsibility for negligence/wrong doing, if any.

2. The Superintending Engineer (Construction) has been appointed as the Enquiry Officer.

3. Due to the pre-occupation of the Superintending Engineer (Construction) with the emergent works for housing the thousands of families of displaced persons of the recent influx, it has not been possible for him so far to complete the enquiry. He has been asked to expedite the enquiry. The Committee will be apprised of the outcome thereof.

[Deptt. of Rehabilitation OM No. 16(5)/70-DNK dated 5-12-1970]

Recommendation

A sum of Rs. 2.69 lakhs is stated to be pending recovery on account of work done by members of the Dal for various agencies. This should be quickly recovered.

[Sl. No. 53—para 1.199 of—Appendix to 118th Report (Fourth Lok Sabha)]

Action Taken

The question of realisation of outstanding dues on account of work done by Sahkaris is being pursued vigorously with the employing agencies. The Public Accounts Committee will be kept informed about the progress in the realization of outstanding dues.

[Deptt. of Rehabilitation OM No. 6/3/70-SA dated 23-11-1970]

ERA SEZHIYAN,

Chairman,

Public Accounts Committee.

NEW DELHI,

August 31, 1971;

Bhadra 9, 1893(S).

APPENDIX I

No. 40-10/65-AE dated the 10th January, 1966
Division of Agricultural Engineering, IARI, New Delhi-12.

Director,
Directorate of Agri. & A. H.,
Dandakaranya Project,
Kondagaon.

1. With reference to your letter No. DAG/AGR/12-1/Vil. II. 65 dt. 14-10-65, I have the following to state :—

2. We have not tested the Krishi Power tillers being manufactured at Sanatnagar, Hyderabad yet. However, we have kept ourselves informed somewhat, about reports of their general performance as also we have observed trials of the machine. We have got thorough tests of Akitu, R-2 and S-4 which are very similar to the Krishi Power Tiller and are essentially earlier prototypes of the same Japanese Company.

3. The Akitu-2 Power Tiller has great difficulties in working in hard soil and newly reclaimed land. In fact in clay soil which is quite dry, it cannot operate at all without first ploughing the land with a conventional mould-board plough. When the soil is less hard the rotary tillage tends to be very shallow.

4. Our opinion on the rotary tiller in general in the country is that there is too much expenditure on the transmission system for the rotary tiller machinism which may constitute 40 to 50% of the total cost of the machine, whereas a great deal of machine parts as also special steel are required for the shafts and gears as also for the soil working rotary tillage tools. Such an elaborate transmission system would be difficult for the average farmer to operate, most susceptible to costly break down and difficult to repair at the village level in our country. Thus, it would appear *not to be very suitable*, particularly in view of the extreme *foreign exchange shortage* and the difficulty of getting *suitable steels for the soil working tools* within the country and due to lack of subsidiary industries and servicing centres built up upto an adequate level.

5. I regret this delay in answering your letter.

Sd/-
(S. E. ROY)
10-1-66

Head of the division of Agri. Engg.

Report of the Committee on Power Tillers

In their letter No. 7(40)/66-DNK dated November 1, 1969 the Department of Rehabilitation constituted a Committee consisting of the following to go into the question of utilisation of Power Tillers in Dandakaranya and to suggest measures for their full utilisation/disposal if surplus :

- (1) Shri S. R. Roy Agriculture Adviser, Department of Rehabilitation (Chairman)
- (2) Shri Bhupinder Singh, Deputy Chief Administrator, Dandakaranya Project (Member)
- (3) Shri S. N. Tripathi Financial Adviser & Chief Accounts Officer Dandakaranya Project. (Member)
- (4) Shri R. A. Rangaswamy Superintendent, Transport & Workshop, Dandakaranya Project. (Member)

2. In a subsequent letter of 6th December, 1969 the terms of reference of the Committee were amplified as follows :

- (i) to enquire into the causes of the non-utilisation of Power Tillers in Dandakaranya;
- (ii) to suggest the desirability and ways and means of putting the Power Tillers in working order; and
- (iii) to suggest measures for full utilisation/disposal if surplus of Power Tillers.

3. Later, in February, 1970 the Department of Rehabilitation included the Director of Agriculture & Animal Husbandry, Dandakaranya Project in the Committee.

