

**ADARSH CO-OPERATIVE HOUSING SOCIETY,
MUMBAI**

[Action Taken by the Government on the Observations/Recommendations of
the Committee contained in their 91st Report (15th Lok Sabha)]

MINISTRY OF DEFENCE

**PUBLIC ACCOUNTS COMMITTEE
(2017-18)**

SEVENTY-NINTH REPORT

SIXTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

SEVENTY-NINTH REPORT

PUBLIC ACCOUNTS COMMITTEE **(2017-18)**

(SIXTEENTH LOK SABHA)

**ADARSH CO-OPERATIVE HOUSING SOCIETY,
MUMBAI**

[Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Ninety-First Report (15th Lok Sabha)]

MINISTRY OF DEFENCE



Presented to Lok Sabha on:

18.7.17

Laid in Rajya Sabha on:

18.7.17

**LOK SABHA SECRETARIAT
NEW DELHI**

July, 2017 /Ashadha, 1939 (Saka)

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**Not appended to the cyclostyled copy of the Report*

**COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2017-18)**

Shri Mallikarjun Kharge

Chairperson

MEMBERS

LOK SABHA

2. Shri Sudip Bandyopadhyay
3. Shri Subhash Chandra Baheria
4. Shri Prem Singh Chandumajra
5. Shri Nishikant Dubey
6. Shri Gajanan Chandrakant Kirtikar
7. Shri Bhartruhari Mahtab
8. Smt. Riti Pathak
9. Shri Neelima Rie
10. Shri Abhishek Singh
11. Prof. Ram Shanker
12. Dr. Kirit Somaiya
13. Shri Anurag Singh Thakur
14. Shri Shivkumar C. Udasi
15. Dr. P. Venugopal

RAJYA SABHA

16. Shri Naresh Agrawal
17. Shri Satyavrat Chaturvedi
18. Shri Bhubaneswar Kalita
19. Shri Shantaram Naik
20. Shri Sukhendu Sekhar Roy
21. Shri Ajay Sancheti
22. Shri Bhupender Singh Yadav

SECRETARIAT

1. Shri A.K. Singh - Additional Secretary
2. Shri T. Jayakumar - Director
3. Smt. Anju Kukreja - Under Secretary
4. Shri Shankarnath Sharma - Committee Assistant

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2017-18), having been authorised by the Committee, do present this Seventy-ninth Report (Sixteenth Lok Sabha) on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Ninety-first Report (Fifteenth Lok Sabha) on "**Adarsh Co-Operative Housing Society, Mumbai**" relating to Ministry of Defence.

2. The Ninety-first Report was presented to Lok Sabha/laid in Rajya Sabha on 9th December, 2013. Replies of the Government to all the Observations/Recommendations contained in the Report were received. The Public Accounts Committee considered and adopted the Seventy-ninth Report at their sitting held on 14th July, 2017. 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 thick type in the body of the Report.

4. The Committee place on record their appreciation of the assistance rendered to them in the matter by 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 Seventy-Ninth Report (16th Lok Sabha) is given at *Appendix-II*.

NEW DELHI;
17 July, 2017
26 Ashadha, 1939 (Saka)

SHRI MALLIKARJUN KHARGE
Chairperson,
Public Accounts Committee

REPORT

PART - I

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 Ninety-First Report (15th Lok Sabha) on "Adarsh Co-operative Housing Society, Mumbai".

2. The Ninety-First Report which was presented to Lok Sabha on 09th December, 2013 contained 17 Observations/Recommendations. The Action Taken Notes on all the Observations/Recommendations have been received from the Ministry of Defence and are categorized as under:

- (i) Observations/Recommendations which have been accepted by the Government:

Para Nos. 1, 2, 3, 4, 5, 6, 7, 8, 13, 15, 16 & 17

Total: 12

Chapter - II

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

Para Nos. NIL

Total: NIL

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. 12 & 14

Total: 2

Chapter - IV

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

Para No. 9,10 & 11

Total: 3
Chapter -V

3. The Committee desire that the Ministry of Defence furnish final/conclusive Action Taken Note on the Observation/Recommendation Nos. 9, 10 & 11 of their 91st Report (15th Lok Sabha) in respect of which the Ministry have furnished interim replies within one month of the presentation of this Report to Parliament.

