

**DEVELOPMENT OF RAILWAY LAND FOR COMMERCIAL  
USE BY RAIL LAND DEVELOPMENT AUTHORITY**

[Action Taken by the Government on the Observations/Recommendations of the Committee contained in their One Hundred and thirteenth Report (17<sup>th</sup> Lok Sabha)]

**PUBLIC ACCOUNTS COMMITTEE  
(2025-26)****TWENTY SEVENTH REPORT**

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**EIGHTEENTH LOK SABHA**

**LOK SABHA SECRETARIAT  
NEW DELHI**

# **TWENTY-SEVENTH REPORT**

## **PUBLIC ACCOUNTS COMMITTEE** **(2025-26)**

**(EIGHTEENTH LOK SABHA)**

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[Action Taken by the Government on the Observations/Recommendations of the Committee contained in their One Hundred and Thirteenth Report (17<sup>th</sup> Lok Sabha)]



*Presented to Lok Sabha on:* 29.07.2025

*Laid in Rajya Sabha on:* 29.07.2025

**LOK SABHA SECRETARIAT  
NEW DELHI**

**JULY, 2025 /SHRAAVANA, 1947 (Saka)**

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**COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE**  
**(2025-26)**

**Shri K. C. Venugopal      -      Chairperson**

**MEMBERS**

**LOK SABHA**

2.      Shri Thalikkottai Rajuthevar Baalu
3.      Dr. Nishikant Dubey
4.      Shri Jagdambika Pal
5.      Shri Jai Parkash
6.      Shri Ravi Shankar Prasad
7.      Shri C M Ramesh
8.      Prof. Sougata Ray
9.      Shri Magunta Sreenivasulu Reddy
10.     Smt. Aparajita Sarangi
11.     Dr. Amar Singh
12.     Shri Tejasvi Surya
13.     Shri Anurag Singh Thakur
14.     Shri Balashowry Vallabhaneni
15.     Shri Dharmendra Yadav

**RAJYA SABHA**

16.     Shri Ashokrao Shankarrao Chavan
17.     Shri Shaktisinh Gohil
18.     Dr. K Laxman
19.     Shri Praful Patel
20.     Shri Sukhendu Sekhar Ray
21.     Shri Tiruchi Siva
22.     Shri Sudhanshu Trivedi

**Secretariat**

1. Shri Muraleedharan. P                      -      Director
2. Ms. Malvika Mehta                           -      Deputy Secretary
3. Ms. Khyati                                      -      Assistant Committee Officer

## INTRODUCTION

I, the Chairperson, Public Accounts Committee (2025-26) having been authorised by the Committee, do present this Twenty Seventh Report (Eighteenth Lok Sabha) on Action Taken by the Government on the Observations/Recommendations of the Public Accounts Committee contained in their One Hundred and thirteenth Report on ‘**Development of Railway Land for commercial use by Rail Land Development Authority**’ relating to Ministry of Railways.

2. The One Hundred and thirteenth Report was presented to Lok Sabha/laid in Rajya Sabha on 8<sup>th</sup> February, 2024. Replies of the Government to all the Observations/Recommendations contained in the Report were received. The Public Accounts Committee considered and adopted the Twenty Seventh Report at their sitting held on 17<sup>th</sup> June, 2025. Minutes of the Sitting are given at Appendix I.

3. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in **bold** in the body of the Report.

4. The Committee also place in record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the Office of the Comptroller and Auditor General of India.

5. An analysis of the action taken by the Government on the Observations/Recommendations contained in the One Hundred and thirteenth Report (Seventeenth Lok Sabha) is given at Appendix-II.

**NEW DELHI;**  
**22 July 2025**  
**31Ashadha 1947 (Saka)**

**K C VENUGOPAL**  
**Chairperson,**  
**Public Accounts Committee**

## **CHAPTER - I**

### **REPORT**

This Report of the Public Accounts Committee deals with the Action Taken by the Government on the Observations and Recommendations of the Committee contained in their Hundred and Thirteenth Report (17<sup>th</sup> Lok Sabha) on "Development of Railway land for commercial use by Rail Land Development Authority" relating to the Ministry of Railways (Railway Board).

2. The Hundred and Thirteenth Report was presented to Lok Sabha/laid in Rajya Sabha on 08.02.2024. It contained 05 Observations/Recommendations. The Action Taken Notes on all the Observations/Recommendations have been received from the Ministry of Railways and are categorized as under:

- (i) Observations/Recommendations which have been accepted by the Government:  
Para Nos. 1, 2

**Total: 02**  
**Chapter - II**

- (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government:  
NIL

**Total: 00**  
**Chapter - III**

- (iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:  
Para Nos. 3, 4, 5

**Total: 03**  
**Chapter - IV**

- (iv) Observations/Recommendations in respect of which Government have furnished interim replies/no replies:  
NIL

**Total: NIL**  
**Chapter -V**

3. The detailed examination of the subject by the Committee had revealed deficiencies in the management of vacant land under Indian Railways (IR) by Ministry of Railways. The Committee learnt that approximately 43000 hectares of land under IR was vacant and Rail Land Development Authority (RLDA) was established for development of this vacant Railway Land for commercial use for the purpose of generating revenue by non-tariff measures. RLDA was entrusted with the land identified as non-operational in the foreseeable future. The audit para under consideration revealed non-development of 17 sites entrusted to RLDA in 2007 and the audit findings highlighted delays in engagement of consultants, submission of reports by the consultants, requisition of permission from State Governments for change of land use plan, deficiencies in entrustment of land to RLDA by the concerned Zonal Railways by providing encumbered land, identifying wrong site or site with incomplete papers etc. which resulted in non-development of these sites of 166.996 acres. The Committee also found that while RLDA incurred expenditure of Rs. 102.29 crores towards establishment, consultancy charges, advertisement etc. during 2006-07 to 2016-17, it only earned Rs. 67.97 crores from development of Multi-Functional Complexes (MFCs) at railway stations, which was not part of the earning from commercial development of entrusted lands. The Committee had accordingly given their observations/recommendations in the 113th Report on the subject.

4. The Action Taken Notes furnished by the Ministry of Railways on each of the Observations/Recommendations of the Committee contained in their Hundred and thirteenth Report have been reproduced in the relevant Chapters of this Report. The Committee will now deal with the action taken by the Government, on some of their Observations/Recommendations which either need reiteration or merit comments.

**5. The Committee desire the Ministry of Railways to furnish Action Taken Notes in respect of Observations/ Recommendations contained in Chapter I of the Report, within three months of the presentation of the Report to the Parliament.**

**Recommendation No. 3- Non-preparation of plan for development**

6. The Committee in their report no. 113 had made the following recommendation:

"The Committee note that RLDA (Constitution) Rule provides that the Authority may prepare a Five Year Plan of the Commercial Development Projects proposed to be taken up for execution. The Authority may also prepare a Five Year Plan for consultancy, construction or management services and operation proposed to be executed by it in relation to development of land and property. The Committee observe that Five Year Plan for development of commercial land was not prepared by RLDA till 2015-16. The Committee note from the reply of the Ministry that five year plan of the Authority was prepared and approved by RLDA Board in 2017 and that RLDA is actively pursuing the various activities for fixing developers of various sites as per the approved 5 year plan. In the opinion of the Committee, there has been registered disregard for the rules governing RLDA and accountability is required to be fixed for not preparing the 5 year plan till 2015-16 as mandated under the rules. The Committee desire to be apprised of achievements vis-a-vis the targets set in the five year plan and whether the achievements were made within the timelines. The Committee wish to know the contours of the next five year plan which should ideally be in implementation stage at present. The Committee also recommend that since development of land has a long gestation period, a vision map may be made by RLDA charting targets for the next 20 years and then formulate the 5 year plans, keeping the long term goals in mind."

7. The Ministry of Railways furnished the following action taken replies on the recommendation of the Committee:

"Earnings targets and achievements in this five-year plan is given below:

<b>Year</b>	<b>Earnings Target (Rs in Cr)</b>	<b>Achievement in (Rs in Cr)</b>
2016-17	83	18.43
2017-18	1195	42.93
2018-19	1284	82.81
2019-20	1845	933.27
2020-21	1170	355.59

Targets of earnings kept in the first Five-year plan were very ambitious since RLDA was in its nascent stage and evolving. However, there has been steady growth in earnings over the years.