4. The Committee consisting of the following members met at Koraput on 12-8-70 :

- (1) Shri S. R. Roy Agriculture Adviser, D.O.R.
 - (2) Shri Bhupinder Singh, Deputy Chief Administrator, Dandakaranya Project.
 - (3) Shri S. N. Tripathi, F. A. & C. A. O., Dandakaranya Project.
- (iii) While group-farming is practised in Dandakaranya in the first year of induction of families as individual allotment is not possible by that time, in fact no group or co-operative farming has been adopted among the settlers. Hence, the use of Power Tillers on group or co-operative basis has had to be ruled out.
 - (iv) An individual holding consists of 5.5 acres which is rather small for the operation of a Power Tiller.

- (v) The settlers in Dandakaranya have not become adequately mechanical-minded as to be capable of handling Power Tillers and attending to minor repairs on necessity arising. Experience shows that they are indifferent, even uninterested, in this regard. In the remote areas of Malkangiri, Umerkote and Paralkote, workshop facilities just do not exist and repair facility is thus non-existent.
- (vi) Individual settler families have not reached the stage of financial ability to afford the purchase of a power tiller costing about Rs. 8000/-.
- (vii) Even if the Project were asked to hold the power tillers and hire them out to settlers, creation of separate establishment and maintenance facilities would inflate overheads so much as to make the hiring charges wholly uneconomic for settlers. In this connection, the Committee was apprised that Government had not agreed to the hiring out of power tillers for use as pumps by settlers on P.O.L. basis.

6. Apart from these considerations which were thought vital, the Committee was intimated that most of the power tillers have not been shifted from Mana where the consignment was received in 1966 on account of the fact that defects were detected by the inspecting authorities of the Project and correspondence ensued for their rectification. It was learnt that the firm replaced certain parts and attended to certain minor defects earlier, but the joint inspection by the representative of the D.O.R., the Project, the D.G.S. & D., and the Firm was done in December, 1969 and further inspection of the design aspect was done in January, 1970. The latest position is that the Project authorities have referred to the D.G.S. & D. the question of arranging some parts which, according to them, were included in the accepted tender.

7. While examining the matter and cross-examining the officials of the Project, it was understood that the Project had made reference to the D.G.S & D. in August 1967 in regard to (a) delayed receipt of Power tillers (b) deficiencies in supply of certain accessories and (c) "inherent" defects and shortcomings in the manufacture of power tillers. The question of delay was, however, dropped and certain deficiencies were reported to have been made up by the Firm while certain other deficiencies were still remaining to be supplied. As mentioned in the preceding paragraph, certain pump attachments are, according to the Project authorities, required to be supplied by the Firm as per the accepted tender.

8. The question of the so-called inherent manufacturing shortcomings and defects remained under protracted triangular correspondence among the Project authorities, the D.G.S & D. and the Firm. The Superintendent,

Transport & Workshops of the Project pointed out certain defects and deficiencies. A copy of the inspection report of the Superintendent, Transport & Workshops furnished to the Committee is available at Annexure I. Apart from correspondence, joint inspections were held by the representatives of the Project and the Firm on two occasions in December 1966 and January 1969. This led to progressive rectification of some of the defects and replacement of some other parts. Eventually, in December 1969, a joint inspection was organised with the representatives of the Department of Rehabilitation, the Project, the D.G.S. & D. and the Firm. Copies of joint reports as a result of these inspections are placed at Annexure II. As would be evident therefrom, some of the defects have been removed as a result of these inspections. But the Superintendent of Transport & Workshops pointed out that one of the main defects *i.e.*, overheating of engine still persists. It was understood that the contention of the Firm was that this, being design feature, was outside the scope of the contract. It was learnt that the representative of D.G.S. & D. had also agreed with this view and, hence, any further action on this score could not be taken.

