

**ALLOTMENT OF LAND TO EDUCATIONAL
INSTITUTIONS BY DELHI DEVELOPMENT
AUTHORITY**

MINISTRY OF URBAN DEVELOPMENT

**PUBLIC ACCOUNTS COMMITTEE
(2008-2009)**

SEVENTY-EIGHTH REPORT

FOURTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

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[Action Taken on 42nd Report of Public Accounts Committee (14th Lok Sabha)]



Presented to Lok Sabha on 17 December, 2008

Laid in Rajya Sabha on 17 December, 2008

LOK SABHA SECRETARIAT
NEW DELHI

December, 2008/Agrahayana, 1930 (Saka)

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2008-2009)

Prof. Vijay Kumar Malhotra—*Chairman*

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*Ceased to be Member of Lok Sabha *w.e.f.* 14th November, 2008, consequent upon his election to Rajya Sabha.

#Resigned from membership of Lok Sabha *w.e.f.* 11th November, 2008.

INTRODUCTION

I, the Chairman, Public Accounts Committee, as authorised by the Committee, do present this Seventy-eighth Report on action taken by Government on the Recommendations/Observations of the Public Accounts Committee contained in their 42nd Report (14th Lok Sabha) on "Allotment of Land to Educational Institutions by Delhi Development Authority".

2. This Report was considered and adopted by the Public Accounts Committee at their sitting held on 1st December, 2008. Minutes of the sitting form Part II of the Report.

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. The Committee also place on record their appreciation for the invaluable assistance rendered to them by the officials of Lok Sabha Secretariat attached with the Committee.

NEW DELHI;
3 December, 2008
12 Agrahayana, 1930 (Saka)

PROF. VIJAY KUMAR MALHOTRA,
Chairman,
Public Accounts Committee.

CHAPTER I

REPORT

This Report of the Committee deals with action taken by the Government on the Recommendations/Observations of the Public Accounts Committee contained in their Forty-second Report (14th Lok Sabha) on Paragraph 4.1 of the Report of the Comptroller and Auditor General of India for the year ended March, 2004 (No. 4 of 2005), Union Government (Civil-Autonomous Bodies) relating to "Allotment of Land to Educational Institutions by Delhi Development Authority".

2. The Forty-second Report of the Public Accounts Committee, which was presented to Lok Sabha on 28th April, 2007, contained 18 Recommendations/Observations. The Action Taken Notes on all the Recommendations/Observations have been received from the Ministry of Urban Development and are categorized as under:

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

Paragraph Nos. 105, 106, 112, 117, 118 and 121
[Sl. Nos. 1, 2, 8, 13, 14 and 17]

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

Paragraph Nos. 107, 110 and 111
[Sl. Nos. 3, 6 and 7]

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Paragraph Nos. 108, 114, 115, 119 and 120
[Sl. Nos. 4, 10, 11 15 and 16]

- (iv) Recommendations/Observations in respect of which the Government have furnished interim replies:

Paragraph Nos. 109, 113, 116 and 122
[Sl. Nos. 5, 9, 12 and 18]

3. The Committee desire that the Government should furnish final/conclusive Action Taken replies to the Recommendations/Observations for which interim replies have been furnished.

4. In their Forty-second Report, the Committee had examined Delhi Development Authority's policy of allotment of land to educational institutions at concessional rates, its implementation/enforcement by both Delhi Development authority (DDA)

and the Government of NCT of Delhi and compliance of the stipulated Reservation/ Freeship conditions for poor students by the beneficiary schools etc. From the year 1990 onwards, such allotments were made subject to certain terms and conditions which stipulate that the beneficiary schools will ensure admission to students belonging to the economically weaker sections of society residing in Delhi to the extent of 25 per cent and grant freeships from the tuition fees in accordance with the rules prescribed by the Government of National Capital Territory of Delhi from time to time. During the period 1990-91 to 2003-2004, DDA allotted land at concessional rates to 381 registered societies for establishing schools on such quantified terms and conditions. The Committee in their examination had noted that 46 out of 90 test selected schools were yet to be functional despite lapse of the stipulated period of two years while as many as 133 out of the 381 beneficiary societies failed to provide the stipulated 25 per cent reservation for children from the weaker sections as of March 2004. As many as 343 schools hiked their tuition fees by 5 per cent to 44 per cent without the requisite approval of the Directorate of Education, Government of NCT of Delhi in violation of the terms of allotment. Further, there was no established mechanism for ascertaining breaches of terms of allotment and consequently remedial action for ensuring adherence to the freeship norms was conspicuously non-existent. The Committee had observed that though the policy of land allotment at concessional rates to educational societies by DDA was introduced with the primary objective of providing quality education to the underprivileged children through private schools, the scheme has not been able to achieve the intended social objectives due to failure in its implementation in right earnest, both by DDA as the implementing agency and the Government of NCT of Delhi as the sponsoring agency.

5. The Action Taken Notes furnished by the Ministry of Urban Development have been reproduced in the relevant Chapters of this Report. In the succeeding paragraphs, the Committee have dealt with the action taken by the Government on some of their Recommendations/Observations, made in the Original Report, which need reiteration or merit comments.

(i). Extension of Time for Construction of School Buildings

[Para No. 108 of the 42nd Report (14th Lok Sabha)]

6. In their 42nd Report, the Committee had observed that even though the beneficiary societies, as per allotment order, were required to complete the construction of the school buildings and operationalise them within a period of two years from the date of taking possession of the land, DDA had granted extension of time for construction of the school buildings to 27 societies on the grounds of inadequacy of funds and 17 Societies were given permission to mortgage the allotted land to raise loans to meet the cost of construction. Further, in 11 cases, the extension of time was permitted beyond normally permissible 5 years. The Committee had been informed by the Ministry that the maximum period allowed for construction of school buildings on payment of composition fee had been reduced from 20 years to 10 years for new allotments and for all surviving leases where construction had not been undertaken even after ten-years period, the allottees were given time upto 31.12.2007 to complete the construction. Expressing the view that a period of 10 years is still too long a period

for construction of school buildings which would lead to a huge time lag between the demand and supply as well as misuse of the allotted land, the Committee had, therefore, *inter-alia* recommended that the Ministry of Urban Development should examine the feasibility of further reducing the maximum period allowed for construction of school buildings under the Concessional Land Allotment Policy to six years and cancel the allotment of land to those societies which fail to complete construction of school buildings and make them functional within this period.

7. In their Action Note, the Ministry of Urban Development have *inter-alia* stated that the period of construction for institutional plots has only recently been reduced from 20 years to 10 years. further, rate of composition fee has been recently increased, which is likely to act as deterrent for non-construction. In view of the above factors, it is considered that the time frame for construction may not be reduced further from 10 to 6 years.

8. The Committee do not accept the plea taken by the Ministry of Urban Development for not reducing the maximum period of construction of school buildings from 10 years to a more sensible 6 years time as recommended by them in their 42nd Report. The Committee are of the considered opinion that the maximum period of 10 years allowed for construction of schools buildings by the beneficiary societies is too long and hence, would not encourage early construction and operationalisation of the schools but may even unwittingly serve as an incentive for misuse of the land. Further, in view of the ever increasing demand for admissions in schools and growth in number of admission seekers in Delhi due to population boom and migration, the Committee feel that there is an urgent need for new capacity addition/creation to reduce the demand and supply gap between the number of admission seekers and the number of seats available. This can be achieved to some extent if the maximum permissible period for construction of schools is reduced. Hence, the Committee reiterate their earlier recommendation that the maximum permissible period for operationalisation of school by a beneficiary society after taking possession of the allotted land should not be more than 6 years. This is necessary for ensuring that the social objective of concessional land allotment policy of DDA is achieved within a reasonable time frame. The Committee would also like to be apprised of the action taken by DDA against those institutions/societies, which were given deadline for construction of school buildings and their operationalisation until 31st December, 2007.

(ii) Enhancement of Composition Fee

[Para No. 109 of the 42nd Report (14th Lok Sabha)]

9. The Committee in their 42nd Report had found that the rate of composition fee levied for non-construction of buildings by the beneficiary societies within the stipulated time limit of two years hitherto @ Rs. 5 per cent square metre for plots measuring upto 500 square in the fourth year and Rs. 10 per square meter in the fifth year, was very nominal and had failed to serve as an effective deterrent for delayed construction of buildings by the beneficiary societies. In respect of plots measuring above 500 square metres, the Committee found that no penal fee was charged even after elapse of stipulated time *i.e.* in the fourth and fifth years of allotment thereby providing ample scope to certain societies for delayed construction of buildings. After

taking up the matter by the Committee, the composition rates had since been revised to @ Rs. 10 and Rs. 20 respectively in the 4th and 5th years. the Committee had considered that even the revised rates were still very low and would not act as a deterrent for delayed construction of school buildings by the erring societies. With a view to ensure that all the beneficiaries societies operationalise the schools at the earliest, the Committee had, therefore, recommended that DDA should also impose composition fee in respect of institutional plots measuring above 500 square metres after the elapse of the stipulated time *i.e.* in the 4th and the 5th years of allotment. They had also desired that the composition fee should be further increased so that it can act as a disincentive and effective deterrent compelling the land allottees to expedite construction of school building at the earliest.

10. In their Action Taken Note, the Ministry of Urban Development stated that the issue of further increase of composition fee would be considered in the next financial year *i.e.* 2008-09. Further the issue of charging of composition fee for the 4th and 5th year for plots measuring above 500 sq. mtrs. will also be considered at the time of considering the proposal for enhancing composition fee from 2008-09.