4. The Action Taken Notes furnished by the Ministry of Defence on the Observations/Recommendations of the Committee contained in the Ninety-First Report (15th Lok Sabha) have been reproduced in the relevant Chapters of the Report. In the succeeding paragraphs, the Committee have dealt with the Action Taken by the Government on their Observations/Recommendations made in the Original Report which either need comment or reiteration.

I. Strengthening the Management/Ownership of Defence Lands

5. The Committee in their Original Report (91st Report) had observed that audit scrutiny revealed how a group of select officials holding key post subverted rules and regulations, suppressed facts and took the ruse of welfare of servicemen and war widows and children. The Committee's scrutiny corroborated the irregularities in the entire process right from allocation of land to the Society, obtaining 'No Objection' from the Army, extension of various concessions by Government of Maharashtra, getting 'No Objection Certificate(NOC)' from BEST for transfer of developmental rights of the adjoining land, obtaining clearance for residential development in Coastal Regulation Zone by certain officials who abused their official position for personal gain. Asked how the NOC was given to the Society, the Ministry of Defence stated that the NOC was issued by the local Defence authorities because of mismanagement of Defence land, poor record keeping and lack of mutation of land already in possession of the Armed Forces. Further, the multiplicity of agencies managing Defence land had contributed to the maladministration with no centralized information being available on land holdings. With the lines of responsibility and consequently of accountability being

blurred, no agency had accepted responsibility on many aspects of land management. The Committee considered this a monumental failure at all levels of governance. Apparently, the Public Servants entrusted with the responsibilities of safeguarding the Public trust brazenly betrayed the fiduciary trust by acting against all norms of Public interest and probity.

[Para-2 Ninety-First
Report of the Public Accounts Committee
(15th Lok Sabha)]

6. The Ministry of Defence in their Action Taken Note submitted as under:

- "The irregularities pertain to the process from allocation of land to the Society, obtaining 'NOC' from the Army, extension of various concessions by the Govt. of Maharashtra, NOC given by the BEST for transfer of developmental rights of the adjoining land, obtaining clearance for residential development in Coastal Regulation Zone by certain officials. However, it is also correct that the land in Block - VI had not been formally transferred to the Ministry of Defence/ Army by the Government of Maharashtra nor mutated in Revenue Records. It was due to this reason that there was no entry in the Military Lands Register (MLR) maintained by Defence Estate Office (DEO) Mumbai in this regard.
- (i). Defence Estates Department of Ministry of Defence maintains two types of important lands registers. One register is for lands within Cantonments and the other register is for lands outside Cantonments. The former register is called General Lands Register (GLR) and the latter register is called Military Lands Register (MLR). Both the registers record survey number-wise the ownership of land, its area, persons in occupation, any transfer/sale transaction and other summary details. Both the registers are maintained in every (Defence Estates Office (DEO) Circle. GLR is maintained in every Cantonment Board Office for land placed under the management of Cantonment Boards. Each office maintains multiple volumes of both these registers. There are 62 Cantonment Board Offices and 37 DEO Circles.
- (ii). It is also correct to state that no centralized information was available. However, pursuant to the Adarsh Housing Scheme incident, the following initiatives have been taken by Ministry of Defence/ DGDE to improve land records management, strengthen control and custody of defence land and to prevent any arbitrary issue of 'NOC' for allotment/ use of defence land:-
- (1) Computerisation of Defence land involving data entry, its verification, authentication of land records in Raksha Bhoomi Software in respect of all Cantonment Boards and Defence Estates Offices has been undertaken.
 - (2) Digitization, Indexing, Microfilming, Protection and Preservation of Land Records has also been undertaken. This will help create a durable electronic database for

better management of documents thereby protecting vital govt. interest in its estates, simultaneously, establishing Archival Unit and Resource Centre(AU&RC) as central repository of old records for easy retrieval of land records.