9. The Committee made specific enquiries whether the power tillers were worked in the field and any defects noticed as a result of actual field operation. It was learnt from the Superintendent, Transport & Workshops, in whose charge the power tillers have been kept, that 4 power tillers were worked on lift irrigation *i.e.*, as pump, for about 400 hours each and it was seen that the rings and bearings wore out prematurely and the connecting rods broke. As a result of inspection in December 1969, the Firm replaced these parts in the 4 engines free of cost. Another operational defect observed was that there was abnormal quantity of carbon deposit in the cylinder head of the engine, as a result of which, top overhauling became necessary every 30 to 40 hours of operation. Further, when used for tilling and pumping operations, the water-coolant in the hopper begins to boil after half an hour of use and continues to boil if the use is continued resulting in loss of coolant needing constant replenishment. This means a great handicap during the operation.

10. The power tillers were not found to be in a condition in which they could not be worked and therefore, the necessity of devising ways and means of putting them in working order did not arise. However, the defects pointed out were thought to be quite material. It was further learnt that the other great difficulty that the settlers were not inclined to take to the use of power tillers and were, in any case, not equipped therefore was also relevant. In actual handling, it was found that the effort to steer a power tiller on account of its vibrations was quite strenuous.

11. Considering the various factors *i.e.*, the purposes for which the power tillers were initially procured, the conditions obtaining in the

Project area, the financial and physical capacity of the settlers to own and handle the tillers, the defects in the Krishi Power Tillers as they were supplied and more particularly the inherent structural design defect, the Committee felt that the power tillers were not suitable for Dandakaranya operations. We were informed that the Department have intimated that other Projects also did not feel inclined to take these power tillers. As such, it was thought that the tillers should be declared surplus to the requirement of the Dandakaranya Project and disposed of to the best advantage of the Government.

Sd/-

S. R. ROY

13-8-70

(Chairman)

(R. A. Rangaswamy)

(Member)

(S. N. Tripathi)

(Member)

Sd/- (Bhupinder Singh)

Member

(Bhupendra Singh)

Member

ANNEXURE I

Technical Inspection Report of Krishi Power Tillers

These power tillers have been designed and constructed for undertaking various field operations in soils which have already been prepared by other methods.

After thorough examination of the Tillers and accessories, the following observations are offered :

- (1) The Prime Mover is a water hopper called petrol starting, kerosene driven single cylinder horizontal engine. Water begins to boil after half an hour of use. The representative of the Company informed that this is a common feature on these machines and does not affect the long range performance as long as water is to be level in the cooling hopper. It is felt that running the engine hot has a tendency to induce excessive wear on the piston rings and consequent premature failures. The overheating occurs probably due to insufficient quantity of water in the cooling system and also lack of circulation.
- (2) As per recommendation of the operation manual of the machine, the engine oil is to be changed every 30 hours as against the normal change recommended in engines between 100 to 200 hours. This would definitely entail higher cost of operation due to the frequent replacement of engine oil.
- (3) Fitment of the Air cleaner to the Carburettor is not very sound in as much as unclean air can by-pass the air cleaner through the clamping arrangement. This will surely reduce the life of the moving parts of the engine.
- (4) On one or two engines when the tappet covers are opened for examination, it was observed that the rocker arm bushing was too loose on the rocker shaft. With this type of fitment it is practically impossible to maintain correct tappet clearance.
- (5) The fitment of the rear wheel assembly which acts as third leg for the tiller and for adjusting the depth of cut is very flimsy. The rear wheel inner tube part No. 437 is very loose in the inner tube part No. 433 in almost all the machines.

- (6) Shaft rear wheel part No. 440 is very loose in the tail wheel part No. 438. The end play of the tail wheel in the bracket is also excessive. Though greasing arrangement is provided, since the unit has not been made dust-proof, it is feared that this might be a source of the constant trouble during operation.
- (7) In some cases, the adjustable screw part No. 436 is also very loose in the threaded portion of inner tube part No. 437.
- (8) The quality of welding done in almost all the joints of the frame and other parts are very poor.
- (9) The fitment of the wheel tube part No. 129 on the wheel shaft part No. 78 is not upto standard. The tube is loose on the shaft and the drive is transmitted through pins, which are also not snug fit in the sub-assembly. Due to the looseness in parts there is likelihood of these parts getting worn out prematurely and consequent failures.
- (10) The tyres fitted on the power tillers are imported Japanese ones. It is understood that these sizes of tyres are not manufactured in India. In the event of failure of any tyre, the replacement will not be possible.
- (11) The chromium plating on the handles of the power tillers is very poor.
- (12) The construction of the steering clutch actuating lever fitted on to the chromium plated handles is very poor and this is likely to be a source of constant trouble.
- (13) The pins and joints of the traverse gear is of poor construction. The universal joints and pins used are very flimsy and the sections are very thin and likely to cause heavy wear and tear.
- (14) The tyres supplied along with the machines appear not to be of very good quality inasmuch as one of the tyres got broken in the course of one hour run. Suitability of these tyres can be commented upon only after the machine is put to vigorous trails in due course.
- (15) It is understood that these tillers are to be hired out to the settlers for tilling the soil and settlers themselves will operate these tillers after a training of a fortnight to be given by the representative of the firm. Considering the vulnerability of the machines as discussed above, it is feared that the settlers might not be in a position to operate and that utilisation to their best advantage. These power tillers can complete ploughing of one acre in 8 hours. One operator cannot continuously operate