11. The Committee note with satisfaction that the Ministry of Urban Development have set in motion the process for effecting increase in the rate of composition fee for plots measuring upto 500 sq. mtrs. and also for charging of composition fee from the 4th and the 5th year onwards for plots measuring above 500 sq. mtrs. from the financial year 2008-09. The Committee hope that the Ministry would pursue the matter in the right earnest for arriving at an early and favourable decision for charging the revised/new rates from the current financial year *i.e.* 2008-09 onwards uniformly in respect of all concessional land allotments made by DDA to the beneficiary societies so that the plots of land are prevented from languishing without use or misuse and thus, compelling land allottees to expedite construction of school buildings at the earliest. The Committee would await for the precise actions taken by DDA in this regard.

(iii) Amendment of Delhi School Education Act, 1973, for taking action against the defaulting schools

[Para Nos. 114 and 120 of the 42nd Report (14th Lok Sabha)]

12. The Committee in their Forty-second Report had observed that pursuant to the Writ Petition filed in the Delhi High Court, the Government of NCT of Delhi provided a list of 178 defaulters to DDA to whom land was allotted by DDA under the concessional land allotment policy. Subsequently, the Directorate of Education had identified 33 schools where it had found zero compliance of the freeship norm. Out of these, DDA had cancelled the land lease of Bal Bharti School, Rukmani Devi, Gyan Mandir and Pinnacle School, which were the biggest defaulters and accordingly initiated proceedings for eviction under Public Premises (Eviction of Unauthorized Occupants) Act. While taking note of the adverse impact of large-scale cancellation of land allotment to the defaulting schools on the careers of thousands of children, the Committee had felt that this inexcusable act of breach of the freeship norms by the defaulting schools warranted imposing of penalties by DDA and the Directorate of Education, Government of NCT of Delhi. The Committee, had, therefore, desired that the Ministry of Urban

Development/DDA in coordination with the Directorate of Education, Government of NCT of Delhi should find ways and means to penalize the defaulting schools which may include taking over of their management so that it will act as a deterrent to the other schools from violating the terms and conditions of the concessional land allotment.

13. In their Action Taken Note, the Ministry of Urban Development stated that they have made a suggestion to the Directorate of Education, Government of NCT of Delhi for amending the Delhi School Education Act and Rules, 1973 to incorporate a provision stipulating adherence to the condition of freeship as a necessary pre-condition for grant of recognition and if any school fails to comply with the same, it would attract de-recognition and/or taking over of the management of the school. This would provide legal backing to the enforcement of the condition of freeship in addition to taking action in terms of the lease conditions.

14. Further, in Para 120 of their 42nd Report, the Committee had noted that the Ministry of Urban Development had made a proposal to the Directorate of Education, Government of NCT of Delhi suggesting amendment to the Delhi School Education Act, 1973 and Rules framed thereunder for incorporating a provision stipulating adherence to the condition of freeship as a necessary pre-condition for grant of recognition and any school that fails to comply with the same, would attract de-recognition and/or taking over of the management of the school. As per this proposed amendment, any violation of terms and conditions of allotment of land would constitute a violation under the Delhi School Education Act, 1973 and would provide legal backing to the enforcement of the condition of freeship in addition to taking action in terms of the lease conditions. The Committee had urged upon the Government of National Capital Territory of Delhi to take necessary steps for carrying out amendment to the Delhi School Education Act, 1973 expeditiously so that enforcement of freeship norms and other conditions of concessional land allotment are implemented in the right earnest.

15. In their reply, the Ministry of Urban Development in their Action Taken Note stated that as the issue is *sub-judice*, necessary amendment in the Delhi School Education Act, 1973 could not be made. However all efforts are being made for the early hearing and disposal of the cases.

16. The Committee are constrained to note that no follow-up action seems to have been taken by the Ministry of Urban Development and DDA to prevail upon the Government of NCT of Delhi in carrying out the amendments to the Delhi School Education Act, 1973 with a view to enforce compliance of the stipulated terms and the conditions of the concessional land allotment by the beneficiary societies. This shows the lackadaisical attitude of the Ministry to the issue, which is inexcusable. The Committee also deplore the callous attitude displayed by the Government of NCT of Delhi is not taking necessary action for amendment of Delhi School Education Act, 1973 so as to rein in and penalize the defaulting schools so that it would serve as deterrent for other schools. The Committee do not accept the plea of the Ministry that the Act could not be amended due to the matter being *sub-judice*. The Committee are of the considered view that amendment to the Delhi School Education Act, 1973 in no way materially affects the court case as it falls in the domain of the Legislature. The

Committee reiterate their earlier recommendation that the Ministry of Urban Development should pursue the matter vigorously with the Government of NCT of Delhi so that amendment to the Delhi School Education Act, 1973 is carried out within a period of two months from the Presentation of the Report. They would also like to be apprised of the conclusive action taken in this regard.

(iv) Appointment of Government Representatives

[Para No. 115 of the 42nd Report (14th Lok Sabha)]

17. In their 42nd Report, the Committee were informed that DDA had made a request to the Government of Delhi for appointing two Government representatives on the Governing Bodies of the beneficiary societies with a view to ensuring compliance of the freeship condition. The Committee had welcomed this initiative and expressed the hope that the Ministry of Urban Development would pursue the matter with the Directorate of Education, Government of NCT of Delhi so that they taken necessary steps for implementing the same.

18. In their Action Taken Note, the Ministry submitted that the amendment to incorporate the suggestion made by DDA has not been made in the Delhi School Education Act, 1973 as the issue of freeship to economically weaker students is *sub-judice*.

19. The Committee are dismayed to note that the Ministry of Urban Development have not pursued the matter regarding appointment of Government representatives on the governing bodies of the beneficiary societies on the ground that the issue of providing freeship is *sub-judice*. The Committee do not consider the Ministry's explanation as a plausible justification for their inaction since this aspect pertains to administrative action which merely involves amendment to Delhi School Education Act, 2007 and thus, in no way is directly related to or affects or influences the implementation of the freeship condition *per se*. The Committee cannot but regret the lack of seriousness on the part of the Ministry of Urban Development and DDA as also the non-cooperative stance and apathy of the Government of NCT of Delhi to this important issue. The Committee, therefore, reiterate their earlier recommendation that requisite action for appointment of Government representatives, on Governing bodies of all beneficiary societies should be taken without any further delay as this would help in exerting pressure on the school management in ensuring compliance of the Government directives including freeship norm. The Committee would like to be apprised of the conclusive action taken in this regard.

(v) Lapses in Inspection of Schools by the Directorate of Education Government of NCT of Delhi

[Para No. 119 of the 42nd Report (14th Lok Sabha)]

20. The Committee in their 42nd Report had observed that inspection of the schools had not been carried out properly by the Directorate of Education, Govt. of NCT of Delhi so much so that the Directorate even could not furnish the details of number of inspections carried out to check the deviations/non-compliance of schools to the condition of providing freeship to poor children as well as to oversee the overall functioning of the schools under its governance. As informed by the Ministry, during

the academic session 2005-06, panel inspection were carried out in respect of nearly 126 schools under Rule 190 read with Section 24(2) and the main irregularities observed in these inspection pertained to improper maintenance of service records of employees and employment of over-aged staff in violation of Recruitment Rules. However, there was no reference in the inspection report about the status of compliance of schools to the freeship/reservation condition, thereby revealing a serious deficiency in the inspection carried out by the Directorate. The Committee had, therefore, recommended that the Ministry of Urban Development should impress upon the Directorate of Education Government of National Capital Territory of Delhi to revamp their inspection machinery so that inspection of schools are carried out regular intervals by the Directorate with a view to enforcing the strict adherence to the freeship norms by the beneficiary schools. The Committee had further recommended that DDA in consultation with the Directorate of Education, Government of NCT of Delhi should examine the feasibility of setting up a mechanism where under inspections can be jointly carried out by DDA and the Directorate of Education in so far as implementation of terms and conditions of concessional land allotment is concerned.

21. In their Action Taken Note, the Ministry stated that a Mechanism has already been put in place, where Directorate of Education will forward the list of defaulter schools that are not complying with prescribed freeship condition. For their purpose, necessary inspection of schools will be made by the Government of NCT of Delhi.

22. The Committee were dismayed to find that the Ministry have not taken any concrete steps for implementation of their recommendation for revamping the inspection machinery of the Directorate of Education, Government of NCT of Delhi so that inspections are carried out at regular intervals with a view to enforcing strict adherence to freeship norms by the beneficiary schools. The Ministry have merely stated that inspection of schools will be done by the Government of NCT of Delhi and there is no mention in their reply about the periodicity as well as the modalities of conducting the inspections. Further, there is no evidence to suggest whether the Government of NCT of Delhi have initiated any action for revamping their inspection machinery. The Action Taken Reply is also silent with regard to the proposal for setting up a mechanism for conducting joint inspection by DDA and Government of NCT of Delhi, as recommended by the Committee in their 42nd Report. While taking a serious note of the lackadaisical approach on the part of both the Ministry of Urban Development and the Government of NCT of Delhi, the Committee reiterate their recommendation that specific measures should be taken for revamping and strengthening of inspection machinery so that the inspection are conducted at periodic intervals for enforcing strict adherence of schools to freeship condition. They also reiterate that the feasibility of conducting joint inspection both by DDA and the Government of NCT of Delhi should be examined afresh so that this will instill fear among the defaulting schools. The Committee would also like to be apprised of the number of inspections conducted by the Government of NCT of Delhi during the academic years 2007-08 and 2008-09; the number of schools found defaulting on this account and the action taken against the defaulting schools.

(vi) Measures for Increasing Public Awareness of Reservation/Freeship for Poor Students

[Para No. 121 of the 42nd Report of PAC (14th Lok Sabha)]

23. In their 42nd Report, the Committee had observed that there had been very little or no publicity in the media informing the general public about the availability of freeship for students belonging to economically weaker sections in the schools set up under the concession land allotment policy of DDA. As a result, many a time parents are not aware of freeship facilities available in these schools, thereby defeating the very purpose of the objective for which the policy has been laid down. The Committee had desired that wide publicity should be given by DDA/the Directorate of Education, Government of NCT of Delhi about the availability of freeships in schools in different newspapers/media so that economically weaker sections of the society come to know about availability of the freeships in the beneficiary schools. The Committee had also recommended that the beneficiary schools should also be instructed to clearly specify their social obligation of providing freeship to the underprivileged children while notifying admission procedure to public for which a mention should be made in the brochure/prospectus for admission about the availability of freeships and reservation for wards of the weaker sections.