- (3) Survey, Demarcation and Verification of all Defence Lands(outside as well as inside Cantonments and Boards) is going on .
- (4) Land Audit has been carried out in almost all the 37 DEO Circles. This will be a continuing process to ensure compliance with laid down instructions on management and optimum utilization of land.
- (iv) A policy on issue of NOC in respect of land adjacent to defence land has already been issued by MOD vide letter No.11026/2/2011/D(Lands) dated 18.05.2011; this was issued specifically inter alia with reference to the affairs of the Adarsh Co-operative Housing Society.
- (v) Multiplicity of Agencies: Defence land is located across the country and is under active use of the three Services, other Defence Departments/ Organizations and persons. Thus, management of land becomes a complex matter involving large number of stakeholders and various tenures of holdings which are governed under different statutes and policy instructions. Ministry, while replying to one of the recommendations made by C & AG in its 35th Report, has made the following submission-

".....Keeping in view, the nature of occupation of land by the Services, an omnibus authority will not serve the purpose. LMA/DEOs do not have any powers to dispose land. Instructions regarding issue of NOCs and ceding of Defence lands have already been issued. The land audit will strengthen the land management system further. Defence Estates have been managing land keeping in view all the rules/regulations issued by Ministry of Defence. Creation of an authority as suggested may not serve the required purpose, rather may add increased financial burden. Instead, Defence Estates organization can be strengthened by way of having more and more officers nominated from the select list of the Civil Services exams and rationalization of rules, instructions and delegation of powers....."

The Ministry is committed to improving the procedures and processes of land management, including strengthening of the Defence Estates Department, to ensure efficient and optimal utilization of available land and to prevent alienation of land in an arbitrary or collusive manner. Now computerization of Defence Land is under way post provisioning of space in the Cloud Server and necessary hardware and software by the NIC. The indexing, scanning and digitization of files identified in the project has been completed in respect of all DEO Circles and 62 Cantt. Boards. 98% of physical survey has been completed by Cantt. Boards while 97.55% of defence land outside Cantonments has also been surveyed.

PAC/Audit will be kept apprised of further developments made towards completion of computerization of Defence Land stated to be under way as well as towards completion of the remaining physical survey of defence land till finality."

7. The Committee note the initiatives taken by the Ministry of Defence in the aftermath of the irregularities in the process of allocation of land to the Adarsh Housing Society, regarding NOC from the Army, extension of various concessions by the Government of Maharashtra, NOC given by the BEST for transfer of developmental rights of adjoining land, obtaining clearance for residential development in Coastal Regulation Zone by certain officials. The Committee are shocked to note that the Action Taken Note of the Ministry is silent about the action initiated against a group of officials holding key posts in the Ministry who violated rules and regulations and committed unpardonable irregularities under the ruse of welfare of servicemen, war widows and children. The Committee desire that the Ministry must fix responsibility of the erring officials, award exemplary punishment to them and apprise the Committee accordingly within four months of presentation of this report. The Committee are dismayed to note that the Ministry failed miserably to accomplish even the physical survey, clear demarcation and proper verification of its entire land leaving enough scope for irregularities and alienation of its land in an arbitrary and collusive manner. The Committee also deprecate the lackadaisical attitude of the Ministry as the updation of defence land records in Raksha Bhoomi Software has not been completed even after a lapse of more than two and half years of the presentation of 91st Report of PAC (15th Lok Sabha). The Committee, therefore, desire that updation of Raksha Bhoomi software be done on a priority basis and regularly update the same.

II. Acquiring Land in lieu of the Defence Land already transferred

8. The Committee in their original Report had noted that according to the Agreement in 1958, between Ministry of Defence and the then Government of Bombay, 41 acres and 8 guntas of Defence land from Santacruz Rifle Range was transferred to the Government of Bombay for construction of Western Express Highway on the condition that the State Government in lieu shall give land, in Block VI, Colaba, Bombay failing which the State Government was to pay the market value of the land. Out of this, a piece of land measuring 3854 square meters in Block VI, Colaba was under consideration for exchange with State Government in lieu of the aforesaid Santacruz land. Though this land had been under the occupation of the Army, its ownership was not transferred in favour of Ministry of Defence. Further, the claim for payment in lieu of Defence land already transferred to State Government was also not finalized. This clearly indicated that the Ministry of Defence did not have a proper mechanism to secure ownership of its properties. Obviously, the Ministry of Defence failed to get the

land transferred from the State Government when it had surrendered its land for the construction of Western Express Highway. It was also not clear as to why the Ministry did not seek the market value of the land which it had surrendered. The Committee sought reasons from the MoD for the same within 3 months of the presentation of the Report.