The tentative targets for five-year plan (2020-25) were reviewed in 2019 and projected targets for finalisation of bid were prepared which are as given below:

(In Crores)

Year	2020-21	2021-22	2022-23	2023-24	2024-25
Commercial site	1100	1800	1200	1200	1200
Colony	300	350	450	650	1000
New sites	0	650	1800	2800	3000
<b>Total</b>	<b>1400</b>	<b>2800</b>	<b>3450</b>	<b>4650</b>	<b>5200</b>
<b>Leasing value</b>	<b>172.77</b>	<b>501.57</b>	<b>2169.9</b>	<b>2635.8 (Jan24)</b>	

There is shortfall in achieving these targets vis-a-vis the past achievements and unprecedented havoc caused by Corona Pandemic, virtually bringing all activities to standstill during 2020-21 and 2021-22. RLDA's performance has, however, been improving substantially over the last 2 years.

The observations of the Committee have been noted and the Vision Map for RLDA for next 20 years is being prepared considering the projected market scenario."

8. Audit gave the following remarks upon vetting the Ministry's Action Taken Note :

- i. "MoR has not furnished any action taken on the Committee's recommendation of fixing accountability for not preparing the 5-year plan till 2015-16 as mandated under the rules.
- ii. In the five-year plan (2020-25) of RLDA, earnings were projected for two types of sites (i) sites already been entrusted to RLDA and (ii) sites yet to be entrusted to RLDA. However in the ATR, MoR has mentioned the targets/achievements only from sites already been entrusted to RLDA, and targets/achievements for sites yet to be entrusted to RLDA were not mentioned.
- iii. There must be a targeted approach for the preparation of Vision Map for RLDA."

9. In response to the remarks of the Audit, the Ministry furnished the following updated reply to the Committee:

- i. "Rail land Development Authority (Development of Land and other Works) Regulations, 2012 were notified on 30 Jan 2013 specifying the methodology to be adopted for commercial utilization of surplus Railway land. Subsequently, finalization of consultants, site study and valuation were done and thereafter only five-year plan (2016-

2021) was prepared.

As RLDA being in the nascent stage and therefore, the insights were developed through these studies.

In view of the above, no one can be held accountable for non-preparation of five-year plan till 2015-16 as RLDA was in evolving stage at that time.

- ii. The following five-year plan for bid finalization as provided in ATN, includes the target for new sites as well.

(In crores)

Year	20-21	21-22	22-23	23-24	24-25
Comsite	1100	1800	1200	1200	1200
Colony	300	350	450	650	1000
New sites	0	650	1800	2800	3000
<b>Total</b>	<b>1400</b>	<b>2800</b>	<b>3450</b>	<b>4650</b>	<b>5200</b>
<b>Leasing value</b>	<b>172.77</b>	<b>501.57</b>	<b>2169.9</b>	<b>2635.8 (Jan24)</b>	

Here, new sites entrusted after making this plan have already been included in the entrusted sites. So, the above position is complete including earlier entrusted sites as well as sites entrusted after making this plan.

- iii. Vision Map is under preparation. The target for finalisation of vision map has been kept as 30.11.2024.

**10. The Committee had observed that there had been disregard for the rules governing RLDA and accountability was required to be fixed for not preparing the 5 year plan till 2015-16 as mandated under the rules. The Committee had desired to be apprised of achievements made along with timelines vis-a-vis the targets set in the five year plan. The Committee had also desired to know the contours of the next five year plan which should have ideally been in implementation stage at present. The Committee had further recommended that since development of land has a long gestation period, a vision map be made by RLDA charting targets for the next 20 years, and then the 5 year plans be formulated, keeping in mind the long term goals.**

The Committee note from the reply of the Ministry that while there has been shortfall in achieving their targets vis-a-vis the past achievements and unprecedented havoc caused by Corona Pandemic during 2020-21 and 2021-22, RLDA's performance has, however, been improving over the last few years. In the context of fixing accountability for not preparing the 5-year plan till 2015-16 as mandated under the rules, the Committee are deeply disturbed to note the reply of the Ministry that no one can be held accountable as RLDA

was in nascent stage and that insights were developed only after the Rail land Development Authority (Development of Land and other Works) Regulations, 2012 being notified in 2013. The Committee are of the unequivocal view that five-year plans in organizations serve as strategic roadmaps, guiding long-term goals, fostering better decision-making, and enabling resource allocation for sustained growth and success. The very purpose of the five-year plan was defeated and it is because of this reason that the performance of RLDA has been insignificant and responsibility is required to be taken for the same. The Committee reiterate their recommendation that accountability must be fixed on the senior officers in RLDA responsible for preparing the five-year plans.

The Committee would like to be apprised of the details of the long term Vision Map which according to the reply of the Ministry would have been prepared by now. The Committee urge the Ministry to implement the requisite steps outlined in the vision map on priority and then also the five year plans to move forward with a strictly timed goal oriented approach. The Committee desire to be apprised of details of the same.

#### **Recommendation No. 4- Change in land use and non-observance of by-laws of State Government**

11. The Committee in their original report had made the following recommendation:

"The Committee note that Indian Railways acquired land for its operational purposes i.e. development of Traffic facilities and also reserved surplus land for its future expansion/operational purposes. However, with the passage of time Indian Railways decided to utilize this surplus land for commercial purposes through non-tariff measures. The Committee note that since the railway land being demarcated in revenue records as 'Public and Semi Public Zone' the same was required to be converted to a 'Commercial Zone' by obtaining permission from concerned State Government through the Change of Land Use (CLU). As per by-laws, some Open Space to create community facilities as per norms of Government (10 per cent of developed land) is required to be kept open and handed over to the local body through a registered deed before commercial utilization of land. Land given under Open Space Reservation (OSR) does not revert back to the owner, the State Government only accords permission to develop and maintain the 10 per cent land. The Committee observe from audit findings that there were several

cases of delay in development of surplus land due to unresolved CLU and OSR issues.

The Committee observe that Railway Board has delegated power to Zonal Railways for giving land for Open Space Reservation for change of land use, resulting in clearing of non-approved pending CLU cases with concerned local authority. The Committee also observe from the submission of the Ministry that there have been reservations on usage of railway land by Local bodies and approval from local bodies has been taking considerable time. The Committee note that to mitigate this problem, the Union Cabinet, on 03.10.2018, had approved that "No change in land use is required Pan India by Railways for developing Railway land for commercial use". This decision has been communicated to Chief Secretaries of all the states/UTs on 13.11.2019 by the Ministry of Housing and Urban Affairs. The Committee note that only Uttar Pradesh, Rajasthan, Madhya Pradesh, Haryana and Uttarakhand have issued instructions to local authorities in this regard and that the State Governments are being pursued to issue instructions to local authorities on the similar lines. In this regard, the Committee opine that since land is a state subject under the Seventh Schedule of the Constitution of India the development of the surplus railway land in States/ UTs should be in conformity with their master plan and, therefore, the RLDA may pursue with the other states accordingly or explore the option of revenue sharing with them to help speed up projects."

12. The Ministry of Railways furnished the following in Action Taken Notes while responding to the recommendation of the Committee:

"Rail Land Development Authority (RLDA) is a statutory Authority, under the Ministry of Railways, set-up by an Amendment to the Railways Act, 1989, for development of vacant Railway Land for commercial use for the purpose of generating revenue by non-tariff measures. RLDA is developing its vacant railway land for commercial use for earning non-fare revenue.

RLDA consults urban local bodies/ other statutory authorities while approving its plans in terms of powers conferred to it as per Section 11 of Railway Act, 1989 so that the development in Railway land is harmonious with the surrounding development, generally following the National Transit Oriented Development (TOD) policy.

As per the extant rules and regulations, revenue generated from the commercial development of the Railway land is not shared. "

13. Audit had no further comments to offer on the matter.

- 14. The Committee in their original report had observed that to mitigate the problem of delay in development of surplus land due to unresolved Change of**

Land Use (CLU) and Open Space Reservation(OSR) issues, the Union Cabinet, on 03.10.2018 had approved that “No change in land use is required Pan India by Railways for developing Railway land for commercial use”.The Committee had been informed by the Ministry that this decision was communicated to Chief Secretaries of all the states/UTs on 13.11.2019 by the Ministry of Housing and Urban Affairs but only Uttar Pradesh, Rajasthan, Madhya Pradesh, Haryana and Uttarakhand had issued instructions to local authorities in this regard and that the remaining State Governments were being pursued to issue instructions to local authorities on similar lines.The Committee had also observed that since land is a state subject under the Seventh Schedule of the Constitution of India, the development of the surplus railway land in States/ UTs should be in conformity with their master plan and had recommended that RLDA may pursue with the other states accordingly or explore the option of revenue sharing with them to help speed up projects.