24. The Ministry of Urban Development in their Action Taken Note stated that the Education Department, Government of NCT of Delhi issued an order *vide* notification dated 25.01.2007 titled Delhi School Education (Free seats for students belonging to Economically Weaker Sections) Order, 2006, which set out conditions for providing free seats not less than twenty per cent to students belonging to the economically weaker sections. This was given publicity by placing advertisements in leading newspapers. As per sub-clause 1 and 3 of clause 5 of the above notification, school management is required to display the number of total seats and the free seats available in each class on the notice board in the school and their web sites.

25. The Committee are constrained to state that both the Ministry of Urban Development/DDA and the Government of NCT of Delhi have not taken adequate action for giving wide publicity regarding the availability of freeships in the education institutions under the concessional land allotment policy. The Committee find that publicizing of the notification issued by the Education Department, Government of NCT of Delhi 25.01.2007 in leading newspapers was only a one-time affair and no protracted or sustained campaign appears to have been launched thereafter. Further, mere displaying of freeships on the notice boards and web-sites of the beneficiary schools alone would not be adequate for creating awareness among the public of the facilities being provided to the economically weaker sections unless it is backed by administrative action by the Government of NCT of Delhi checking/cross verification as to whether the same have been actually provided. The Committee, therefore, reiterate that wide publicity of the scheme should be given both by DDA and the Government of NCT of Delhi in electronic and print media at regular intervals so that the poor families are made aware of the facility being offered under the policy. The Committee desire that with a view to reach out to the targeted sections, linkages may be forged with the Social Welfare Department and reputed NGOs so that coordinated efforts can be launched to put in place a massive public awareness campaign of the scheme.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation/Observation

The Delhi Development Authority (Disposal of Development Nazul Land) Rules, 1981 popularly known as the Nazul Rules provide for allotment of Nazul lands to educational Institutions, *i.e.*, schools, colleges and universities at concessional rates with the primary objective of serving a public purpose of facilitating establishment of or extending educational facilities particularly for the weaker sections of society. Rule 20 stipulates *inter-alia* that allotment of land at concessional rates may be made to a society, which is registered under the Societies Registration Act, 1860, is of a non-profit making character and is sponsored or recommended by a Department of the Delhi Government or a Ministry of the Central Government. From the year 1990 onwards such allotments have been made subject to certain terms and conditions which stipulate that the beneficiary schools will ensure admission to students belonging to weaker sections of society to the extent of 25 per cent and grant freships from the tuition fees in accordance with the rules prescribed by the Government of National Capital Territory of Delhi from time. During the period 1990-91 to 2003-04, DDA allotted land at concessional rates to 381 registered societies for establishing on such quantified terms and conditions.

[S. No. 1, Para 105 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The above para relates to facts of the matter and needs no action.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India

Recommendation/Observation

Audit conducted a review between April to July 2004 with a view to assess the extent to which the stated public objective of the allotment of land at concessional rates to educational institutions was achieved and to review compliance of schools with the terms and conditions of concessional land allotment. For this Audit scrutinized the records of the Institutional Land Branch of DDA relating to allotment of land to educational institutions during the period 1990-91 to 2003-04 and relevant linked records from Directorate of Education, Government of NCT of Delhi, which was the sponsoring department for the allotment of land at concessional rates. Audit selected 90 cases for detailed scrutiny out of 381 beneficiary societies, which were provided land at concessional rates during the aforesaid period. Test check by Audit revealed that 46 out of 90 schools were yet to be functional despite lapse of the stipulated

period of two years, while as many as 133 out of the 381 beneficiary societies failed to provide the stipulated 25 per cent reservation for children from the weaker sections as of March, 2004. Worse still 343 schools hiked their tuition fees by 5 percent to 44 per cent without the requisite approval of the Directorate of Education in violation of the terms of allotment. Further, there was no established mechanism for ascertaining breaches of terms of allotment and consequently remedial action for ensuring adherence to the freeship norms was conspicuously non-existent. The Committee are constrained to observe that though the policy of land allotment at concessional rates to educational society by DDA was introduced with the primary objective of spreading out quality education to underprivileged children through private schools, however, the scheme has not been able to achieve the intended objective due to failure in its implementation in the right earnest, both by DDA as the implementing agency and Government of NCT of Delhi as the sponsoring agency. This will be amply corroborated by the Committees findings dealt with at length in the succeeding paras.

[Sl. No. 2, Para 106 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

It is true that many of the societies have failed to comply with the freeship condition of 25% in spite of stipulation to this effect. For its effective implementation, it is considered that Delhi School Education Act and Rules need to be amended to incorporate a provision stipulating adherence to the condition of freeship as a necessary pre-condition for grant of recognition and if any school fails to comply with the same, it would attract de-recognition and/or taken over of the management of the school by the Govt.

Further Comments of Audit

What is the current status of evaluation prior to allotment of land to those societies with the freeship condition of 25% reservation for children from the weaker section?

Reply

According to latest orders of Hon'ble High Court dated 30.5.2007 in WP(C) 3156/2002, taking note of various factors including factor of allotment of land on concessional rates with a stipulation in the allotment of letter, educational institutions shall be bound to give seats to the weaker section of the society to the extent of 15%. It also appears that the schools have agreed and consented to the aforesaid interim arrangement as recorded in the said order. The said order is an interim order as the Court has explicitly stated that the directions contained in the said orders would be of the nature of an interim arrangement commencing from the academic session 2008-09 to last till the matters come up for final hearing. The 15% of the seats are divided into two categories—10% for weaker section of the society and 5% for the wards of the teaching and non-teaching staff, with the condition that if the wards of teaching and non teaching staff are not available, these remaining seats would be allotted to the students of weaker section of the society.

Sd/-

(Dr. M.M. Kutty)
Joint Secretary to the Govt. of India

Recommendation/Observation

Another area of concern relates to non-existence of an established mechanism in DDA for identifying breaches of terms of allotment so as to enable timely remedial action and proper demarcation of responsibilities between DDA and the Directorate of Education, Government of NCT of Delhi for enforcement of the terms of allotment at concessional rates. While the Ministry were of the view that the schools being under administrative jurisdiction of Directorate of Education Government of National Capital Territory of Delhi, the freeship conditions can be best monitored by that department for ensuing compliance. The Directorate of Education GNCTD maintained that the instances of violations of terms and conditions, by the societies has to be checked through inspections etc. conducted by the organization responsible for allotment or lease conditions. The Committee regret to observe that the replies of both DDA and Government of National Capital Territory of Delhi (GNCTD) were evasive and try to cover up their short comings/failures in performing their respective roles. While DDA had tried to pass the buck to the Government of National Capital Territory of Delhi obviously to cover up its failure in setting up an institutional mechanism for monitoring the compliance of schools to the terms of allotment, on the other hand, the Directorate of Education as the sponsoring agency of societies and having been empowered by the Delhi School Education Act, 1973 which enable de-recognition of schools and taking over of their management in certain circumstances, have sought to abdicate its responsibility and shift the blame entirely on DDA. As a result of this, the objectives of Nazul Land Rules and the purpose for which the same have been formulated could not be achieved. This situation could have been avoided had DDA shown foresightedness and incorporated necessary provision in the allotment letters issued to the beneficiary societies making the Directorate of Education, GNCTD, as the nodal agency responsible for enforcing the terms and conditions of concessional land allotment. The Committee find this highly regrettable. The Committeeal note that Hon'ble Delhi High Court in its order dated 20th January, 2004 had directed that it is the responsibility of the Government of NCT of Delhi to frame the required rules, if any, for ensuring/monitoring compliance of condition of freeship and that it would be the duty of DDA to take action against any society committing breach of the condition after receiving intimation to this effect from GNCTD of such violations. The Committee expect that both DDA and the Directorate of Education would take necessary steps in this regard and put in place a suitable joint mechanism for identifying the breaches of freeship norms by beneficiary schools and take appropriate action against the delinquent schools.

[Sl. No. 8, Para 112 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

A mechanism has already been put in place, where Directorate of Education will forward to DDA the list of defaulter schools who are not complying with prescribed freeship condition. Thereafter, DDA will take action against them under terms of allotment/lease. DDA and GNCTD are regularly interacting for coordinated action for enforcement of terms and conditions of allotment including freeship.

Further Comments of Audit

Whether Directorate of Education could identify the breaches of freeship norms by beneficiary schools in the academic year 2005-06 and 2006-07 and send the list of those to DDA, if yes, what appropriate action taken against the delinquent schools?

Reply

The case CWP 3156/02 is still pending in the Hon'ble High Court of Delhi which has granted stay against punitive action to be taken against the schools which did not fulfil freeship norms. The details of freeship granted during the year 2005-06 was collected by the Education Department of GNCTD in pursuance to the directions of the Court but no action could be taken against delinquent schools in view of orders of Hon'ble Court.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The Committee note that as on 31 March, 2004, an amount of Rs. 1.88 crore (Rs. 1.70 crores as ground rent and license fee and Rs. 18.05 lakh as interest accrued thereon) was outstanding against 89 societies for the period 1997-98 to 2003-04. The Ministry have informed the Committee that as on 31.12.2006, an amount of Rs. 22.17 lakh was outstanding from the 89 beneficiary societies. What is surprising to the Committee is the fact that even after the work of recovery of dues was assigned to M/s IndusInd Bank, the total amount of ground rent and license fees outstanding against all the 566 beneficiary societies to which concessional land had been allotted still remained at Rs. 11.25 crore as on 31.12.2006. The Committee are not convinced with the reply of the Ministry that recovery of dues is a continuous process and depends on the response of the allottees. The Committee are of the opinion that despite having adequate powers to recover the dues as arrears of land revenue under the DDA Act, 1957 and the Punjab Land Revenue Act, 1887, no urgent and appropriate/effective action had been initiated by DDA for collecting/recovering the ground rent and license fee in time from the defaulting schools leading to accumulation of huge outstanding arrears. The Committee desire that DDA should take immediate measures where by all the pending dues are recovered within 3 months from presentation of the report failing which compound interest should be charged against the defaulters. With the ongoing updation and computerization D&C Ledgers in respect of institutional property and outsourcing of the work of recovery of Ground Rent, the Committee hope that DDA would not let accumulation of outstanding dues on account of ground rent and license fee, if future.