for all the 8 hours as it involves lot of strain on the person operating and even our tractor operators had been in a position to operate this machine only for a period of 4 hours.

Considering the hire charges recommended by the Ministry it is feared that a total cost per acre the settler has to pay for ploughing one acre of land would not probably be within his reach.

It is understood that one mechanic is proposed to be stationed at each zone to look after these machine spread in the entire zone. Considering the design and construction of these machines and technical skill of our settlers it is feared that one mechanic may not be in a position to manage all these tillers and tillers would require constant attention if they were to be operated continuously during the ploughing season.

- (16) At all these stations both petrol and kerosene oil and lubricating oil will have to be stored. In view of the fact that the engine oil is to be changed for every 30 hours as per recommendations *i.e.*, after 3½ days of operations, the mechanic will have to attend machine for doing such oil replacement. This important work on the engine can not be left to the settlers themselves or the Sewak under whose custody these machines are supposed to be stationed.

Sd/-
R. A. RANGASWAMY,
Superintendent,
Transport & Workshops.

ANNEXURE—II

Inspection Report

Ambaguda 1-12-1969.

Joint Inspection of Krishi Power Tillers was undertaken at Mana, Umerkote and Ambaguda in the Dandakaranya Project area, from 29-11-1969 to 1-12-1969. The Committee constituted of the following officers :—

1. Shri S. R. Roy, Agricultural Adviser.
2. Shri R. A. Rangaswamy, Supdt. T. & W.
3. Shri S. S. Puri, Asstt. inspecting Officer, D.G.S. & D., Hyderabad.
4. Shri B. S. Prakasha Rao, Representative from M/s. Krishi Power Tillers.

The purpose of this inspection was to discuss the points raised by the Superintendent, T & W, *vide* his note dated 22-1-67 as recieved alongwith the D. G. S. & D' s letter No. Project/FG/220 81/057/I dated 5-11-67.

The following decisions were taken.

1. As reported by the Technical Adviser and also as witnesses during the trials on 2 nos. Tillers at Mana and one number at Umerkote, the cooling water starts boiling after about 30 minutes of running. The Firm's contention is that this is a normal feature of the machine and would not abnormally effect the wear and tear on the rings and cylinder liners. In support of this, he quoted that the authorities like Indian institute of Sciences, Bangalore while conducting the test had checked the aspects like temperature of cooling water and did not comment adversely. The matter was discussed at great length and it was the opinion of the Superintendent, T & W that the excessive temperature due to boiling of the water will adversely effect the performance of the rings. The Company's representative assured that the temperature at the sleeve end will be 85 to 90°C when the water is actually boiling. Since this point could not be verified at site for want of instruments, it was decided that this will be demonstrated by the firm at their Hyderabad works.

The D.G.S.&D.'s representative however contended that this aspect can be decided after seeing the Indian Institute of Science, Bangalore report only (provided of course this test has been covered by the scope of the tests conducted by the IIS Bangalore). He also asserted that in case the firm

ould establish their statement as made above, the replacement of 4 connecting rods alongwith set of piston rings which have so far been damaged will not be free of cost. In that case, the matter will have to be referred to some appropriate authority. The Agricultural Adviser however suggested that this test should be conducted at the Tracter Testing and Training Centre at Budni (M. P.) near Bhopal. It has, however, been decided to witness the test of an engine at the Firm's premises at Hyderabad on 22-12-1969.