The Committee note from the action taken notes of the Ministry that when developing its vacant railway land for commercial use for earning non-fare revenue, RLDA consults urban local bodies/other statutory authorities while approving its plans in terms of powers conferred to it as per Section 11 of Railway Act, 1989 so that the development in Railway land is harmonious with the surrounding development, generally following the National Transit Oriented Development (TOD) policy.The Ministry has also stated that as per the extant rules and regulations, revenue generated from the commercial development of the Railway land is not shared.

The Committee are dismayed to note that the Ministry has not furnished any details on the specific efforts made to pursue the implementation of the aforesaid decision of the Union Cabinet. The Committee enjoin upon the Ministry to pursue the matter with the states to enable faster progress in development of land. The Committee also desire to be apprised of the attempts made by the Ministry to seek cooperation from the States since 2019.

As for following the National Transit Oriented Development (TOD) policy for harmonious development, the Committee observe from Para 9.1 of the Policy document that the TOD policy should be notified as part of the Master Plan/Development plan of the city. The Committee would like to know how

many States have incorporated the TOD Policy in the master plans of their cities till date. The Committee are of the considered view that it is imperative that any development of land be in conformity with the master plan till such time that the TOD is fully integrated in them. The Committee hope that the Ministry will ensure the same.

With regard to the option of revenue sharing with states, the Committee are of the opinion that rules and regulations require amendment with time especially in a situation of RLDA whose work of commercial development of land is beset with delays. Lack of cooperation from states indicates a need for incentivizing their cooperation for which revenue sharing needs to be viably explored. The Committee, therefore reiterate their earlier recommendation that revenue sharing may be explored and the Committee be apprised of other options being explored by RLDA and the Ministry to secure cooperation from the States.

#### **Recommendation No. 5 - Leasing of land**

15. The Committee in their original report made the following recommendation:

"The Committee note that based on the feasibility study and market survey, RLDA decides the period of lease for railway land based upon the specific requirement of the site, project or local real estate market. RLDA also may have an agreement with the Developer for multiple sub-leases of the assets made by the Developer on the Railway land. However, ownership of the land continues to vest with the Railway Administration and no mortgage of land is permitted at any time. After expiry of the lease period, the entire railway land together with the buildings or structures existing there-on shall revert and vest upon the Railway Administration. The Committee however note that RLDA regulations do not permit developers to sublease undivided proportionate share of leased land to the end user which is against the provision of RERA Act 2013. The Committee while noting that with the restrictions in sublease, the end user and in some cases even the developers are facing problems in obtaining finances, recommend that amendments in RLDA regulations to allow sublease of undivided share of land along with built up area and making the project in compliance with RERA Act may be considered to ease the financing problem of end users for purchasing properties developed on railway land. Further, the Committee also observe from the submission of the Ministry that in many parts of the country especially in Southern part of India, lease hold properties are not prevalent and hence, in most bids, no response has been received.

The Committee, therefore, recommend that other viable options for the States with such legal provisions may be explored so that land may be developed without hindrance and delay. Further, the Ministry may also consider increasing the period of lease of land for commercial development.

Ministry should also explore proper avenues for rehabilitating vendors belonging to unorganised sector who have been displaced by the commercial development of railways stations."

16. The Ministry of Railways in their Action Taken Note has furnished the following reply:

"Proposal for amendments in RLDA regulations to allow sublease of undivided share of land along with built up area and making the project in compliance with RERA Act is under consideration in the Ministry of Railways. There is no policy for Resettlement and rehabilitation of encroachers in Railways. Prompt removal of trespass (potential encroachment) noticed during inspection is done by invoking section 147 of IR Act. Further, for removal of old encroachments, action is taken under Public Premises (Eviction of Unauthorised Occupants) Act, 1971 (PPE Act). "

17. Audit vide their U.O. No. 513-/RlyComml/RLDA/25-02/2017 dated 24.07.2024 vetted the Action Taken Note of the Ministry and made no further comments.

**18. In regard to leasing of railway land, the Committee had observed that due to restrictions in sublease, the end user and in certain cases even developers have been facing problems in obtaining finances. The Committee had therefore, recommended that amendments in RLDA regulations to allow sublease of undivided share of land along with built up area and making the project in compliance with RERA Act may be considered to ease the financing problem of end users for purchasing properties developed on railway land. The Committee had desired that the Ministry may also consider increasing the period of lease of land for commercial development. The Committee had further recommended that for States where lease hold properties are not prevalent, other viable options may be explored so that land may be developed without hindrance and delay. The Committee had further recommended that the Ministry may explore proper avenues for rehabilitating vendors belonging to unorganised sector who are displaced by the commercial development of railways stations.**

**The Committee note from the action taken replies furnished by the Ministry that a proposal for amendments in RLDA regulations to allow sublease**

of undivided share of land along with built up area and making the project in compliance with RERA Act is under consideration of the Ministry of Railways. The Committee hope that the Ministry will be prompt in considering the proposal and will take necessary action expeditiously. The Committee would like to be apprised of the progress in this regard.

With regard to exploring avenues for rehabilitating displaced unorganised vendors, the Committee are confounded by the reply of the Ministry that there is no policy for Resettlement and rehabilitation of encroachers in Railways; that prompt removal of trespass (potential encroachment) noticed during inspection is done by involving section 147 of IR Act and removal of old encroachments is done under Public Premises (Eviction of Unauthorised Occupants) Act, 1971 (PPE Act). The Committee's recommendation was specifically directed towards rehabilitating displaced unorganised 'vendors' due to the commercial development being carried out under the aegis of RLDA. A more humane approach towards those being displaced out of their livelihoods is required. The Committee therefore, reiterate that avenues for the same be explored and the Committee be apprised thereof.



## **CHAPTER II**

### **OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT**

#### **Observation/Recommendation**

##### **Non-development of sites handed over to RLDA**

The Committee note that Indian Railways had entrusted 49 commercial sites to RLDA from 2007 to 2017. Out of these 49 sites, 8 sites were found encumbered i.e. proper land papers were not available for some of them, there were encroachments on some of the sites. In respect of some sites there was litigation going on or State Government clearances were pending in some cases; and 1 site was proposed for de-entrustment. The Committee note that the remaining 40 sites were found commercially viable as on 31 March, 2017 and Consultancy/valuation/commercial bids etc. were in-progress in respect of 37 sites, excluding the three cases under litigation. The Committee further note that out of these 37 sites, 17 sites were reviewed by Audit. The Committee also find that despite being entrusted to RLDA in 2007, none of the commercial sites reviewed by Audit were developed even after a lapse of 10 years. On perusal of the status of development of these 17 sites, the Committee note that only 3 sites have been handed over for development; 7 sites have been de-entrusted and handing over at 7 sites is delayed due to various reasons such as the matter being pending in Courts, valuation being done by consultants, termination of LOA etc. The Committee note from the reply of the Ministry that initially when land was entrusted to RLDA, the procedure for entrustment was evolving and there was inadequate emphasis on checking of various features including encumbrance/encroachment, litigations, pending clearances by state government and improper land papers/records, proper approach etc.

Gleaning through the above facts available before the Committee, they are of the considered view, that the failure of zonal railways exists in identifying the land available for commercial development and the Railway Board in exercising due diligence before entrusting the same to RLDA has resulted in a miserable situation where development work could be started only on 3 out of 17 sites reviewed by the

Audit. The Committee while noting that the Railway Board has since issued instructions to all General Managers to ensure title of the railway land parcel in Railway's name and encumbrance/encroachment free land before entrustment to RLDA, recommend to be apprised of the reasons for de-entrustment of seven sites and the status of handing over of the remaining seven sites to the RLDA. The Committee also desire to be apprised of the status of the 40 sites that were found to be commercially viable as on 31 March, 2017.

[Recommendation No. 1 of 113<sup>th</sup> Report of  
Public Accounts Committee  
(17<sup>th</sup> Lok Sabha)]

### **Action Taken**

As per Railway Board instructions, zonal railways, before recommending entrustment of railway land to RLDA for commercial development, ensures that railway land is free from all encumbrances/ encroachments and its title is in the name of Railways. Further feasibility of railway land for commercial development is examined by Rail Land Development Authority before entrustment. Approvals from the state government are also taken by Consultants and Developers as required.

Site-wise reasons for de-entrustment of 7 sites are given in Statement-I.

07 sites have been awarded and handed over to Developers and remaining 3 sites are under different stages of leasing out process. Details are given in Statement-II.

Status of 40 sites is given in Statement - III.