[Sl. No. 13, Para 117 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

A sum of Rs. 11.25 crore was outstanding as on 31.12.2006 on account of ground rent and license fee against 566 beneficiary societies to whom land was allotted at concessional rates. As a result of issue of defaulter notices to them in the month of

December, 2006, a sum of Rs. 5.41 crore could be realized from 323 societies during the period from January, 2007 to May, 2007, leaving outstanding balance of Rs. 5.84 crore. In the month of June, 2007, defaulter notices were further issued 243 defaulting societies giving them 15 day's time to make payment arrears. Thereafter, Non Recovery Certificates under Punjab Land Revenue Act, 1887 were issued in August, 2007 to 112 defaulting societies who had not cleared their arrears in spite of notices issued in June, 2007. As a result of efforts so made, arrears to the tune of Rs. 3.15 crore have been recovered upto 31.10.2007, out of total outstanding amount of Rs. 5.84 crore as on 1.6.2007. The amount of outstanding arrears as on 31.10.2007, out of total arrears of Rs. 11.25 crore outstanding on 31.12.2006, is only Rs. 2.69 crore for which N.R.Cs have been issued under Punjab Land Revenue Act, 1887.

Further Comments of Audit

What is the current status of outstanding amount? Whether the Non Recovery Certificates under Punjab Land Revenue Act, 1887, issued for Rs. 2.69 crore effective or Ministry of going to taking some other effective action against defaulter, please elaborate.

Reply

A sum of Rs. 11.25 crore was outstanding as on 31.12.06 on account of ground rent and license fee against all the 566 beneficiary societies to whom land has been allotted at concessional rates. The balance outstanding amount as on 31.5.2007 was Rs. 5.84 crore. Defaulter Notices were issued to 243 defaulting societies in the month of June, 2007 and thereafter N.R.Cs under Punjab Land Revenue Act, 1887 were issued in August, 2007 to 112 defaulting societies. As a result the outstanding arrears as on 31.12.2007 were Rs. 2.69 crore only. N.R.Cs under Punjab Land Revenue Act, 1887 have been issued to all 112 defaulting societies in the month of August, 2007, who did not clear the arrears in spite of notices issued in the month of June, 2007. As a result, a sum of Rs. 1.23 crores has been received from November, 2007 to March, 2008 against the arrears. The balance amount of arrears as on 31.3.2008 is Rs. 1.46 crores only for which N.R.Cs under Punjab Land Revenue Act, 1887 have already been issued and further action to recover the arrears is being taken.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The Committee were informed that keeping in view the fact that existing provisions under the Nazul Rules are prone to exploitation by the unscrupulous societies DDA had initiated steps for a shift in the policy of land allotment to Educational institutions from the present concessional mode to the auction system of disposal, which is stated to be more transparent and prevent circumvention of the allotment conditions and also rules of possible collusion in allotment of plots for a particular society etc. It has been stated that this policy had already been applied in respect of land allotment for hospital, higher/technical education institutes, clubs and partly for community halls. In respect of schools, the proposal for changing the

mode of disposal from allotment to auction is stated to be pending for consideration in the DDA and as a consequence, allotment of land to schools had been put on hold till a final decision in the matter of mode of allotment is taken in consultation with the Government of Delhi. The Committee express their apprehension that the proposed policy of allotment of land to schools through auction would result in total commercialization of education as this would enable only commercially oriented societies/corporate houses with profit motive to purchase the land outbidding the genuine charitable societies with limited financial resources. This would not only make the already expensive school education totally unaffordable and beyond the reach of common people, but will also result in deprivation of quality education the poor children belonging economically weaker section. The Committee are of the considered view that the exploitation of the loopholes in the existing Nazul Rules by the unscrupulous societies could be eliminated by carrying out necessary amendment therein, besides revamping the existing selection process to ensure selection of genuine charitable societies. The Committee are of the consideration opinion that providing education to socially disadvantaged and weaker sections of the society is one of the primary responsibilities of the State, which cannot be let to the market forces. They, therefore, recommended that Government should shelve their proposal to allot Nazul land to schools through auction.

[Sl. No. 14, Para 118 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The whole issue of allotment of land to schools was duly considered DDA in its meeting held in January, 2006. It was decided that primary school sites should be offered to MCD and 50% of the Sr. Secondary School sites in every neighbourhood should be offered to Delhi Government and remaining 50% be disposed of by way of auction. Accordingly, DDA (Disposal of Development Nazul Land) Rules, 1981 have been amended by the Government and Notification was issued by MOUD on 19.4.06 to give effect to the above decision. The interest of the weaker section has already been taken care in the above amendment as 50% of the Sr. Secondary School sites shall be offered to Government of Delhi at the token rate of Re. 1/- per Ha.

Further Comments of Audit

PAC recommended that Government should shelve their proposal to allot Nazul land to schools through auction, under such a condition how did the Ministry allow DDA to dispose of remaining 50 per cent of the schools to be disposed of by way of auction.

Reply

The Government had considered this aspect but considering the past experience of allotment which had clearly manifested that the very purpose of allotment at concessional rate has not been achieved and hence it was decided to continue with the system of auction of school sites.

Sd/-

(Dr. M.M.Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The Committee are perturbed to note that there is very little or no publicity in the media informing the general public about the availability of freeship for students belonging to economically weaker sections in the schools set up under the concession land allotment policy of DDA. As a result many a time parents do not come to know about freeships available in these schools, thereby defeating the very purpose of the objective for which the policy has been laid down. The Committee, desire that wide publicity should be given by DDA/ the Directorate of Education GNCTD of Delhi about the availability of freeships in schools in different newspapers/media so that economically weaker sections of the society come to know about availability of the freeships in the beneficiary schools. The beneficiary schools should also be instructed to clearly specify their social obligation of providing freeship to underprivileged children while notifying admission procedure to public. A mention should be made in the broucher/prospectus for admission about the availability of freeships and reservation to wards of weaker sections. Signboards clearly stating that they are the beneficiaries of concessional land allotment policy of DDA for the purpose of providing 25 per cent freeship to under privileged children along with the total number of seats available in each class along with number of seats reserved/earmarked for freeship to economically weaker section.

[Sl. No. 17, Para 121 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The Education Department, GNCTD issued an order *vide* notification dated 25.01.2007 titled as Delhi School Education (Free seats for students belonging to Economically Weaker Sections) Order, 2006, which set out conditions for providing free seats not less than twenty per cent to students belonging to the economically weaker sections. This was given publicity by placing advertisements in leading news papers. As per sub-clause 1 and 3 of clause 5 and of the above notification, school management is required to display the number of total seats and the free seats available in each class on the notice board in the school and their web sites.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

CHAPTER III

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

Recommendation/Observation

Rule 20(d) of the Delhi Development Authority (Disposal of Developed Nazul Land) Rules, 1981 stipulates that no allotment shall be made unless the institution is in possession of sufficient funds to meet the cost of land the construction of buildings. This provision was made to ensure that construction of building by the institutions is completed within a reasonable time so that the purpose of the allotment is achieved. The Committee regret to note that despite this clear stipulation, DDA failed to ensure the financial status in respect of 27 societies to meet the cost of land and construction of buildings, before allotting the land to these societies whose declared financial resources were not enough to even meet the cost of land. Thus, it is evident that DDA had allotted land at concessional rate to 27 societies which were otherwise ineligible. The Secretary, Ministry of Urban Development have contended that there is a dichotomy between Sub Rules (c) and (d) of Nazul Rules. While Sub Rule (c) says that allotment has to be made to non-profit making *i.e.* charitable societies, Sub Rule (d) says that the society should be in possession of sufficient fund to meet the cost of land and construction of school building. According to him, to expect that a society should *ab-initio* have in its bank balance not only sufficient funds to met the cost of land which is substantive but also substantial funds for meeting the cost of construction would be expecting too much from a charitable society. The Committee do not accept the contention of the Secretary, Ministry of Urban Development. They are of the view that going by the spirit of the Nazul Rules, it is clear that only those societies which have sufficient financial resources and whose motive is not to make profit should be given land at concessional rates. What is surprising is the fact that even assuming that there is a contradiction between Sub Rules (c) and (d) of Nazul Rules, it is evident that the Ministry of Urban Development have not taken any action to amend the Nazul Rules with a view to remove the contradiction therein. What is intriguing is the fact that it is only after the Committee have taken up the subject for examination that the Ministry have woken up and realized that there is a contradiction in Nazul Rules. Obviously there did not exist any mechanism in DDA to verify or cross check the financial credentials of the society that has been sponsored by Delhi Government, which is anything but regrettable. The Committee can not but deprecate the casualness and the lackadaisical approach displayed by DDA to such an importance aspect, which in the ultimate analysis had led to failure of the scheme. The Committee recommended that necessary guidelines should be laid down by the Ministry of Urban Development/DDA so that land at concessional rate could be allotted to only such societies after ensuring that they have sufficient financial resources of their own

or have tie up with Banks other financial institutions for securing loans so that construction of schools building and their functioning is done within the reasonable period.