**[Para-4 Ninety-First
Report of the Public Accounts Committee
(15th Lok Sabha)]**

9. The Ministry of Defence in their Action Taken Note submitted as under:

"It is seen from the records of DEO, Mumbai that the matter regarding transfer of the State Govt. land to Ministry of Defence in exchange of defence land already transferred had been taken up with the Govt. of Maharashtra since 1963 on a regular basis. It is further seen from the report of DEO, Mumbai that the Collector Mumbai in 1964 had informed that the land from Block VI Back Bay reclamation cannot be transferred to the Defence Department. There are series of correspondence thereafter with the office of DEO, Mumbai on this matter. The DEO, Mumbai in 1995 also had taken up the matter with the Govt. of Maharashtra for payment of the full market value for the land already transferred to the State Govt. The DEO had also taken up the matter with the PWD in 1995 for fulfilling the condition of the transfer. The matter was also raised in various Civil Military Liaison Conference (CMLC) meetings held in 1997, 2002 and 2013. The State Govt. has been maintaining that the land in Block VI is not available and provision of land at Thane and Panvel could be considered in lieu of land already transferred to the State Govt. The matter regarding seeking the market value of the land already surrendered was not pursued since discussions with the State Govt. and LMA were on for provision of land in lieu of defence land already transferred.

During the course of vetting of the abovesaid Action Taken Note, the Audit made the following observations:

"Though the minutes of the CMLCs of 2002 and 2013 have been attached with the revised Action Taken Note (the CMLC of 1997 is, however, still not furnished), the reply however, still does not corroborate the statement about the matter being pursued with the Maharashtra Government on regular basis since 1963, as copies of the periodic correspondence made in this regard has not been furnished. The Action Taken note is therefore, formally vetted subject to the condition that the Audit comment may be reproduced in a separate sheet, reply provided thereagainst and the same attached with the same as part thereof."

The reply of the Ministry on the aforesaid Audit observation is given as under :

Despite best efforts CMLC minutes of 1997 could not be obtained. Details of the correspondence made with the concerned authorities have already been included in the main reply (Appendix I, II & III). Since the matter became sub-judice no further correspondence have been made with the authorities."

10. The Committee are extremely unhappy to note from the reply of the Ministry that even after a lapse of nearly 45 years the Ministry of Defence has failed to get the land of the State Government of Maharashtra transferred in lieu of the 41 acres and 8 guntas land of Ministry of Defence from Santa Cruz Rifle Range previously handed over to the Government of Bombay for construction of Western Express Highway. The agreement entered into in 1958 between the Ministry of Defence and the then Government of Bombay clearly stipulates that the State Government shall give land, in Block VI, Colaba Bombay (now Mumbai) failing which the State Government was to pay the market value of land. The Ministry could neither obtain the land in Block VI, Colaba or anywhere else nor receive the market value of the land on the plea that discussions with the State Government are on for provision of land. The Committee take serious note that after 2002 the Civil Military Liaison Conference (CMLC) which is convened to settle land issues etc. met only in 2013 and feel that had CMLC conducted meetings regularly the issue could have been settled much earlier. The Committee, further desire that the Ministry to make earnest efforts either to get the compensation as per agreement or get an alternative land from the Government of Maharashtra in a time bound manner.

III. Conduction of Regular CMLC Meeting for perusal with the concerned State Government for 100 percent Defence Land Mutation

11. The Committee in their Original Report had observed that the said particular piece of land was not recorded in Military Land Register. Asked to explain the reason for the land not being mutated in the name of MoD, it was submitted that the Collector, Mumbai had intimated in 1964 that land from Block VI could not be transferred. Admitting before the Committee, the Secretary stated 'poor record keeping and lack of mutation of the land already in possession of the Armed Forces' were among the major reasons that contributed to mismanagement of Defence Land. He added that an impetus had been given to the computerization of Defence Land records. It was also added that subsequent to the alleged scam of Adarsh Housing Society a number of remedial steps have been taken by the Ministry. These included computerization of all

Defence Land records and a project of survey and demarcation of Defence Land. The Committee were also informed that computerization was being done for the whole country and as on date two registers namely Military Land Register and General Land Register were being computerized. In addition, two more projects had been initiated for physical verification and demarcation of Defence Land on ground and digitalization and also microfilming of all land records for their preservation. The Committee would like to be apprised of the outcome of such initiatives within three months of the presentation of this report.