### **Vetting comments of Audit**

*No further comments.*

**Statement -I****Detail of 7 sites which were de-entrusted**

<b>S.No</b>	<b>Zonal Railway</b>	<b>Name of Site</b>	<b>Reference and reason for de-entrustment</b>
1.	North Central Railway	Gola Ka Mandir, Gwalior	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd. 15.12.2017. The entrusted site was required for railway use and the selected developer did not agree to take an alternate site.
2.	South Central Railway	Near Moula Ali flyover, Telangana	The site has been de-entrusted vide Railway Board Letter No. 2020/LML-II/2/3(146) dtd. 10.01.2022 as South Central Railway requested Railway Board to keep it on hold as land is required for railway use.
3.	Southern Railway	Plots at Salem market station Salem (Salem)	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd. 27.02.2018 as land was required for railway use.
4.	Southern Railway	Plot at station Nagapattinam (Tiruchirapalli)	The site has been de-entrusted by Railway Board letter no. 2020/LML-II/2/3(146) dtd. 07.07.2022 as the site was required for station area development.
5	Southern Railway	Plots at station Pattukottai (Tiruchirapalli) three plots	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd.15.12.2017. Reason for de-entrustment is that out of three plots one plot is near to Railway crossing, road has been constructed on the second plot and the third plot is surrounded by burial ground and a pond.
6.	North East Frontier Railway	Burdwan Road Siliguri (Katiyar)	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd. 06.06.2018 as Northeast Frontier Railway requested Railway Board for de-entrustment of site citing reason that land is required for railway use.
7.	Western Railway	Old station area Jamnagar (Rajkot)	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd. 15.12.2017 as Land ownership record were not available and also some portion of land was reserved for heritage building.

**Statement -II**

**Handing Over Status of sites**

<b>S.No</b>	<b>Zonal Railway</b>	<b>Name of Site</b>	<b>Current Status</b>
1.	South Central Railway (SCR)	Near Railway Hospital (PoornanandamPet) Vijayawada	Acceptance Letter issued on 03.06.2019 for 45 years lease period. Lease agreement signed. <b>Site handed over on 04 August 2021.</b> Lease Agreement registration done by developer on 22.11.2021. Plans sanctioned.
2.	East Coast Railway (ECoR)	Daba Gardens (Ambedkar Circle, Visakhapatnam)	Acceptance Letter issued on 06.06.2019 for 45 years lease period. Lease agreement has been entered with the developer on 13.02.2021. Lease Agreement registration done by developer on 16.09.2021 and <b>site handed over to developer on 19.03.2021.</b>
3.	North Central Railway (NCR)	Kampoo Kothi, Gwalior (Jhansi)	Acceptance Letter dated 19.12.18 issued for 45 years lease period. Lease agreement done on 22.11.22. <b>Site handed over on 17.01.2023.</b>
4.	Southern Railway (SR)	Kakkapalam, Padi (Chennai)	The Acceptance Letter dated 22.02.2018 issued for 45 years lease. Lease Agreement signed on 11.02.2020. <b>Site over to developer on 13.03.2020.</b> Plans approved. Development work in progress.
5.	Southern Railway (SR)	Plots at station Villupuram	Acceptance Letter dated 31.07.2018 issued for 45 years lease period. Lease Agreement executed on 14.03.22. <b>Site handed over on 25.05.22.</b>
6.	East Central Railway (ECR)	On station approach road, Raxaul	Acceptance Letter issued to selected bidder on 27.09.2017. <b>Site handed over on 13.03.2021.</b>
7.	Northern Railway (NR)	Ashok Vihar, New Delhi (Delhi)	Acceptance Letter issued on 28.02.2020. Lease agreement signed on 01.10.2020. <b>Site handed over on 12.01.2021.</b> No Objection Certificate (NOC)/Permission for cutting of trees is awaited from Forest Deptt. Fire No Objection Certificate (NOC) received on

			21.02.2022.
8.	North Central Railway (NCR)	Nirala Nagar Kanpur	Master Planning done by an Architectural consultant. Marketing & Valuation Consultant has submitted a valuation report. Valuation in progress. Memorandum of Understanding signed with the division.
9.	Northern Railway (NR)	Katra (Ferozepur)	The Acceptance Letter dated 20.08.2018 issued for 45 years lease period. Acceptance Letter cancelled on 21.01.19 as the developer failed to deposit the 1st installment of Lease premium. After revaluation of the site, fresh Notice Inviting Tenders were issued and opened on 10.12.2019, 01.07.2020, 03.11.20, 23.02.21 and 16.08.21 but there was no response. Bid Document re-invited and opened on 09.11.22 and Acceptance Letter issued to developer on 23.11.22. Acceptance Letter terminated on 09.05.23 for default of payment. Bid Document re-invited for Plot A&B on 16.08.23 and 20.11.23. No bid received.
10.	South Central Railway (SCR)	Part of old ITDC Hotel, Aurangabad	Bid Document issued on 28.11.2018, 14.11.19, 23.06.20 and 08.12.20. Acceptance Letter was issued on 09.02.2022, Acceptance Letter terminated due to payment default. The Bidder approached Hon'ble Delhi High Court against termination which has been dismissed by Hon'ble Court vide order Dated 13.01.2023. Bid Document re-invited but withdrawn due to status quo order of Hon'ble High Court, Bench Aurangabad.

**Statement -III**

**Status of sites**

<b>S.No</b>	<b>Zonal Railway</b>	<b>Name of Site</b>	<b>Current Status</b>
1.	South Central Railway (SCR)	Near Railway Hospital (PoornanandamPet) Vijayawada	Acceptance Letter issued on 03.06.2019 for 45 years lease period. Lease agreement signed. Site handed over on 04 August 2021. Lease Agreement registration done by developer on 22.11.2021. Plans sanctioned.
2.	East Coast Railway (ECoR)	Daba Gardens (Ambedkar Circle, Visakhapatnam)	Acceptance Letter issued on 06.06.2019 for 45 years lease period. Lease agreement has been entered with the developer on 13.02.2021. Lease Agreement registration done by developer on 16.09.2021 and site handed over on 19.03.2021.
3.	Northern Railway (NR)	Katra (Ferozepur)	The Acceptance Letter dated 20.08.2018 issued for 45 years lease period. Acceptance Letter cancelled on 21.01.2019 as the developer failed to deposit the 1st installment of Lease premium (LP). After revaluation of the site, fresh Notice Inviting Tender (NIT) were issued and opened on 10.12.2019, 01.07.2020, 03.11.20, 23.02.21 and 16.08.21 but there was no response. Bid Document re-invited and opened on 09.11.22 and Acceptance Letter issued to developer on 23.11.22. Acceptance Letter terminated on 09.05.2023 for default of payment. Bid Document reinvited for Plot A&B on 16.08.23 and 20.11.23. No bid received.
4.	North Central Railway (NCR)	Kampoo Kothi, Gwalior (Jhansi)	Acceptance Letter dated 19.12.18 issued for 45 years lease period. Lease agreement done on 22.11.22. Site handed over on 17.01.2023.
5.	South Central Railway (SCR)	Part of old ITDC Hotel, Aurangabad	Bid Document issued on 28.11.2018, 14.11.19, 23.06.20 and 08.12.20. Acceptance Letter was issued on 09.02.2022, Acceptance Letter terminated due to payment default. The Bidder approached Hon'ble Delhi High Court against termination which has been dismissed by Hon'ble Court vide order Dated 13.01.2023. Bid

			Document re-invited but withdrawn due to status quo order of Hon'ble High Court, Bench Aurangabad.
6.	North Central Railway (NCR)	Gola Ka Mandir, Gwalior	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd. 15.12.2017. The entrusted site was required for railway use and the selected developer did not agree to take an alternate site.
7.	South Central Railway (SCR)	Near Moula Ali flyover, Telangana	The site has been de-entrusted vide Railway Board Letter No. 2020/LML-II/2/3(146) dtd. 10.01.2022 as South Central Railway requested to Railway Board to keep it on hold as land is required for railway use.
8.	Southern Railway (SR)	Kakkapalam, Padi (Chennai)	The Acceptance Letter dated 22.02.2018 issued for 45 years lease. Lease Agreement signed on 11.02.2020. Site has been handed over to the developer. Plans approved by Chennai Metropolitan Development Authority (CMDA). Development work in progress.
9.	Southern Railway (SR)	Plots at Salem market station Salem (Salem)	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd. 27.02.2018 as land was required for railway use.
10.	Southern Railway (SR)	Plot at station Nagapattinam (Tiruchirapalli)	The site has been de-entrusted by Railway Board letter no. 2020/LML-II/2/3(146) dtd. 07.07.2022 as the site area is required for station area development.
11.	Southern Railway (SR)	Plots at station Pattukottai (Tiruchirapalli) three plots	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd. 15.12.2017. Reason for de-entrustment is that out of three plots, one plot is near to Railway crossing, road has been constructed on the second plot and the third plot is surrounded by burial ground and a pond.
12.	Southern Railway (SR)	Plots at station Villupuram	Acceptance Letter dated 31.07.2018 issued for 45 years lease period. Lease Agreement executed on 14.03.22. Site handed over on 25.05.22.