[Sl. No. 3, Para 107 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The Policy of allotment of land at concessional rates has since been amended and as per the revised policy all the primary schools sites shall be offered to MCD and 50% of the senior secondary schools in every neighbourhood will be offered to Delhi Government and remaining 50% will be disposed of through auction.

Further Comments of Audit

Kindly confirm whether the amended policy of allotment of land at concessional rates are strictly earmarked to those societies that have sufficient financial resources of their own or have a tie with banks etc.

Reply

As per the amendment brought out in the Delhi Development Authority (Disposal of Developed Nazul Land) Rules, 1981 notified *vide* Gazette notification dated 19.4.2006, mode of disposal of land to schools is by auction only and not allotment of land on concessional rate is being made since 2003.

Sd/-

(Dr. M.M. Kuty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The Committee note that 15 societies have been allotted more than one plot of land by DDA at concessional rates for setting up of schools on the ground that these societies have proven track record and experience in running schools. However the Committee regret to note that out of these 15 societies, 13 societies were found not adhering to the stipulated conditions of providing freeship to the student from weaker section. Obviously DDA had failed to verify the credential of these societies and their compliance of the terms and conditions of concessional land allotment, which shows the utter callousness shown by the concerned DDA officials in implementing the policy of concessional land allotment. The Committee recommended that DDA should now evolve a policy to restrict allotment of more than one plot strictly to those societies which not only have proven track record of being genuine charitable institution but also found adhering to the stipulated conditions including freeship condition. Needless to point out that the Government agencies should enforce strict compliance of the stipulated conditions.

[Sl. No. 6, Para 110 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The policy of allotment of schools has undergone change from allotment to auction mode. As per revised policy all primary schools sites shall be offered to MCD

and 50% of the senior school sites in every neighbourhood will be offered to Delhi Government for government schools and remaining 50% will be disposed of through auction.

Further Comments of Audit

Does the policy now contain the requirement of restricted allotment of not more than one plot strictly to those genuine charitable institutions including freeship condition.

Reply

The allotment is governed by Nazul Rules. A specimen copy of allotment letter is attached herewith as Annexure 'B'. The terms and conditions of allotment have to be enforced by DDA, the land owning agency. For any violations of terms and conditions of allotment, action is initiated for cancellation of allotment by competent authority. Subsequently, the eviction proceedings are initiated under P.P. Act.

Sd/-

(Dr. M. M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The Committee are concerned to note that out of 381 societies to which land at concessional rates had been allotted by DDA, as many as 133 societies had failed to fulfil their obligation of providing the stipulated reservation/freeship for children belonging to weaker section as of March, 2004. Out of these societies, 88 schools *i.e.* 66 per cent were not at all adhering to the condition of providing reservation to the children of weaker sections, thereby defeating the primary objective of the concessional land allotment policy. The number of defaulting societies rose to 178 as per an analysis jointly carried out by DDA and Directorate of Education, Government of National Capital Territory of Delhi. The Ministry of Urban Development have attributed their failure in monitoring the compliance of the schools to the terms and conditions of allotment, to the organizational constraint and lack of administrative resources. The Secretary, Ministry of Urban Development also submitted before the Committee that there would be limitations in monitoring the operational aspects of functioning of a large number of schools in view of the existing organizational structure and expertise of DDA. The Committee find the explanation given by the Ministry of Urban Development as totally untenable since DDA being the nodal agency for implementation of the scheme was supposed to have anticipated their organizational constraints and taken measures for removal of the same well before introducing the policy of concessional land allotment to education institutions. That this had not been done is inexplicable. What is more surprising is that DDA had woken up to fact that they did not possess the necessary mechanism to enforce the conditions of land allotment only after a writ petition was filed in the Delhi High Court in the matter. The Secretary, (Urban Development) was can did in his admission that violation of terms and conditions of concessional land allotment came to their notice only after a case was filed in the Delhi High Court in 2004. This only shows the degree of apathy and

lackadaisical attitude exhibited by the DDA in discharging its duties as well as failure of the administrative Ministry in monitoring the functioning of DDA. Thus in the absence of proper supervision and effective remedial action in monitoring the compliance of schools to the reservation and freeship conditions, either by DDA or by the Delhi Government, the social objective of providing quality education to children of weaker sections of the society through private schools could not be achieved. The Committee recommend that Ministry of Urban Development should constitute an expert Committee to examine the implementation of concessional Land Allotment Policy of DDA in its entirety, with a view to analyze the reasons for the failure of the scheme and to suggest corrective measures for its proper implementation.

[Sl. No. 7, Para 111 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The issue of concessional land allotment policy has been examined and Nazul Rules amended. According to the revised Rules, concessional land is now allotted only to religious, social and charitable institutions. Disposal of land for other institutional category namely hospital/dispensary/nursing home, higher and technical educational institutions, community halls, club and school is through auction mode. In so far as implementation of freeship condition for earlier allotments are concerned, Delhi Government is required to monitor the compliance for freeship and intimate the list of *defaulters to DDA for action under lease terms*.

Further Comments of Audit

Whether Ministry of Urban Development followed up with Delhi Government regarding monitoring the compliance for freeship, and whether Delhi Govt., intimated the defaulters list to DDA for action under lease terms? Please elaborate.

Reply

The issue of freeship has been challenged by various school societies before the High Court of Delhi in which Union of India represented through this Ministry is also one of the respondents along with DDA and Education Department of GNCTD. This Ministry is well aware of the action being taken by the DDA and GNCTD for strictly implementing the freeship scheme. The process of identifying defaulters would be initiated when admission process for the year 2008-09 is complete *i.e.*, after 31st July, 2008. The list of defaulters would then be furnished to DDA.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

CHAPTER IV

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

Recommendation/Observation

As per the allotment letters issued by the Institutional Branch of DDA the beneficiary societies are required to complete the construction of the school buildings and commence functioning of the schools within two years from the date of taking possession of the land. The Committee are, however concerned to note that DDA granted extension of time for construction of school building to 27 societies on the grounds of inadequacy of funds and gave permission to 17 societies to mortgage the allotted land to raise loans to meet the cost of construction. Further, in 11 cases extension of time was permitted beyond normally permissible five-year period. This clearly shows that there were deficiencies in the selection process of beneficiary societies both at Institutional Allotment Committee (IAC) level of Delhi Government as well as at the Land Allotment Advisory Committee (LAAC) of DDA, which had led to selection of inadmissible societies. The Ministry have informed the Committee that earlier the maximum period allowed for construction of buildings on payment of composition fee was 20 years, which has now been reduced to 10 years, for all new allotments. However, for all surviving leases where construction has not been undertaken even after 10 years period, the allottees have been given time limit upto 31.12.2007 to complete the construction. The Committee are of the view that 10 years is too long a period for construction of school buildings which would not only lead to huge time lag between the demand and supply of number of seats for admission, but also give enough scope for misuse of land by the beneficiary societies. The Committee, therefore, recommend that the Ministry of Urban Development should examine the feasibility of further reducing the maximum period allowed for construction of school building to six years, so that social objective of concessional land allotment can be achieved in a reasonable time period. They also recommend that the guidelines/norms for allotment of land to societies needs to be made more stringent as well as friendly to the cause so as to ensure selection of only genuine charitable institutions, with sound financial resources and which can adhere to clear cut time limit in the construction of school buildings as well as operationalization of schools. They also desire that DDA should carry out necessary amendment to the Nazul Rules so that societies which fail to complete construction of school buildings and make schools functional within a maximum period of six years of allotment, their allotment of land should be cancelled. Provision for prohibiting transfer or resale of the allotted land to a third party should also be made to help prevent commercial oriented societies from applying for institutional land at concessional rates.

[Sl. No. 4, Para 108 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

As per the revised policy plots are now not allotted at concessional/zonal rates to societies. Period of construction was reduced from 20 to 10 years. As regards the recommendation of the Committee for reducing the period of construction from 10 to 6 years, it may be mentioned that period of construction for institutional plots has only recently been reduced from 20 years to 10 years. Further rate of composition fee has been recently increased, which is likely to act as deterrent for non-construction. In view of the above factors, it is considered that the time frame for construction may not be reduced further from 10 to 6 years. A provision prohibiting sale, transfer, assign or otherwise part with possession of the whole or any part of the said land without previous consent of DDA has already been incorporated in its lease terms.

Further Comments of Audit

The non-reduction of period of construction to 6 years is unacceptable because the Committee considered the revised rate was still low and would not act as an effective deterrent against the erring societies.

Reply

As per policy decision, period of construction has been reduced from 20 years to 10 years, and rates of composition fee have been increased by approx. 10 times.

Sd/-

(Dr. M. M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

Pursuant to the Writ Petition filed in the Delhi High Court, Delhi Government provided a list of 178 defaulters to DDA to whom land was allotted by the DDA. Subsequently, Directorate of Education had identified 33 schools where it had found zero compliance of freeship norm. Out of these, DDA has cancelled the land lease of Bal Bharti School, Rukmani Devi, Gyan Mandir, and Pinnacle School which were the biggest defaulters with zero percent compliance to the freeship condition had accordingly initiated proceedings for eviction under Public Premises (Eviction of Unauthorized Occupants) Act. The Ministry, however, expressed a view that large-scale cancellation of land allotment to the defaulting schools may not be desirable or appropriate as it may jeopardize the careers of numerous children by not allowing them to appear in the examinations. The Ministry suggested that a more practical approach for taking action would be taking over of the management of schools by the Directorate of Education, GNCTD in terms of Delhi School Education Act, 1973. While taking note of the adverse impact of large-scale cancellation of land allotment to the defaulting schools on the careers of thousands of children, nevertheless the Committee felt that this inexcusable act of breach of freeship norms by defaulting schools warrants imposing of penalties by DDA and the Directorate of Education GNCTD. The Committee, therefore, desire that the Ministry of Urban Development/DDA in coordination with the Directorate of Education, GNCTD should find ways and means to penalize the

defaulting schools including taking over of their management so that this will act as a deterrent to the other schools from violating terms and conditions of concessional land allotment.