[Para-7 Ninety-First
Report of the Public Accounts Committee
(15th Lok Sabha)]

12. The Ministry of Defence in their Action Taken Note submitted as under:

"As per the information made available by DGDE, though the Govt. of India had accorded sanction for transfer of defence land at Santacruz Rifle Range for construction of Western Express Highway in exchange of State Govt. land in Colaba after working out tentative scheme for the reclamation of Block VI, the same could not materialize as the State Govt. did not agree to hand over the land in Block VI at Colaba. It was not possible for the DEO Bombay to enter the land in the MLR as Defence Land as the land had not been transferred by the State Government to the Ministry of Defence. There was, therefore, no possibility of taking up the case with the State Government for mutating the land in favor of Government of India in the State Revenue Records. Out of total defence land spread across the country, about 80% land have already been mutated in the revenue records of the State Governments concerned. To expedite the process, consistent efforts have been made by the Defence Estates Department from time to time with the State Governments concerned. Principal Directors, Defence Estates and Defence Estates Officers have been taking up the matter of mutation of Defence land in the State Revenue Records with the Chief Secretaries and Revenue Departments of the concerned States. Some of the recent correspondences made by the Defence Estate Department in this respect are enclosed for ready reference: -

- i) Minutes of Civil Military Liaison Conference held at HQ South Western Command, Jaipur on 29.09.2011 wherein at point No.39 the State Govt of Rajasthan agreed to mutate defence lands at the earliest.
- ii) Principal Director, DE, Northern Command, Jammu letter dated 19.07.2012 to the Revenue Secretary, Govt. of J&K.
- iii) DO letters dated 04.09.2013 from Director, DE, Central Command, Lucknow to the Revenue Secretary, Govt. of Madhya Pradesh, Commissioner cum Secretary (Revenue & Disaster Management), Govt. of Orissa, Principal

Secretary, Dept of Revenue, Govt. of Bihar, Principal Secretary, Dept of Revenue, Govt. of Jharkhand, Commissioner Land Records, govt. of Chattisgarh.

iv) Director, DF, DO letters dated 27.10.2011 & 28.10.2011 to the Chief Secretaries, Governments of Sikkim, Manipur, Assam, Meghalaya, Nagaland and West Bengal.

Further, the matter of mutation of defence land has consistently been taken up by them with the State Revenue authorities. The issue of mutation of Defence land in the State Revenue Records has been taken up by DGDE with State Revenue Department from time to time. Now computerization of Defence Land is under way after provisioning of space in the Cloud Server and necessary hardware and software by the NIC. The indexing, scanning and digitization of files identified in the project has been completed in respect of all DEO Circles and 62 Cantt. Boards. 98% of physical survey has been completed by Cantt. Boards while 97.55% of defence land outside Cantonments has also been surveyed.

During the course of vetting of the abovesaid Action Taken Note, the Audit made the following observations:

"PAC/Audit will be kept apprised of further developments made towards mutation of the remaining Defence land till the entire Defence land is mutated in the name of the Ministry of Defence across the country."

The reply of the Ministry on the aforesaid Audit observation is given as under :

"DGDE has been asked to get the remaining Defence land mutated and also update the land mutation record. PAC/Audit will be kept apprised of further progress in this regard."

13. The Committee note the fact that out of the defence land spread across the country, about 80 percent land has already been mutated in the revenue records of the State Governments concerned and consistent efforts are being made by the Defence Estates Department in mutating remaining 20 percent of defence land in the State Revenue Records across the country through CMLCs and regular pursual with the State Governments concerned. The Committee, therefore, urge the Ministry to set up a monitoring cell so as to fast track the pending cases of mutation of defence land, complete the process in a time bound manner and apprise the Committee accordingly.