13.	East Central Railway (ECR)	On station approach road, Raxaul (samastipur)	Acceptance Letter issued to selected bidder on 27.09.2017. Site handed over on 13.03.2021.
14.	North Central Railway (NCR)	Nirala Nagar Kanpur	Master Planning done by an Architectural consultant. Marketing & Valuation Consultant has submitted a valuation report. Valuation in progress. Memorandum of Undertaking signed with Divisional Railway Manager/Prayagraj.
15.	Northern Railway (NR)	Ashok Vihar, New Delhi (Delhi)	Acceptance Letter issued on 28.02.2020. Lease agreement signed on 01.10.2020, Site handed over on 12.01.2021. No Objection Certificate (NOC)/Permission for cutting of trees is awaited from Forest Deptt. Fire No Objection Certificate (NOC) received on 21.02.2022. Development is delayed due to tree cutting permission by the forest department.
16	East Central Railway (ECR)	Gaya, Gautam Budh Institute	Acceptance Letter was issued on 27.09.2010. Development Agreement (DA) signed on 31.03.2011. Notice of intention to terminate the agreement was issued on 11.05.15 due to non completion of phase I project by 28.02.15. Status quo was granted by High Court (HC) on notice of intention till Arbitration. The site is under arbitration. Arbitration tribunal had several meetings, the last being on 10.11.2021. Request of Lessee's advocate for settlement has been accepted by the Arbitration Panel. Accordingly, the parties met on 29.12.2022. The Arbitration Panel desired that RLDA should submit a proposal with an offer of some monetary compensation in lieu of proposed detachment of the land.
17	South Western Railway (SWR)	Bangalore PF Road	Acceptance Letter has been Issued on 30.11.2009. Agreement signed on 03.03.2010. Development Agreement terminated on 08.01.14 due to non completion of project during guaranteed period. Arbitration was done and RLDA filed a case against the award in the High Court. Matter is pending in the High Court (HC). Fresh Notice Inviting Tender (NIT) issued



			with bid submission date 19.03.2020, 23.11.20, 25.02.21 and 14.3.22 No bid received. Hearing held on 18.07.2023, 25.09.2023, 11.12.2023 and 05.02.2024. Next hearing is scheduled on 7th Aug 24. Further orders are awaited.
18	South Central Railway (SCR)	Nizamabad railway station	Acceptance Letter issued to Developer on 27.05.22. Lease Agreement signed on 14.03.2023. Site handed over to Developer on 08.06.2023. Lease agreement registered on 13th July, 2023. A proposal to spare land for road widening as per the city Master Plan is under approval of zonal railway.
19	Western Railway (WR)	Mahalaxmi Mumbai	A reservation for Homeless Shelter is at the site in the Master Plan. Meeting with the Principal Secretary (UD-1), Government of Maharashtra (GoM) held on 26.09.2023 over the issue of removal of Reservation for Homeless shelter and issuing Government Regulation (GR) for additional FSI. Matter is being pursued. Government Regulation (GR) is awaited from the Government of Maharashtra (GoM). The Marketing & Valuation report has been submitted on 20.11.2023 considering permissible FSI and expected FSI from Govt of Maharashtra. Valuation is under finalization with RLDA.
20	North Western Railway (NWR)	Diesel Shed, Jodhpur	The site has been de-entrusted vide Railway Board Letter No. 2017/LML-II/2/4(103) dtd. 15.12.2017 due to non availability of land ownership document and change of land use is also not possible making the site not feasible for commercial development.
21	North Western Railway (NWR)	Loco Area, Jaipur	The approach of the entrusted site was not proper for commercial utilisation. Therefore, an underpass was proposed involving multi stake holders like Jaipur Development Authority, Public Works Department (PWD), Jaipur Vidyut Vitran Nigam Limited (JVVNL) and State Government. The issue of providing underpass took much time in resolving and now modalities for construction of RUB at LC-225 in Jaipur yard

			has been finalised. Memorandum of Undertaking signed between Jaipur Division and Jaipur Development Authority (JDA) on 28.08.2023. Valuation is in progress.
22	North Western Railway (NWR)	Hazaribagh, Ajmer	Acceptance Letter issued on 26.09.2018. Lease agreement signed on 08.11.2019. Site handed over to lessee. Construction of the approach road is in progress by the developer. Developer has not deposited 3rd and 4th installment and has requested for extension of time citing reason for RLDA. The extension is under consideration.
23	North Western Railway (NWR)	Railway Colony, Plot B, D and E Lalgarh Bikaner	A Court case pending in Hon. High Court on the subject site. Meeting held with Divisional Railway Manager (DRM)/Bikaner on 27.10.21 to resolve the court case. Senior Divisional Engineer (Sr DEN)/Coord agreed to drop from the scope for time being till the dispute is settled. Meeting also held with Dy Secy Govt of Rajasthan on the issue of mutation by RLDA.
24	Southern Railway (SR)	Pallanthuruthy (Island)	The site has been de-entrusted vide Railway Board Letter No. 2020/LML-II/2/3 (146) dt. 07.07.2022 as no construction is permitted on site and therefore site is not fit for commercial utilisation.
25	West Central Railway (WCR)	Kota Jn near existing PF 1 Cycle Stand	Site Plan has been modified as per Station Redevelopment planning. Road network plan has been submitted to Secy UIT/KTT vide letter dated 28.02.2023. Bid Document was invited and opened on 01.08.2023. No bid received. Bid re-invited and opened on 01.11.2023. Acceptance Letter issued on 09.11.2023. On the request of selected developer extension for depositing 1st installment of lease premium has been granted up to 07.03.2024.
26	West Central Railway (WCR)	Sawai Madhopur near GRP Thana	The Acceptance Letter dated 26.03.2018 was cancelled on 12.02.2020 on developer default. Bids re-invited on 26.02.2021, 25.8.21, 17.2.2023, 01.5.2023. No bids received Revaluation also done. Bid re-invited (Fifth time) on 01.12.2023. Acceptance Letter issued on

			03.01.2024. Special Purpose Company (SPC) formation is in process.
27	North Central Railway (NCR)	Jhansi (east)	The Acceptance Letter issued on 18.01.2019. Lease agreement signed on 28.05.2019. Site handed over on 26.08.2019 and on 12.02.2021. Development work at site is in the finishing stage.
28	North Central Railway (NCR)	Jhansi (west)	Architectural survey has been conducted by Consultant. Draft report has been submitted by the consultant which is under examination by RLDA.
29	South Central Railway (SCR)	Guntakal in Rly Colony	Acceptance Letter issued on 25.06.2019 cancelled on 19.12.2019. Bid Document Re-issued and Acceptance Letter was issued on 01.07.2020. Lease agreement signed on 22.03.2021 followed by supplementary Lease Agreement signed on 24.11.2022. Site handed over to Developer on 02.12.2022. Development work is in progress.
30	North Eastern Railway (NER)	Shahamat Ganj, Bareilly	For leasing of Part-A Acceptance Letter has been issued on 02.11.2021. Lease Agreement of Part-A has been registered on 08.12.2023. Part of the site is under litigation at District courts. Remaining land of 57135 Sqm (free from court case) has been handed over. Plans submitted by the developer have been provisionally approved by RLDA. Extension of payment of next installment of Lease Premium has been granted upto 07.08.2024 on developers' request. Zonal Railway is examining the issue of Pocket B having large number of encroachments.
31	North Central Railway (NCR)	Etawah	Acceptance Letter issued on 03.06.2019 for 45 years lease period. Lease agreement has been executed on 17.12.2020. Site handed over and registration of Lease agreement has been done. The drawings have been approved by the Development Authority.
32	Northern Railway	Old steam loco shed, Sarai Rohilla,	Acceptance Letter issued on 19/05/2008 and 26.10.2010 has been terminated on 10.12.2009