[Sl. No. 10, Para 114 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The Ministry of Urban Development have made a suggestion to Directorate of Education, Government of NCT of Delhi for amending the Delhi Education Act and Rules, 1973 to incorporate a provision stipulating adherence to the condition of freeship as a necessary pre-condition for grant of recognition and if any school fails to comply with the same, it would attract de-recognition and/or taking over of the management of the school. This would provide legal backing to the enforcement of the condition of freeship in addition to taking action in terms of the lease conditions.

Sd/-

(Dr. M. M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The Committee have been informed that DDA had made a request to the Government of Delhi for appointing two Government representatives on the Governing Bodies of the beneficiary societies with a view to ensuring compliance of freeship condition. The Committee welcome this initiative, which if properly implemented, would help in exerting pressure on the school management in ensuring compliance of the Government directives including freeship norm. The Committee express the hope that the Ministry of Urban Development would pursue the matter with the Directorate of Education, GNCTD so that they take necessary steps for amending the Delhi School Education Act, 1973 enabling the appointment of Government representatives in the Governing bodies of all the beneficiaries societies. The Committee also desire that they should be apprised of the progress made in this regard.

[Sl. No. 11, para 115 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The amendment to incorporate the suggestion made by the Delhi Development Authority has not been made in the Delhi School Education Act, 1973 as the issue of freeship to economically weaker students is sub-judice.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

Under Delhi School Education Act, 1973 inspection of schools are carried out by the Directorate of Education and breaches of conditions of land allotment by beneficiary schools if any detected, are reported to DDA for taking action. The Committee are

however concerned to note that inspection of the schools had not been carried out properly by the Directorate of Education, Govt. of NCT of Delhi so much so that the Directorate even could not furnish the number of details of inspections carried out to check the deviations/non-compliance of schools to the condition of providing freeship to poor children as well as to oversee the overall functioning of the schools under its governance. The Committee have been informed that during the academic session 2005-06, panel inspections were carried out in respect of nearly 126 schools under Rule 190 read with Section 24(2). The main irregularities observed in these inspections pertained to improper maintenance of service records of employees, employing over-aged staff in violation of Recruitment Rules. However, there was no reference in the inspection report about the status of compliance of schools to the freeship/reservation condition, thereby revealing a serious deficiency in the inspections carried out by the Directorate. This shows that the inspection reports were not properly appraised in the Department, which only points to the casualness and lackadaisical attitude displayed by the Directorate of Education, Government of NCT of Delhi to such an important aspect. The Committee recommend that the Ministry of Urban Development should impress upon the Directorate of Education, Government of National Capital Territory of Delhi completely revamp their inspection machinery so that inspection of schools are carried out at regular intervals by the Directorate with a view to enforcing the strict adherence to the freeship norms by the beneficiary schools. They further recommend that DDA in consultation with the Directorate of Education, Government of National Capital Territory of Delhi should examine the feasibility of setting up a mechanism where under inspections can be jointly carried out by DDA and the Directorate of Education in so far as implementation of terms and conditions of concessional land allotment is concerned.

[Sl. No.15 Para 119 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

A Mechanism has already been put in place, where Directorate of Education will forward the list of defaulter schools who are not complying with prescribed freeship condition. For this purpose, necessary inspection of schools will be made by GNCTD.

Further Comments of Audit

It may be apprised to the Committee as to how many inspections have been conducted by GNCTD on identifying the compliance of freeship condition by defaulting schools.

Reply

The Education Department, GNCTD conducts inspections on regular basis under Rule 190 of the Delhi School Education Act to ascertain whether was/is providing freeship to Economically Weaker Sections. However, the Education Department, GNCTD could not make any headway in enforcing this as it was challenged and is still pending before the High Court. Once the matter is decided by the Hon'ble Court, the monitoring of the freeship in coordination with DDA would be initiated.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The Committee are happy to note that the Ministry of Urban Development had made a proposal to the Directorate of Education, Government of NCT of Delhi suggesting amendment to the Delhi School Education Act, 1973 and Rules framed thereunder for incorporating a provision stipulating adherence to the condition of freeship as a necessary pre-condition for grant of recognition and any school that fails to comply with the same, would attract derecognition and/or taking over of the management of the school. As per this proposed amendment, any violation of terms and conditions of allotment of land would constitute a violation under the DSE Act and Rules framed thereunder and would provide legal backing to the enforcement of the condition of freeship in addition to taking action in terms of the lease conditions. The Committee welcome the proposed amendment and urge upon the Government of National Capital Territory of Delhi to take necessary steps for carrying out amendment to the Delhi School Education Act, 1973 expeditiously so that enforcement of freeship norms and other conditions of concessional land allotment are implemented in the right earnest.

[Sl. No. 16, Para 120 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

As the issue is sub-judice, necessary amendment in the Delhi School Education Act, 1973 could not be made. However, all efforts are being made for the early hearing and disposal of the cases.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

CHAPTER V

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

Recommendation/Obervation

The rate of composition fee levied for non-construction of buildings by the societies within the stipulated time limit was hitherto @ Rs. 5 per square metre for plots measuring upto 500 square in the fourth year and Rs. 10 per square metre in the fifth year. The Committee find that the composition fee being very nominal, the same could have been easily paid by the societies. Thus the low rate of composition fee hitherto levied had failed to serve as an effective deterrent for delayed construction of buildings by societies. After taking up the matter by the Committee, the composition rates have since been revised to @ Rs. 10 and Rs. 20 respectively in the 4th and 5th years. The Committee consider that even the revised rates are still very low and would not act as a deterrent against the erring societies. What is surprising is the fact that in respect of plots measuring above 500 square metres, no penal fee is charged after elapse of stipulated time *i.e.* in the fourth and fifth years of allotment thereby giving encouragement to the societies for delayed construction of buildings. This loophole provides ample scope to certain societies to misuse their vacant plots by way of subletting etc. by repeatedly obtaining extension of time for constructing school buildings from DDA. With a view to ensure that Societies operationalise the schools at the earliest and do not put the plots for misuse, the Committee recommend that DDA should also impose composition fee in respect of institutional plots measuring above 500 square metres after elapse of stipulated time *i.e.* in 4th and 5th years of allotment. The composition fee should be further increased so that it can act as a disincentive and effective deterrent compelling the land allottees to expedite construction of school building at the earliest. The Committee would also like DDA to apprise them of the measures taken to identify those societies, which have misused their vacant plots after obtaining extension of time.

[Sl. No. 5, Para 109 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The rate of composition fee has been increased recently *vide* order dated 4-1-2007. The issue of further increase of composition fee will be considered in the next financial year *i.e.* 2008-09. Further the issue of charging of composition fee for the 4th and 5th year for plots measuring above 500 sq. mts. will also be considered at the time of considering the proposal for enhancing composition fee from 2008-09.

As far as construction of schools within stipulated period is concerned, it may be mentioned that out of 27 schools, only 2 school sites allotted to Laxmichand Charitable Society (Date of possession is November, 2000) and New Krishna Education

Society (Date of possession is September, 2004) have not been constructed. In addition, two cases of allotment *i.e.* Kailash Memorial Education Society and Virendra Ghai Education Society are under litigation, and the matter is sub-judice. The remaining 23 schools have been constructed. There was no report of misuse of vacant plots.

Further Comments of Audit

(i) Why the Ministry fails to issue direction to DDA in compliance of PAC recommendation to further increase the composition fee in 2007-08 and impose composition fee in respect of institutional plots measuring above 500 sq. mtrs. after elapse of stipulated time *i.e.* 4th and 5th year of allotment.

Reply

The Ministry has noted that DDA enhanced the composition fee *vide* its order dated 04-01-2007. Further enhancement is due from the financial year 2008-09 and imposition of composition fee for the 4th and 5th year for plots measuring above 500 sq. mtrs. will also be considered by DDA at the time. Therefore, it is felt that any direction from the Ministry in this regard may not be necessary.

Further Comments of Audit

(ii) The details of composition fee revised on 4th January, 2007 may kindly be presented to the Committee for its review.

Reply

A copy of Circular No. F. (EOT)05/(I)/I dated 4-1-2007, governing the rates of composition fee for the year 2007-08 as approved by the Ministry is attached herewith as *Annexure 'A'*. As regards rates for 2008-09, the same have not yet been conveyed by the Ministry.

Further Comments of Audit

(iii) Whether Ministry of Urban Development identify the reasons for non-construction of two school sites allotted to Laxmichand Charitable Society (Date of possession November, 2000) and New Krishna Education Society (Date of possession September, 2000), please elaborate reasons alongwith action taken for non-compliance with terms of allotment.

Reply

In the case of Laxmi Chand Charitable Society, allotment was made in November, 2000 for construction of Sr. Secondary school at Sector-10, Dwarka. The school is under construction which has been undertaken within the permitted time limit of 10 years. Extension of time has been granted to the Society upto 16-11-2008 for completion of construction.

As regards New Krishna Education Society, physical possession was handed over in September 2004 and the Society has been granted extension of time for completion of construction upto March 2008. The construction of school is in progress.

Further Comments of Audit

(iv) What mechanism has been set up by the Ministry to monitor the compliance as per the recommendation of PAC to identify those societies, which have misused their vacant plots after obtaining extension of time?