IV. Fixing Responsibility on Public Servants

14. The Committee in their Original Report had observed that the Society was allowed to circumvent both the Development Control Rules (DCR) 1967 and the DCR 1991. In accordance with DCR 1967, no building could be erected or raised to a height greater than one and a half times the sum of the width of the streets on which it abuts and the width of the open space between the street and the building as measured from

the level of the centre of the street in front. Thus, the maximum height of the Society building permissible as per DCR 1967 was 45.6 metres. The DCR 1991 had no height restriction but brought down the Floor Space Index (FSI) for Back Bay Reclamation Scheme (BBR) Block VI to 1.33 from 3.5 as per the DCR 1967. The plot in question was categorized as Coastal Regulation Zone (CRZ) II and for the buildings permitted in that Area, DCR 1967 were applicable. Though DCR 1967 were to be adhered to for building construction activities proposed in CRZ II areas of Mumbai, the Society was allowed to apply DCR 1991 in this aspect as height restriction was not stipulated by DCR 1991. Further, loss of FSI was offset by transferring the developmental rights of the BEST plot and relaxation of 15 per cent on account of RG as and when required. Further, against the approval for 27 floors, the Society constructed 28 floors which raised the height to 100.70 metres. The Municipal Commissioner accepting (21 October 2009) the contention of the Society that there was no need to obtain fresh NOC from High Rise Committee stated that Mumbai Metropolitan Region Development Authority's (MMRDA) approval may be obtained. The NOC for 28th Floor was issued on 4th August 2010 when the son of the Municipal Commissioner became a member of the Society. Also, many relaxations were made in grant of membership and environmental clearances for ineligible persons, obviously under a certain quid-pro-quo. The Committee did not wish to make any comment at that stage as the Government of Maharashtra had set up an Enquiry Commission, to enquire into all specified, connected and individual issues, fix responsibility on public servants for the lapses on the basis of enquiry conducted and make recommendation for transparency in government in land allotment and to eliminate unwarranted discretion. The Committee desired the Ministry of Defence to apprise the Committee about the final outcome of the Enquiry Report in due course.

[Para-12 Ninety-First
Report of the Public Accounts Committee
(15th Lok Sabha)]

15. The Ministry of Defence in their Action Taken Note replied as under:

"The Govt. of Maharashtra has informed that as per the Enquiry Report, the appropriate DCR which ought to have been applied by the MMRDA to the Adarsh plot was the DCR1967 and not the draft DCR1989 or DCR 1991 in view of the CRZ notification dated 19.02.1991 and appropriate action under the relevant provisions of MRTP Act, 1966 and DCR 1967 will be taken against those responsible for not following the laid down procedure. The PAC/Audit will be apprised of the action taken against those responsible for not following the laid down procedure, in due course."

16. The Action Taken Note furnished by the Ministry of Defence is silent on the steps initiated to establish transparency in allotment of Government land,

elimination of unwarranted discretion as per DCR 1967 and the disciplinary action taken against the erring officials on the basis of the outcome of the Report of the Enquiry Commission set up by the Government of Maharashtra. The Committee, therefore, reiterate its earlier recommendation to fix responsibility on erring public servants on the basis of the Enquiry Commission's findings and exhort to implement transparency in allotment of government land and eliminate unwarranted discretion.

V. Failure to Detect the Violation of DCR 1967

17. The Committee in their in their Original had noted that the DCR 1967 and 1991 were applied selectively and the Society allowed to construct the building beyond the permissible height. The maximum height of the society building permissible as per DCR 1967 was 45.6 meters and DCR 1991 had no height restriction for buildings in CRZ-II. The Committee found that the MoEF had failed to prevent construction of a building of such a height coming up in that area. When the Ministry was asked to explain their failure, their reply was that no proposal was received from Urban Development Department, Government of Maharashtra seeking CRZ clearance for the construction of building of M/s Adarsh Cooperative Housing Society(ACHS). This was far from convincing and not acceptable to the Committee. The Committee wished to be apprised about the action taken by the MoEF against those officials in Maharashtra Coastal Zone Management Authority (MCZMA) who failed to detect grave environmental violations in their jurisdiction. The Committee also desired to be apprised about how the MoEF envisaged to ensure that the delegated authorities carried out their duties conscientiously, without any fear or favour.