2. *Change of Engine Oil:*

As stated by the manufacturers the engine oil is to be changed every 30 hours as against the normal practice of 100 to 200 hrs. This will be rather inconvenient when utilised in remote and interior parts. The Firm's representative explained that since the size of the pump is 1.3 litres as against 4.5 to litres in case of engines which specify larger period for oil change, this cannot be avoided, and this has been accepted.

3. *Fitment of Air Cleaners:*

As regards fitment of Air Cleaners, the contention of the firm has been accepted. Though the Air Cleaner tube is loose in the housing but since a seat has been provided on which the end of the tube will be seated and the onrushing air if any will be blocked.

4. *Rocker Arm Bushes:*

Since this has been only on 2 cases, this matter has been dropped.

5. *Fitment of rear wheel Assy:*

As stated by the Firm's representative, they are maintaining a clearance of 1 mm. This being a part of Firm's design, it has been decided to accept this.

6. *Adjustable Screws Loose:* Dropped.

7. *Quality of Welding:*

Though the quality of welding has scope for improvement but since there have been no significant failures in respect of this in the past, the weldings are expected to stand the normal stresses and hence this point is dropped.

8. *Fitment of wheel tubes:*

Although the opinion of the Technical Adviser is a sound proposal and would produce better results, since this is a feature covered by the manufacturer's collaborators, it has been decided to accept as such.

9. *Tyres:*

This point has been dropped.

10 & 11. *Chromium plating:*

Here again there is scope of improvement and since the firm has agreed to replace in all 15 pairs of leavers which are in bad condition, the matter has been dropped.

12. *Pins and Joints of transfer gear:*

The matter was discussed at great length and it was decided that the firm will replace 2 pairs of part number 222 and 217 free of cost.

13. *Quality of Tyres:* Dropped.

Shri Bhupinder Singh, Dy. Chief Administrator, DDA, Koraput, also participated during the inspection and discussion at Mana on 29.11.69.

Sd/-S.R. Roy 1.12.69

Sd/-B.A. Rangaswamy 1.12.69

Sd/-S.S. Puri 1.12.69

Sd/-B.S. Prakahsa Rao 1.12.69

Inspection Report

Hyderabad, 22-12-1969.

Joint inspection of Krishi power Tillers was undertaken at M/s. Krishi Engines Private Ltd., Sanatnagar Hyderabad-18 on 22nd December, 1969. The following are present :

Mr. R.A. Rangaswamy, Superintendent, T & W.

Mr. R.V. Narayana, Inspecting Officer, DGS&D, Hyderabad.

Mr. G.K. Reddy, Technical Director, Krishi Engines P. Ltd., Hyderabad.

Mr. B.S. Prakash Rao, Krishi Engines Pvt. Ltd., Hyderabad.

Though Shri S.R. Roy, Agricultural Adviser had sent a telegram stating that he would be present, he did not attend the demonstration.

Since there was a difference of opinion regarding the temperatures of the cooling water of the prime mover, it has been decided in the joint inspection at Ambaguda on 1-12-1969 that a demonstration should be arranged at the firm's premises at Hyderabad. Before the commencement of the demonstration Shri Reddy informed that the earlier contention of the representative of the firm that there is variation in the cooling water temperature at the top of the hopper and near the cylinder was not correct and that the temperature of the boiling water would not adversely effect the performance of the engine. However, one engine was tested. This engine had been run on the full load for more than 1½ hrs. and the readings of the temperature taken at the cylinder and the top of the hopper in the boiling water indicated that there was practically no difference in temperature, through at times there was a marginal difference of about 1°C. Shri Reddy felt that this would be the normal case in all such engines. He was of the opinion that boiling of the water in the hopper is allowed as a design feature to enable the heat to be desipated as steam. He also mentioned that number of Japanese power tillers such as Yanmar, Kubota etc. have the same design feature and there also the phenomenon of boiling water in the hopper is the same.

It was, however, of the opinion of the Superintendent T & W that compared to the conventional water cooled engine where the temperature in cooling system is maintained at a particular level, the temperature obtained in these engines is higher and to this extent there would be more wear on the moving parts. Shri Reddy felt that this being a design feature, it could not be helped.