Reply

The allotment is governed by Nazul Rules. A specimen copy of allotment letter is attached herewith as Annexure 'B'. The terms and conditions of allotment have to be enforced by DDA, the land owning agency. For any violations of terms and conditions of allotment, action is initiated for cancellation of allotment by competent authority. Subsequently, the eviction proceedings are initiated under P.P. Act.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The Committee have also been informed that the Directorate of Education Government of NCT of Delhi had issued an order dated 27th April, 2004 making it necessary for all recognized unaided schools in Delhi to provide 20% freeship to the students belonging to economically weaker sections irrespective of whether the land has been allotted at concessional rate or not. Based on this order, 601 schools, which were allotted land at concessional rates by land owning agencies as well as those, which are on the private land, were found to be defaulting for the academic year 2004-2005. Show cause notices were issued to 81 schools with a stipulation and their recognition will be withdrawn on account of this default. However, further action could not be taken against the defaulting schools under Delhi School Education Act, 1973 by the Departments as the Hon'ble High Court of Delhi issued stay order on 04.02.05 restraining the Department to take any punitive action against these schools for their default. In response, the Directorate of Education had filed a Leave Petition Appeal (LPA) against the stay order in August, 2005. The matter is stated to be still pending before the Hon'ble High Court. The Committee expect the Ministry of Urban Development and DDA to approach the Court for early hearing and disposal in the matter. They would await conclusive action in the matter.

[Sl. No.9, Para 113 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The Department of Education, GNCTD, pursuant to the direction of the Hon'ble High Court, issued an order *vide* notification dated 25.01.2007 in supersession of the earlier order dated 27.04.2004 and also placed advertisements in leading newspapers informing the public about freeship and the nodal agencies to be contacted in case of violation of orders. However, the Education Department could not enforce the order as

the order was again challenged before the Hon'ble High Court of Delhi and the case is still pending before the Court.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

According to the terms and conditions of allotment of land at concessional rates, no increase in the rates of tuition fees would be effected without the prior approval of Director of Education, Government of Delhi. The institutes were also to follow the provisions of the Delhi School Education (DSE) Act 1973 and the rules framed there under in this regard. The Committee are concerned to note that as of March, 2004, as many as 343 out of 381 schools. had hiked tuition fees and other charges without the prior approval of the Directorate of Education, GNCTD in violation of provisions of the DSE Act, 1973. The quantum of hike ranged from 5 per cent to 44 per cent. However, show cause notices could be issued to only 185 defaulting schools by the Directorate of Education in May, 2004 and their further reply was awaited as of December, 2004. While no action had been taken against the remaining 158 erring schools, the so-called action taken in the cases of 42 defaulting schools, which have responded to the show cause notice, were limited to directing the District authorities to take action against the defaulting schools, which in turn issued reminder notices to them and no compliance report could be compiled. What is surprising is the fact that even after receiving information from Delhi Government for non-compliance of terms and conditions of land allotment by beneficiary schools DDA did not take any effective action, which is anything but inexplicable. The Committee fail to understand as to why DDA and the Directorate of Education, GNCTD chose to remain mute spectators and did not take action against those schools which have unauthorisedly hiked their tuition fees till Delhi High Court took cognizance of the matter through a writ petition. The Directorate of Education, GNCTD have informed the Committee that under section 17(3) of Delhi School Education Act, 1973, the manager of every recognized school shall, before the commencement of each academic session, file with the Director a full statement of the fees to be levied by such school during the ensuing academic session, and except with the prior approval of the Director, no such school shall charge, during the academic session, any fee in excess of the fee specified by its manager in the said statement. The Directorate of Education can take action against the schools only if it increases the fee during the academic session in excess of the fee structure submitted under section 17(3). What is intriguing is the fact that the reply of the Directorate of Education is conspicuously silent with respect to the action taken against the schools that have enhanced tuition fee without prior approval of the Directorate of Education as pointed by Audit. The Committee cannot but conclude that the Directorate of Education have miserably failed to implement the Delhi School Education Act, 1973 in so far as tuition fee charged by private school is concerned. The Committee recommend that the Ministry of Urban Development/DDA in consultation with the Directorate of Education should analyse the reasons for this criminal negligence and apathy displayed by the concerned officials in the matter and

also fix responsibility on the officers found responsible for this grave lapse. The Committee hope that Ministry of Urban Development/DDA and GNCTD would draw lessons from this episode and take suitable effective remedial measures to prevent such grave lapses from recurring.

The Committee note that, though Section 17(3) stipulates that the private schools cannot enhance the schools fee except with the prior approval of the Director during an academic session, however, no guidelines/norms appears to have been laid down for deciding the quantum of increase of tuition fees as well as justification for the same. The Committee, therefore, recommend that the Ministry of Urban Development should impress upon the GNCTD to formulate guidelines/parameters for permitting extent of hike in the tuition fee by the schools and this should be reviewed and approved by a Committee set up for this purpose, so that schools does not resort to hike in tuition fees every years a matter of routine.

[Sl. No. 12, Para 116 of 42nd Report of PAC (Fourteenth Lok Sabha)]

Action Taken

The matter regarding freeship quota for schools built on land allotted on concessional terms is currently sub-judice before the Hon'ble High Court of Delhi. The Govt. will issue suitable guidelines indicating the extent of increase that can be made by private schools functioning on land allotted at concessional rates by Govt., on disposal of all the cases pending in the Court.

Further Comments of Audit

(i) Whether Ministry of Urban Development in consultation with the Directorate of Education analyse the reasons for negligence to implement the Delhi School Education Act 1973 in so far as tuition fee charge by private schools is concerned, please elaborate.

(ii) What is the precise mechanism instituted now to ensure monitoring of the term of allotment? Who would be responsible for any failures in monitoring or initiating action in future?

Reply

As per Section 17(3) of Delhi School Education Act, 1973, "the Manager of every recognized school shall, before the commencement of each academic session, file with the Director a full statement of the fees to be levied by such during the ensuring academic session, and except with the prior approval of the Director, no such school shall charge, during that academic session any fee in excess of the fee specified by its manager in the said statement".

The issue regarding enforcement of terms of allotment is still pending in Hon'ble High Court of Delhi. Monitoring mechanism for enforcement of these conditions would be initiated only after the matter is decided by Hon'ble Court.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

Recommendation/Observation

The obnoxious practice of charging huge money from admission seekers as 'donation' fee on one pretext or the other is widely prevalent amongst the private schools in Delhi leading to widespread commercialization of education in the capital. The Committee are of the considered view that these schools are not supposed to be run on commercial lines and collect hefty 'donation' fee in the guise of various forms of Development Charges etc. but act as a charitable societies with the social obligation to help less privileged sections of the society in the form of providing a reasonable freeships. The Committee recommend that Government should take necessary step in consultation and cooperation of GNCTD to prohibit private schools especially the ones which were allotted land at concessional rates by DDA from accepting donation fee from admission seekers and take stringent action against those schools indulging in such malignant practice. The Committee also recommended that Government in coordination with GNCTD should lay down criteria/norms specifying clearly the limits of development charges and other charges that can be collected by the various schools from the parents.

[Sl. No. 18 Para 122 of 42nd Report PAC (Fourteenth Lok Sabha)]

Action Taken

The recommendation of the Committee has been brought to the notice of the Education Department of Government of Delhi and Delhi Development Authority. However, the matter regarding freeships quota in schools built on land allotted at concessional terms is currently sub-judice before the Hon'ble High Court of Delhi.

Sd/-

(Dr. M.M. Kutty)

Joint Secretary to the Govt. of India.

NEW DELHI;
December, 2008
Agrahayana, 1930 (Saka)

PROF. VIJAY KUMAR MALHOTRA,
Chairman,
Public Accounts Committee.

ANNEXURE A

DELHI DEVELOPMENT AUTHORITY
LAND COSTING WING

No. F1(EOT)/05/LSB(I)/I

Dated 4.1.2007

CIRCULAR

SUBJECT: Rates of Composition Fee for delay in construction on Residential, Industrial Commercial, Institutional and Cooperative Group Housing Societies Plots.

In supersession to all previous orders/instructions on the subject, Lt. Governor, Delhi is pleased to revise the existing rates of composition fee for extension of time for period of construction on plots as annexed herewith.

2. In cases where demand has been raised but the payment has not been received as per the terms of demand letter the composition fee shall be reworked as per the latest policy.

4. With effect from 18.6.2006, as per press notice already issued by DDA, the maximum permissible period for construction of *various* categories of plots allotted or auctioned by DDA shall be limited to 10 years. In addition, in all surviving leases, as already circulated *vide* circular of even No. dated 21.7.2006 of OSD(Lands), where the construction has not been undertaken even after the lapse of 10 years from the date of possession, last opportunity has been given to complete the construction by 31.12.2007. Failure to complete construction by 31.12.2007 will result in determination of lease/resumption of plot by DDA without any further notice.

5. Others terms and conditions as contained in Circular No. AO (Proj)/ Misc/ Composition/Pt-I/36 dated 31.10.1995, 24.7.2001 and No. F2(2)/2005/Cordn/LD/99 dated 22.3.2005 shall remain the same.

6. The revised rate of composition fee will come into force from the date of issue of this circular.

Sd/-

[PRAHLAD SINGH]
Director (Land Costing)

Encl: As above.

Copy to:

1. Commissioner (LD)/Commissioner(LM)
2. Director (CL)/Director(Lands)/Director (RL), OSD(Lands)/Director(Building)/ Director (Audit)/Director(Vigilance)
3. DD(LABR)/DD(LSB)/(LAB)Rohini/DD(CL)/DD(IL)/DD(Indtl)DD(GH&CS)
4. All Sr. AOs/AOs in Land Costing Wing.