[Para-13 Ninety-First
Report of the Public Accounts Committee
(15th Lok Sabha)]

18. The Ministry of Defence in their Action Taken Note submitted as under:

"As per the information made available by MoEF, it is submitted that as soon as the matter was brought to the notice of the MoEF through media in October, 2010, Ministry directed the MCZMA / State Authorities to submit a report / documents on the matter. It was also examined by the NCZMA wherein the Principal Secretary, UDD, Chairperson, MCZMA were invited. Based on the recommendation of NCZMA, appropriate action in term of Show Cause Notice (SCN) was immediately issued followed by necessary and final order directing the State Government that why the unauthorized structure should not be removed due to violation of CRZ Notification, 1991. To minimize the violation of CRZ Notification, 1991 various directions have been issued from time to time as to the State Government and a direction has also been issued under Section 5 to

all coastal States in February, 2011. Keeping in view the violations and the non-effectiveness of the Coastal Zone Management Authorities, the Ministry had issued an Office Memorandum on 7th November, 2008. Further, in accordance with the Coastal Regulation Zone Notification of 6th January, 2011, a direction under Section 5 has been issued to all coastal States and Union territories to:

- a) Identify the violations of the Coastal Regulation Zone Notification, 1991 and the approved Coastal Zone Management Plan there under within their respective jurisdiction in a period of four months from the receipt of this directions;
- b) Initiate action under the Environment (Protection) Act, 1986 upon the identified violations within four months thereafter;
- c) Upload the relevant details of the identified violations, including the action taken on the violations, as per para (a) and (b) above on their respective website, every fortnight.

The National Coastal Zone Management Authority periodically monitors the implementation of the directions. All coastal Zone Management Authorities have developed their website and are monitoring the violations on the website including the status. However, the action taken by the MoEF against those officials in MCZMA who failed to detect grave environmental violation in their jurisdiction would be appraised to the PAC/Audit in due course."

19. The Committee note that the Ministry of Environment and Forests have taken steps and issued directions to the Coastal Zone Management Authority (CZMA) to ensure that the concerned authorities discharge their duties efficiently. However, the replies furnished by the Ministry is devoid of the action taken against the delinquent officials of Maharashtra Coastal Zone Management Authority (MCZMA) for dereliction of duty in not detecting serious environmental violation by the Adarsh Cooperative Housing Society(ACHS). The Committee therefore, desire that the Ministry of Environment and Forest take action against officials of MCZMA who have failed to detect the violation of DCR 1967 allowing construction of the building in ACHS beyond permissible height.

VI. Plugging Loopholes in the Environmental Acts/Rules/Notification

20. The Committee in their Original Report had noted that as per the Ministry of Environment & Forests, the detection of violation of the provisions of the CRZ Notification 1991, was the first duty of the 'BMC and the other local authorities'. Notably, in the event of local authorities conniving with vested interests, as happened in the instant case, the MoEF had no other means of detecting the violations and taking action against the law violators. The MoEF also stated that the Regional office of MoEF at Bhopal monitors projects in Maharashtra region which had been accorded environmental and CRZ clearance by the Ministry or by the State Level Environment

Impact Assessment Authorities. Obviously, in cases of projects undertaken without environmental clearance, the regional office at Bhopal had no mechanism to know of such projects much less of taking action against such projects. The Committee were perturbed to note that the Regional offices so created across the Country had no proactive role to play and that they act only after the local authorities detect violation or in cases where project proposals are submitted to them for necessary environmental clearances. The Committee therefore recommended that the MoEF plug loopholes in the Acts/Rules/Notification for ensuring proper forest conservation and environmental protection. The Committee wished to be apprised of the measures contemplated by the Ministry in this behalf.