	(NR)	Delhi	and 06.08.15 respectively on developers default. Notice Inviting Tender (NIT) re-issued on 30.11.2017 opened on 02.05.2018 were cancelled. Bid again opened on 04.04.2019 and 13.01.20 but no bid was received. The site has been handed over to the Gatishakti Unit. The novation agreement was sent to Gatishakti unit on 17.08.22.
33	Northern Railway (NR)	Shimla (Railway Godown below Winter Field)	Acceptance Letter issued to selected bidder on 17.07.2018. However, despite a lot of persuasion, National Green Tribunal (NGT) disallowed construction of Multilevel Car Parking (MLCP)/Model at this site, so Acceptance Letter was withdrawn on 21.10.22. The Developer requested for conciliation. The Conciliation committee has submitted the Report on 6.07.2023. The competent authority has accepted the findings of the Conciliation Committee. The awarded amount disbursed to the claimant. The Settlement Agreement signed between the Parties. The de-entrustment of this site is in process.
34	Western Railway (WR)	Bandra (East)	Technically feasible proposal for access from Western Express Highway to site has been submitted on 25.09.2023 to Mumbai Metropolitan Region Development Authority (MMRDA) / Municipal Corporation of Greater Mumbai (MCGM) for their consent. In this regard a meeting was held with the Principal Secretary, Urban Development, Govt. of Maharashtra with VC/RLDA on 21.02.2024. The matter is under consideration.
35	Central Railway (CR)	Lokmanya Tilak Terminus	The site has been de-entrusted vide Railway Board Letter No. 2020/LML-II/2/3 (146) dt. 07.07.2022 as the same was required for railways' own use.
36	North Western Railway (NWR)	Johns Ganj, Ajmer	The Acceptance Letter dated 18.01.2019 was cancelled on 10.12.2021 on developer's default. Now due to proposed doubling, site is not feasible for commercial utilisation. Case for de-entrustment is being processed.

37	North Central Railway (NCR)	Gwaltoli, Kanpur	Acceptance Letter issued to developer on 21.01.2020 for a Lease premium of Rs. 66,70,00,000/-. The Lease Agreement has been executed on 30.12.2021. The developer has requested for extension for one year for submission of next installment of Lease Premium which is under consideration.
38	Northern Railway (NR)	Lucknow industrial area siding, Aishbagh	Acceptance Letter issued on 20.06.2019 for 99 years lease period. Lease Agreement executed. Site handed over on 27.01.2020 to Lessee. Supplementary agreement after reducing the land for Road widening was executed on 22.11.2022. On the request of developer extension has been granted for payment of next installment of lease premium upto 10.05.24.
39	Western Railway (WR)	Bandra (East)	Acceptance Letter issued to selected bidder on 06.11.2017. Lease agreement signed on 29.04.2019. Site handed over to developer in May 2019. Supplementary Agreement signed on 20.11.2019. Construction of superstructure of the commercial building is under progress and is likely to be completed in September 2024.
40	Northern Railway (NR)	Near Rly Colony 2 GT Road Amritsar	Acceptance Letter issued on 06.03.2020. Lease Agreement signed on 01.01.2021 and registered on 10.02.2021. The site was handed over to the developer on 09.02.2021. The development work is in progress.

### **Audit's vetting comments on Ministry's ATN**

No further comments.

### **Observation/Recommendation**

Delay in appointment of Consultants

The Committee note that according to its mandate, RLDA is obliged to carry out the necessary market surveys to assess the potential use of the land to work out the best mode of commercial development for revenue returns and accordingly

proceed with the bidding process. The Committee understand that consultants are required to be appointed by RLDA where the value of land is estimated to be more than Rs. 10 crore to ascertain financial valuation of land and to identify the potential use of land to provide maximum revenue. The Committee are appalled to learn that RLDA had no panel of government approved consultants till September 2015 i.e. even after an elapse of 8 years since its establishment. Further, RLDA did not fix any time frame for appointment of consultants after entrustment of land. The Committee are dissatisfied to note that in three cases, Consultants were appointed after a lapse of about three years from the entrustment of land, reasons for which were not available on record. In two cases, Consultants were appointed after eight years of entrustment, as land details were not available with the concerned Zonal Railway and there were delays in conducting inspection of land. The Committee note from the submission made by the representative of the Ministry during oral evidence that initially time was taken to form laws, rules and regulations, however, now the consultants are to be appointed within 3 weeks. The Committee are of the view that non-appointment of consultants resulted in inordinate delay in ascertaining financial valuation of land and identifying the potential use of land to provide maximum revenue thereby resulting in delay in developing the land. The Committee, in this regard, recommend that a panel of consultants may be appointed expeditiously by the Ministry to ensure that the development work on any site is not hampered by procedural delays. The Committee would separately, like to be apprised of the time taken to appoint consultant in respect of each of the sites entrusted to the RLDA.

[Recommendation/Observation No. 2 of 113<sup>th</sup> Report of  
Public Accounts Committee  
(17<sup>th</sup> Lok Sabha)]

### **Action Taken**

With a view to expediting commercial development, RLDA has empaneled consultants for Architectural, Marketing & Valuation consultancy. The empanelment list of consultants is regularly updated, and performance of empaneled consultants is also monitored regularly. This has resulted in steady increase in revenues of RLDA over the last 5 years.

Site wise dates of appointment of consultants are given in Statement-IV.

**Statement - IV**

**Detail of appointment of consultants**

S.No	Zonal Railway	Name of Site	Date of entrustment	Date of appointment	
				Architectural Consultant	Marketing & Valuation Consultant
1.	SCR	Near Railway Hospital (Poornanandam-pet) Vijayawada	25.04.2007	28.11.2007	
2.	ECOR	Daba Gardens (Ambedkar Circle, Visakhapatnam)	23.02.2007	30.05.2007	07.01.2019
3.	NR	Katra (Ferozepur)	03.09.2007	27.03.2008/ 13.11.2013	12.01.2015
4.	NCR	Kampoo Kothi, Gwalior (Jhansi)	13.02.2007	13.08.2010	
5.	SCR	Part of old ITDC Hotel, Aurangabad	25.04.2007	28.11.2007	
6.	NCR	Gola Ka Mandir, Gwalior	23.02.2007	Site de-entrusted	
7.	SCR	Near Moula Ali flyover, Telangana	25.04.2007	Site de-entrusted	
8.	SR	Kakkapalam, Padi (Chennai)	25.04.2007	21.11.2007	
9.	SR	Plots at Salem market station Salem (Salem)	30.09.2007/ 12.5.2009	3.12.2010	Site de-entrusted
10.	SR	Plot at station Nagapattinam (Tiruchirapalli)	30.09.2007 /12.5.2009	06.12.2010	Site de-entrusted
11.	SR	Plots at station Pattukottai (Tiruchirapalli) three plots	30.09.2007/ 12.5.2009	19.05.2016	Site de-entrusted
12.	SR	Plots at station Villupuram	12.05.2009	19.05.2016	29.11.2017
13.	ECR)	On station approach road, Raxaul (samastipur)	30.08.2007	2009	
14.	NCR	Nirala Nagar Kanpur	13.02.2007	23.02.2007 and 01.11.2017	11.10.2018.
15.	NR	Ashok Vihar New Delhi (Delhi)	25.09.2007	23.08.2016	02.02.2017
16	ECR	Gaya, Gautam Budh Institute	12.05.2009	2010	
17	SWR	Bangalore PF Road	23.02.2007	30.05.2007	

18	SCR	Nizamabad railway station	25.01.2008	03.12.2010	25.09.2017
19	WR	Mahalaxmi Mumbai	12.02.2014 / 27.12.2023	25.08.2014, 08.08.2018 & 20.02.2023	25.04.2018
20	NWR	Diesel Shed, Jodhpur	27.02.2014	22.01.2016	Site de-entrusted
21	NWR	Loco Area, Jaipur	27.02.2014	01.07.2020	09.11.2021
22	NWR	Hazaribagh, Ajmer	27.02.2014	22.01.2016	22.11.2017
23	NWR	Railway Colony, Plot B,D and E Lalgah Bikaner	27.02.2014	22.01.2016	22.11.2017
24	SR	Pallanthuruthy (Island)	29.09.2014	31.10.2016	Site de-entrusted
25	WCR	Kota Jn near existing PF 1 Cycle Stand	13.01.2016	In House	31.10.2016
26	WCR	Sawai Madhopur near GRP Thana	13.01.2016	In House	31.10.2016
27	NCR	Jhansi (east)	26.07.2012	15.03.2016	31.10.2016
28	NCR	Jhansi (west)	26.07.2012	10.02.2016	31.10.2016
29	SCR	Guntakal in Rly Colony	12.05.2009	03.12.2010	19.05.2016
30	NER	Shahamat Ganj	05.11.2009	12.11.2010	26.10.2016
31	NCR	Etawah	26.07.2012	15.03.2016	31.10.2016
32	NR	Old steam loco shed, Sarai Rohilla	23.02.2007	30.05.2007	30.05.2007 & 02.02.2017
33	NR	Shimla (Railway Godown below Winter Field)	03.10.2016	20.01.2017	
34	WR	Bandra (East)	07.02.2008	24.07.2020	24.07.2020
35	CR	Lokmanya Tilak Terminus		Site de-entrusted by Railway Board	
36	NWR	Johns Ganj, Ajmer	27.02.2014	In House	02.02.2018
37	NCR	Gwaltoli, Kanpur	05.11.2009	07.03.2016	31.10.2016
38	NR	Lucknow industrial area siding, Aishbagh	07.04.2008	02.06.2008	25.09.2017
39	WR	Bandra (East)	14.03.2016	19.06.2017	31.10.2016
40	NR	Near Rly Colony 2 GT Road Amritsar	13.02.2009 23.07.2012	13.08.2010	12.01.2015