As mentioned in the previous joint Inspection Report, M/s. Krishi Sales & Service made available the original test report of the Indian Institute of Science, Bangalore on Krishi engines. In para 4, 'Test Set-up', they have mentioned that there is no need for measuring the cooling temperature, as hopper cooling was used. Perhaps they have accepted the boiling of water as a design feature.

Shri Reddy agreed to supply free of cost 4 nos. connecting Rods and 4 sets of Piston Rings.

In view of the observations made on the engine by the Indian Institute of Science, Bangalore and the boiling of water in the hopper being a design feature, it was felt that there would be no necessity to have the engine once again tested at Tractor Testing Centre, Budni.

A copy of the report will be forwarded to Shri S.R. Roy, Agricultural Adviser and after obtaining his concurrence, Shri Rangaswamy, Superintendent T & W has agreed to release the inspection reports for arranging balance of payment to the firm.

Sd/- (R.S. Rangaswamy)

Sd/- (G.K. Reddy)

Sd/- (R.V. Narayana)

Sd/- (B.S. Prakash Rao)

APPENDIX II

Summary of main recommendations/conclusions

S. No.	Para. No.	Ministry/Department concerned	Recommendations/Conclusions
1	2	3	4
1.	1.4	Rehabilitation	The Committee hope that final replies in respect of recommendations to which only interim replies have so far been furnished will be submitted to them expeditiously after getting them vetted by Audit.
2.	1.13	-do-	The Committee note the difficulties explained by the Department of Rehabilitation in the preparation of a long term Plan for the Dandakaranya Project and to place it before Parliament alongwith the Demands for Grants when next presented. The Committee also note Governments view that such a plan can be prepared by the Project only after the picture regarding further release of land by the State Governments of Madhya Pradesh and Orissa becomes clear and a final decision is taken regarding the ultimate number of families to be resettled in Dandakaranya. The Committee desire that efforts should be made to finalise these matters quickly so as to prepare a Master Plan to be laid on the Table of the House with the Demands for Grants for which a target date should be fixed.
3.	1.16	-do-	The Committee would like to suggest that a suitable norm for output of tractors in respect of both haulage and cultivation be prescribed taking into account the peculiar conditions of the project area so as to ensure their economic utilisation.

- 1.23 -do- The Committee understand that as a result of reconciliation of figures with Audit the number of idle hours of tractors during the period 1961-62 to 1968-69 has since been revised to 2 lakhs approximately. The revised figures include 1.45 lakh idle hours due to avoidable reasons. While the Committee take note of the difficulties leading to loss of hours they would urge that efforts should be made to reduce the idle hours due to avoidable reasons by better provisioning of spares and P.O.L. for tractors and closer coordination with State Governments concerned for timely availability of land for reclamation.
5. 1.26 -do- The Committee are not satisfied with Ministry's reply that depending on the results of the modifications on a few Mitsubishi engines and the future requirement of tractors in the Organisation, action will be taken either to commission the Komatsu tractors fitted with these engines or to dispose them of.
- The Committee feel that the actual requirement of the project should have been assessed and action taken to dispose of the surplus ones long back.
6. 1.29 -do- The Committee find from the enquiry report of the Committee on Power Tillers that the basic considerations on which the scheme of Power Tillers was introduced have been found to be not true. The Committee would like Government to fix responsibility for the faulty planning.
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1	2	3	4
7.	1.30	Rehabilitation	<p>The Committee further note from the enquiry report that no action could be taken against the firm for the presisting defect of overheating of engine as the D.G.S.&.D. has agreed with the firm's contention that "it being design feature was beyond the scope of contract". The Committee would like Government to examine as to why an engine with defective design was accepted and what course of action was now open to Government.</p>
8.	1.34	-do-	<p>The Committee note that the discrepancy in the accounts with regard to the goods manufactured under the Industrial Scheme in Dandakaranya has been brought down from 24.30 lakhs to Rs. 1.97 lakhs subject to verification by Audit. The Committee desire that further reconciliation should be completed as early as possible and the Committee apprised of the results thereof duly vetted by Audit.</p>

22

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