[Para-14 Ninety-First
Report of the Public Accounts Committee
(15th Lok Sabha)]

21. The Ministry of Defence in their Action Taken Note submitted as under:

"As per the information made available by MoEF, it is submitted that Ministry of Environment and Forests had issued the Coastal Regulation Zone (CRZ) Notification in 1991 under the Environment Protection Act, 1986 for protection and conservation of the coastal environment. A Committee under the chairmanship of Prof. M.S. Swaminathan was constituted to review the CRZ Notification, 1991. The Committee submitted its report with various recommendations for strengthening the CRZ Notification, which inter-alia included protection and conservation of the coastal ecosystem, livelihood security of local communities, introduction of regulation to manage the proliferation of ports along the coasts, introduction of tighter standards for disposal of effluent into coastal waters, etc. On the basis of the recommendations of the above Committee and extensive consultations with various stakeholders, Ministry notified the CRZ Notification, 2011 for the main land and Island Protection Zone (IPZ) Notification, 2011 for Lakshadweep as well as Andaman & Nicobar Islands in supersession of the CRZ Notification, 1991. The CRZ Notification, 2011 covers 500 meters from the high tide line on the landward side, including the inter-tidal area on the seafront, and upto 12 nautical miles on the seaward side. It also covers 100 meters or width of the creek, whichever is less, from the high tide line on the landward side along the tidal influenced water bodies. The Coastal Regulation Zone Notification, 2011 prohibits setting up of new Industries and expansion of existing Industries units in CRZ areas. Only activities which require foreshore facilities viz Ports, fishing harbor and pipeline for sea water intake / outfall, transmission lines etc. are permissible within CRZ.

During the course of vetting of the abovesaid Action Taken Note, the Audit made the following observations:

"The Ministry has quoted the CRZ Notification of 2011, whereas the PAC had made their recommendation through their 91st Report of 2013-14 (15th Lok Sabha) (tabled in the Parliament on 9-12-2013). Further, no measures taken/proposed to be taken by the MoEF to plug the loopholes in the Acts/Rules/Notification for ensuring proper forest conservation and environmental protection have been mentioned in the Action Taken note. The Action Taken note is vetted subject to doing the needful."

The reply of the Ministry on the aforesaid Audit observation is given as under :

"As informed by MoEF CRZ, 2011 also provides for

(a) "The State Government or the Union Territory CZMAs shall primarily be responsible for enforcing and monitoring of this notification and to assist in this task, the State Government and the Union Territory shall constitute district level Committees under the Chairmanship of the District Magistrate concerned containing atleast three representatives of local traditional coastal communities including from fisherfolk"; and

(b) "To maintain transparency in the working of the CZMAs it shall be the responsibility of the CZMA to create a dedicated website and post the agenda, minutes, decisions taken, clearance letters, violations, action taken on the violations and court matters including the Orders of the Hon'ble Court as also the approved CZMPs of the respective State Government or Union territory".

However, the concern of Audit has been intimated to MoEF for their consideration and necessary action."

22. The Committee are constrained to note that the Action Taken reply furnished by the MoEF through Ministry of Defence is silent on the measures taken to plug the loopholes in the Acts/Rules/Notification for efficient forest conservation and environmental safeguard by the Regional offices of MoEF across the country and to have a more proactive role in giving timely environmental clearance for projects. The Committee are dismayed to find the laggardly approach of the Ministry in furnishing details of the initiatives undertaken by the MoEF pursuant to the recommendations of the Prof. M.S. Swaminathan Committee for reviewing the CRZ Notification, 1991. The Committee, therefore, reiterate that the MoEF may appoint a study group to review and give suggestions for necessary amendments in the Environmental Acts/Rules/Notifications so as to ensure proper forest conservation and environmental protection.

NEW DELHI;
17 July, 2017
26 Ashadha, 1939 (Saka)

SHRI MALLIKARJUN KHARGE
Chairperson,
Public Accounts Committee

APPENDIX-II
(Vide Paragraph 5 of Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE
OBSERVATIONS/RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE
CONTAINED IN THEIR NINETY-FIRST REPORT (FIFTEENTH LOK SABHA)

(i)	Total number of Observations/Recommendations	17
(ii)	Observations/Recommendations of the Committee which have been accepted by the Government: Para Nos. 1-8, 15-16 and 17	Total : 12 Percentage: 70.59%
(iii)	Observations/Recommendations which the Committee do not desire to pursue in view of the reply of the Government: Para Nos. -Nil	Total : 0 Percentage: 0
(iv)	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration: Para Nos. 12 and 14	Total : 2 Percentage: 11.76%
(v)	Observations/Recommendations in respect of which the Government have furnished interim replies: Para Nos. 9-10 and 11	Total : 3 Percentage: 17.65%