### Vetting Comments of Audit

*No further comments.*



### **CHAPTER III**

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

**-NIL-**

## **CHAPTER IV**

### **OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION**

#### **Observation/Recommendation**

##### **Non-preparation of plan for development**

The Committee note that RLDA (Constitution) Rule provides that the Authority may prepare a Five Year Plan of the Commercial Development Projects proposed to be taken up for execution. The Authority may also prepare a Five Year Plan for consultancy, construction or management services and operation proposed to be executed by it in relation to development of land and property. The Committee observe that Five Year Plan for development of commercial land was not prepared by RLDA till 2015-16. The Committee note from the reply of the Ministry that five year plan of the Authority was prepared and approved by RLDA Board in 2017 and that RLDA is actively pursuing the various activities for fixing developers of various sites as per the approved 5 year plan. In the opinion of the Committee, there has been registered disregard for the rules governing RLDA and accountability is required to be fixed for not preparing the 5 year plan till 2015-16 as mandated under the rules. The Committee desire to be apprised of achievements vis-a-vis the targets set in the five year plan and whether the achievements were made within the timelines. The Committee wish to know the contours of the next five year plan which should ideally be in implementation stage at present. The Committee also recommend that since development of land has a long gestation period, a vision map may be made by RLDA charting targets for the next 20 years and then formulate the 5 year plans, keeping the long term goals in mind.

[Recommendation/Observation No. 3 of 113<sup>th</sup> Report of  
Public Accounts Committee  
(17<sup>th</sup> Lok Sabha)]

#### **Action Taken**

Earnings targets and achievements in this five-year plan is given below:

<b>Year</b>	<b>Earnings Target (Rs in Cr)</b>	<b>Achievement in (Rs in Cr)</b>
2016-17	83	18.43
2017-18	1195	42.93
2018-19	1284	82.81
2019-20	1845	933.27
2020-21	1170	355.59

Targets of earnings kept in the first Five-year plan were very ambitious since RLDA was in its nascent stage and evolving. However, there has been steady growth in earnings over the years.

The tentative targets for five-year plan (2020-25) were reviewed in 2019 and projected targets for finalisation of bid were prepared which are as given below:

**(In Crores)**

<b>Year</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Commercial site	1100	1800	1200	1200	1200
Colony	300	350	450	650	1000
New sites	0	650	1800	2800	3000
<b>Total</b>	<b>1400</b>	<b>2800</b>	<b>3450</b>	<b>4650</b>	<b>5200</b>
<b>Leasing value</b>	<b>172.77</b>	<b>501.57</b>	<b>2169.9</b>	<b>2635.8 (Jan24)</b>	

There is shortfall in achieving these targets vis-a-vis the past achievements and unprecedented havoc caused by Corona Pandemic, virtually bringing all activities to standstill during 2020-21 and 2021-22. RLDA's performance has, however, been improving substantially over the last 2 years.

The observations of the Committee have been noted and the Vision Map for RLDA for next 20 years is being prepared considering the projected market scenario.

#### **Vetting comments of Audit**

- i. MoR has not furnished any action taken on the Committee's recommendation of fixing accountability for not preparing the 5-year plan till 2015-16 as mandated under the rules.

- ii. In the five-year plan (2020-25) of RLDA, earnings were projected for two types of sites (i) sites already been entrusted to RLDA and (ii) sites yet to be entrusted to RLDA. However in the ATR, MoR has mentioned the targets/achievements only from sites already been entrusted to RLDA, and targets/achievements for sites yet to be entrusted to RLDA were not mentioned.
- iii. There must be a targeted approach for the preparation of Vision Map for RLDA.

### **Updated Action Taken reply of the Ministry**

- i. Rail Land Development Authority (Development of Land and other Works) Regulations, 2012 were notified on 30 Jan 2013 specifying the methodology to be adopted for commercial utilization of surplus Railway land. Subsequently, finalization of consultants, site study and valuation were done and thereafter only five-year plan (2016-2021) was prepared.

As RLDA being in the nascent stage and therefore, the insights were developed through these studies.

In view of the above, no one can be held accountable for non-preparation of five-year plan till 2015-16 as RLDA was in evolving stage at that time.

- ii. The following five-year plan for bid finalization as provided in ATN, includes the target for new sites as well.

*(In crores)*

<b>Year</b>	<b>20-21</b>	<b>21-22</b>	<b>22-23</b>	<b>23-24</b>	<b>24-25</b>
Comsite	1100	1800	1200	1200	1200
Colony	300	350	450	650	1000
New sites	0	650	1800	2800	3000
<b>Total</b>	<b>1400</b>	<b>2800</b>	<b>3450</b>	<b>4650</b>	<b>5200</b>
<b>Leasing value</b>	<b>172.77</b>	<b>501.57</b>	<b>2169.9</b>	<b>2635.8 (Jan 24)</b>	

Here, new sites entrusted after making this plan have already been included in the entrusted sites. So, the above position is complete including earlier entrusted sites as well as sites entrusted after making this plan.

- iii. Vision Map is under preparation. The target for finalisation of vision map has been kept as 30.11.2024.

[Please refer to Para 10 of Chapter I for observation/recommendation of the Committee]

### **Observation/Recommendation**

## Change in land use and non-observance of by-laws of State Government

The Committee note that Indian Railways acquired land for its operational purposes i.e. development of Traffic facilities and also reserved surplus land for its future expansion/operational purposes. However, with the passage of time Indian Railways decided to utilize this surplus land for commercial purposes through non-tariff measures. The Committee note that since the railway land being demarcated in revenue records as 'Public and Semi Public Zone' the same was required to be converted to a 'Commercial Zone' by obtaining permission from concerned State Government through the Change of Land Use (CLU). As per by-laws, some Open Space to create community facilities as per norms of Government (10 per cent of developed land) is required to be kept open and handed over to the local body through a registered deed before commercial utilization of land. Land given under Open Space Reservation (OSR) does not revert back to the owner, the State Government only accords permission to develop and maintain the 10 per cent land. The Committee observe from audit findings that there were several cases of delay in development of surplus land due to unresolved CLU and OSR issues.

The Committee observe that Railway Board has delegated power to Zonal Railways for giving land for Open Space Reservation for change of land use, resulting in clearing of non-approved pending CLU cases with concerned local authority. The Committee also observe from the submission of the Ministry that there have been reservations on usage of railway land by Local bodies and approval from local bodies has been taking considerable time. The Committee note that to mitigate this problem, the Union Cabinet, on 03.10.2018, had approved that "No change in land use is required Pan India by Railways for developing Railway land for commercial use". This decision has been communicated to Chief Secretaries of all the states/UTs on 13.11.2019 by the Ministry of Housing and Urban Affairs. The Committee note that only Uttar Pradesh, Rajasthan, Madhya Pradesh, Haryana and Uttarakhand have issued instructions to local authorities in this regard and that the State Governments are being pursued to issue instructions to local authorities on the similar lines. In this regard, the Committee opine that since land is a state subject under the Seventh Schedule of the Constitution of India the development of the surplus railway land in States/ UTs should be in conformity with their master plan

and, therefore, the RLDA may pursue with the other states accordingly or explore the option of revenue sharing with them to help speed up projects.

**[Recommendation/Observation No. 4 of 113<sup>th</sup> Report of  
Public Accounts Committee  
(17<sup>th</sup> Lok Sabha)]**

**Action Taken**

Rail Land Development Authority (RLDA) is a statutory Authority, under the Ministry of Railways, set-up by an Amendment to the Railways Act, 1989, for development of vacant Railway Land for commercial use for the purpose of generating revenue by non-tariff measures. RLDA is developing its vacant railway land for commercial use for earning non-fare revenue.

RLDA consults urban local bodies/ other statutory authorities while approving its plans in terms of powers conferred to it as per Section 11 of Railway Act, 1989 so that the development in Railway land is harmonious with the surrounding development, generally following the National Transit Oriented Development (TOD) policy.

As per the extant rules and regulations, revenue generated from the commercial development of the Railway land is not shared.

**Vetting comments of Audit**

*No further comments.*

[Please refer to Para 14 of Chapter I for observation/recommendation of the  
Committee]

**Observation/Recommendation**

**Leasing of land**

The Committee note that based on the feasibility study and market survey, RLDA decides the period of lease for railway land based upon the specific requirement of the site, project or local real estate market. RLDA also may have an agreement with the Developer for multiple sub-leases of the assets made by the Developer on the Railway land. However, ownership of the land continues to vest with the Railway Administration and no mortgage of land is permitted at any time. After expiry of the lease period, the entire railway land together with the buildings or structures existing there-on shall revert and vest upon the Railway Administration.

The Committee however note that RLDA regulations do not permit developers to sublease undivided proportionate share of leased land to the end user which is against the provision of RERA Act 2013. The Committee while noting that with the restrictions in sublease, the end user and in some cases even the developers are facing problems in obtaining finances, recommend that amendments in RLDA regulations to allow sublease of undivided share of land along with built up area and making the project in compliance with RERA Act may be considered to ease the financing problem of end users for purchasing properties developed on railway land. Further, the Committee also observe from the submission of the Ministry that in many parts of the country especially in Southern part of India, lease hold properties are not prevalent and hence, in most bids, no response has been received.

The Committee, therefore, recommend that other viable options for the States with such legal provisions may be explored so that land may be developed without hindrance and delay. Further, the Ministry may also consider increasing the period of lease of land for commercial development.

Ministry should also explore proper avenues for rehabilitating vendors belonging to unorganised sector who have been displaced by the commercial development of railways stations.

(Recommendation/Observation No. 5 of 113<sup>th</sup> Report of  
Public Accounts Committee  
(17<sup>th</sup> Lok Sabha)

### **Action Taken**

Proposal for amendments in RLDA regulations to allow sublease of undivided share of land along with built up area and making the project in compliance with RERA Act is under consideration in the Ministry of Railways. There is no policy for Resettlement and rehabilitation of encroachers in Railways. Prompt removal of trespass (potential encroachment) noticed during inspection is done by invoking section 147 of IR Act. Further, for removal of old encroachments, action is taken under Public Premises (Eviction of Unauthorised Occupants) Act, 1971 (PPE Act).

### **Vetting comments of Audit**

*No further comments*

[Please refer to Para 18 of Chapter I for observation/recommendation of the  
Committee]

## **CHAPTER V**

### **OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES/NO REPLIES**

**-NIL-**

**NEW DELHI;  
22 July 2025 Chairperson,  
31 Ashadha 1947 (Saka)**

**K C VENUGOPAL  
  
Public Accounts Committee**



**(APPENDIX – I)**

**MINUTES OF THE FOURTH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE  
(2025-26) HELD ON 17<sup>th</sup> JUNE, 2025 FROM 1430 HRS. ONWARDS**

The Committee met on Tuesday from 1430 hrs. to 1710 hrs. on 17<sup>th</sup> June, 2025 in Committee Room 'C', PHA, New Delhi.

**PRESENT**

**Shri K. C. Venugopal**

**- Chairperson**

**Members**

**LOK SABHA**

2. Dr. Nishikant Dubey
3. Shri Jagdambika Pal
4. Shri Jai Parkash
5. Shri Ravi Shankar Prasad
6. Shri Magunta Sreenivasulu Reddy
7. Shri Tejasvi Surya
8. Shri BalashowryVallabhaneni
9. Shri Dharmendra Yadav

**RAJYA SABHA**

10. Shri Praful Patel
11. Shri Sukhendu Sekhar Ray
12. Shri Sudhanshu Trivedi

**LOK SABHA SECRETARIAT**

- |                            |                  |
|----------------------------|------------------|
| 1. Shri H Ram Prakash      | Joint Secretary  |
| 2. Ms, Archana Pathania    | Director         |
| 3. Shri Alok Mani Tripathi | Deputy Secretary |
| 4. Shri Pankaj Sharma      | Deputy Secretary |
| 5. Ms. Malvika Mehta       | Deputy Secretary |
| 6. Dr. Faiz Ahmad          | Under Secretary  |

**REPRESENTATIVES OF THE OFFICE OF THE COMPTROLLER AND AUDITOR  
GENERAL OF INDIA**

- |                          |                      |
|--------------------------|----------------------|
| 1. Ms. Smita S. Chaudhri | - Dy. C&AG           |
| 2. Ms. Kavita Prasad     | - Director General   |
| 3. Ms. Reena Saha        | - Director General   |
| 4. Shri I. R. Inamdar    | - Principal Director |

## **REPRESENTATIVES OF THE MINISTRY OF SCIENCE & TECHNOLOGY**

### **DEPARTMENT OF BIOTECHNOLOGY**

- |    |                        |                 |
|----|------------------------|-----------------|
| 1. | Dr. Rajesh S. Gokhale  | - Secretary     |
| 2. | Dr. Alka Sharma        | - Scientist 'H' |
| 3. | Dr. Anamika Gambhir    | - Scientist 'G' |
| 4. | Dr. Onkar Tiwari       | - Scientist 'F' |
| 5. | Mr. Avtar Singh Sandhu | - CCA           |

### **DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH**

- |    |                           |                        |
|----|---------------------------|------------------------|
| 1. | Dr. N. Kalaiselvi         | - DG, CSIR & Secretary |
| 2. | Shri Chetan Prakash       | - Financial Advisor    |
| 3. | Shri Mahendra Kumar Gupta | - Joint Secretary      |

2.     X       X       X       X       X       X

3.     Then the Chairperson welcomed the Hon'ble Members and the Officers of Comptroller and Auditor General (C&AG) to the sitting. The Committee took the first item on the agenda namely consideration and adoption of three draft Reports. The Committee considered the (i) Draft Action Taken on 87<sup>th</sup> Report (17<sup>th</sup> LS) on "Irregularities in receipt and utilisation of compensation and Grossly irregular and manipulated award and execution of work relating to the renovation of the basement at India House, London, leading to undue benefits being extended to the Contractor" and adopted with some minor changes.

The Committee then considered other two draft reports on

(ii) Action Taken on 113<sup>th</sup> Report (17<sup>th</sup> LS) on "Development of Railway Land for Commercial use by Rail Land Development Authority"; and

(iii) Action Taken on 141<sup>st</sup> Report (17<sup>th</sup> LS) on "Loss of Revenue Due to Non-Registration of Lease Agreement" and adopted them without any modification.

4.                               X       X       X       X       X       X

X   X.

5.                               X       X       X       X       X       X

6.                               X       X       X       X       X       X

7.                   X    X    X    X    X    X

8.                   X    X    X    X    X    X

9.                   X    X    X    X    X    X

10.                  X    X    X    X    X    X.

***The Committee then adjourned.***

***A copy of the verbatim proceedings of the sitting has been kept on record.***

(APPENDIX – II)

(Vide para 5 of Introduction)

**ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE ON PUBLIC ACCOUNTS CONTAINED IN THEIR HUNDRED AND THIRTEENTH REPORT (SEVENTEENTH LOK SABHA)**

- |       |   |   |   |
|-------|---|---|---|
| (i)   | <b>Total No of Observations/Recommendations</b>   | - | <b>05</b>                                   |
| (ii)  | Observations/Recommendations of the Committee which have been accepted by the Government:   | - | <b>Total: 02</b><br><b>Percentage – 40%</b> |
|       | <b>Para Nos. 1, 2</b>   |   |   |
| (iii) | Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government:                 | - | <b>Total: Nil</b><br><b>Percentage - 0%</b> |
|       | <b>-Nil-</b>  |   |   |
| (iv)  | Observations/Recommendations in respect of which replies of Government have not been accepted by the Committee and which require reiteration: | - | <b>Total: 03</b><br><b>Percentage– 60%</b>  |
|       | <b>Para Nos. 3, 4 and 5</b>   |   |   |
| (v)   | Observations/Recommendations in respect of which Government have furnished interim replies:   | - | <b>Total: Nil</b><br><b>Percentage –0%</b>  |
|       | <b>-Nil-</b>  |   |   |