Copy for kind information to:

1. Secretary to LG
2. Vice Chairman, DDA
3. Finance Member, DDA
4. Principal Commissioner, DDA
5. Principal Commissioner-cum-Secretary, DDA
6. Commissioner (Planning), DDA
7. Chief Legal Advisor, DDA
8. CAO, DDA
9. Director (Delhi Division), MoUD

**RATES OF COMPOSITION FEE FOR DELAY IN CONSTRUCTION ON
RESIDENTIAL, INDUSTRIAL COMMERCIAL, INSTITUTIONAL AND
COOPERATIVE GROUP HOUSING SOCIETIES PLOTS**

Rates in Rs. per sqm

Years	Resi.	Industrial	Commercial	
			Low Turn Over LSC/CSC	High Turn Over CC/DC/FC
1.	Nil	Nil	Nil	Nil
2.	Nil	Nil	Nil	Nil
3.	Nil	Nil	Nil	Nil
4.	10	10	10	10
5.	20	20	20	20
6.	100	120	180	360
7.	110	130	190	380
8.	120	140	200	400
9.	130	150	220	440
10.	140	160	240	480
11.	160	180	270	540
12.	170	190	280	560
13.	180	200	300	600
14.	190	210	310	620
15.	200	220	330	660
16.	250	290	440	880
17.	260	300	450	900
18.	270	310	460	920
19.	280	320	480	960
20.	290	330	500	1000
21.	380	440	660	1320
22.	390	450	680	1360
23.	400	460	690	1380
24.	410	470	700	1400
25.	420	480	720	1440

	Institutional		CGHS
	Upto 500 sqm	Above 500 sqm	
1.	Nil	Nil	Nil
2.	Nil	Nil	Nil
3.	Nil	Nil	Nil
4.	10	Nil	10
5.	20	Nil	20
6.	100	100	100
7.	110	110	110
8.	120	120	120
9.	130	130	130
10.	140	140	140
11.	160	160	160
12.	170	170	170
13.	180	180	180
14.	190	190	190
15.	200	200	200
16.	No Exten.	250	250
17.	No Exten.	260	260
18.	No Exten.	270	270
19.	No Exten.	280	280
20.	No Exten.	290	290

Sd/-

Sr. AO (Projects)

ANNEXURE B

DELHI DEVELOPMENT AUTHORITY
INSTITUTIONAL BRANCH I.N.A.

No. F.18(62)95/IL/374

VIKAS SADAN,
IIND FLOOR,
BLOCK 'A'

To,

The President,
Arihant Civic Services Society (Regd.),
14/105, Rani Jhansi Road,
New Delhi-110055.

Sub: Allotment of land to Arihant Civic Services Society for Construction of a Senior Secondary School

Dear Sir,

I am directed to inform you that it has been decided to allot on perpetual lease hold basis a plot of land measuring 1.6 Hect. One point Six Hect. (16000 Sqmtrs) for running a Nursery/ Middle Sr. Sec. School at Dwarka, Sector-9 on usual terms and conditions which shall also included the Following:—

1. The Arihant Civic Services Society (Regd.) shall be required to pay the cost of land measuring 6400 Sqmtr. per acre alongwith annual ground rent @ 50 Lacs + 69% P.A. provisionally of the total premium $2\frac{1}{2}$.
2. The land measuring 9600 Sqmtr acres/Sq.Mtrs/Hect is allotted to the society for play field on temporary basis on payment of nominal ground rent @ 5000/ + 69% enhanced per acre per annum.
3. The ground rent of the land shall be paid by the said society from the date of handing over the possession of the plot/land.
4. The area allotted for play ground shall be kept open and no structure of even temporary nature shall be raised on the land.
5. The Arihant Civic Services Society (Regd.) shall use the land to running a Senior Secondary School failing which the land alongwith the structure raised thereon will be resumed by the Govt./D.D.A.
6. The cost of land as demanded is provisional. The Society shall given an undertaking on Rs. 2/- stamp paper duly attested from 1st Class Magistrate/ Notary Public to the effect that the difference as cost of land as and when decided by the Govt. of India and DDA shall be payable by the Society.
- 6 A—The land meant for play field would be allowed to be use in non school hours by the local children.

B—The entry to the field would be from out side and not in side the school.

C—5% of the total strength of the students would be given admission to if recommended by the Govt. of Delhi and subject to normal test. Such students should be allowed freeship admission based on income criterion as decided by the Govt. of Delhi.

7. The society shall shift the present existing school within two years from the date of handing over the possession of the plot.
8. The D.D.A. reserve its right to alter any terms and conditions on its direction.
9. The land shall be used by the Society for the construction of Nursery/Sr. Sec./Middle School and for no other purpose whatever. No residence is permitted except a small hut for chowkidar.
10. The Building plan should be got approved from the local body/s DDA before undertaking any construction of the land.
11. The Society shall complete the construction of school building on the land within a period of two years from the date of handing over the possession of the land.
12. The land shall not be transferred/subleased to any other organisation/deptt. by the Society without prior permission of the D.D.A. obtained in writing.
13. The perp. Lease shall be executed by the Society in their own cost as and when called upon to do so.
14. The society shall provide fencing and boundary wall immediately after taking over the possession to prevent the encroachment.
15. The person attending the school shall be required to take part in any religion/institution or to attend any religious worship without his/her consent and no citizen shall be deprived of admission to the school on ground of religion, face, caste, language or any of them.
16. In the even of derecognition of school by the Dte. of Education of Delhi Admn. or any other competent authority the lessee shall be required to pay premium for the land allotted at the market rate prevailing on the date of de-recognition of the school or the land with superstructure fixtures, fitting etc. shall revert to the Govt. of payment of compensation as may be decided by the Govt.
17. The school shall not increase the rates of tuition fee without the prior sanction of the Dte. of Education Delhi Admn. and shall follow the provisions of Delhi School Education Act/Rules, 1973 and other instructions issued from time to time.
18. The Arihant Civic Services Society (Regd.) shall ensure that percentage of freeship from the tuition fee as laid down under rules by the Delhi Admn. from time to time strictly complied. They will ensure admission to the student belonging to weaker sections to the extent 25% and grant freeship to them.

19. The Delhi Admn. will have two nominees on the Governing body of the society.
20. The Society shall not refuse admission to the resident of locality.
21. The Society shall follow the instructions of the Dte. of Education for minimum/ maximum enrolment of students in the school new building constructed on land allotted by Govt./D.D.A.
22. If the allotment is cancelled for breach of and conditions of the allotment. the possessions plot/land with building, if any will be handed the DDA by the allotted on the date and given cancellation letter/notice.
23. If the above terms and conditions are acceptable you, the acceptance thereof with attested under be sent to the undersigned alongwith in favour of D.D.A. for Rs. 1,37,17,104/- (premium Rs. 1,33,62,985/- Ground rent and annual licence fee/ground rent of playground within 60 days from the date of issue of allot demand letter. The said amt. can also be deposited in the bank counter situated in INA office complete copy of the same may be sent to this office for deposit the demand alongwith acceptance letter taking within 60 days from the date of issue cum allotment letter.
24. In case the payment and acceptance letter with undertaking is not received within the stipulated above, it will be presumed that you are interested in the allotment of the land and offer of allotment will stand withdrawn.

Your faithfully

Sd/-

Director (DD)

Copy forwarded for information to:—

1. Dte. of Education (CW), Govt. of NCT. of Delhi Sectt., Delhi.
2. Sr. A.O. (IL).

Details of Demand.

Premium of the land measuring 6400 Sqmtr. Acres/Hect/Sq.Mtrs @ Rs. 50 Lacs+69% Provisionally.	Rs. 1,33,62,985
Ground rent @ $2\frac{1}{2}$ % P.A. of the Total premium.	Rs. 3,34,075
Annual licence fee for the land measuring 9600 Swmtr. Acres/Hect./ Sq mtrs for play field @ 5000+69% per annum	Rs. 20,044
TOTAL	<u>Rs. 1,37,17,104</u>

PART II

MINUTES OF THE TENTH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE
(2008-2009) HELD ON 1ST DECEMBER, 2008

The Committee sat from 1130 hrs. to 1150 hrs. on 1st December, 2008 in Committee Room "B" Parliament House Annexe, New Delhi.

PRESENT

Prof. Vijay Kumar Malhotra-*Chairman*

MEMBERS*Lok Sabha*

2. Shri Khagen Das
3. Shri P.S. Gadhavi
4. Shri Shailendra Kumar
5. Shri Bhartruhari Mahtab
6. Prof. M. Ramadass
7. Shri Sita Ram Singh
8. Shri Kharabela Swain
9. Shri Tarit Baran Topdar

Rajya Sabha

10. Shri Raashid Alvi
11. Dr. K. Malaisamy
12. Sardar Tarlochan Singh

SECRETARIAT

- | | | |
|--------------------------|---|----------------------------|
| 1. Shri S.K. Sharma | — | <i>Secretary</i> |
| 2. Shri Gopal Singh | — | <i>Director</i> |
| 3. Shri M.K. Madhusudhan | — | <i>Deputy Secretary-II</i> |
| 4. Shri Sanjeev Sharma | — | <i>Deputy Secretary-II</i> |

Officers of the Office of the Comptroller and Auditor General of India

- | | | |
|------------------------|---|---------------------|
| 1. Ms. Malashri Prasad | — | DG (AB) |
| 2. Shri Jayanti Prasad | — | Pr. Director (INDT) |

2. At the outset, the Chairman PAC welcomed the members and Audit officers to the sitting. The Committee then took up the following draft Action Taken Reports for consideration and adoption:

- (i) Draft Report on Action taken on 42nd Report of PAC (14th Lok Sabha) relating to "Allotment of Land to Educational Institutions by Delhi Development Authority", and
- (ii) Draft Report on Action Taken on 57th Report of PAC (14th Lok Sabha) relating to "Under Valuation due to Adoption of Lower Mutually Agreed Price".

3. After some deliberation, the Committee adopted the same with some minor changes and authorized the Chairman to finalise and present these Reports in the light of factual verification done by the Audit.

4. The Committee decided to hold their next sitting on 8th December, 2008.

The Committee then adjourned.

PARLIAMENTARY PUBLICATIONS CAN ALSO BE OBTAINED FROM THE FOLLOWING AUTHORISED AGENTS:—

Sl.No.	Name of Agent	Sl.No.	Name of Agent
	ANDHRA PRADESH		
1.	M/s. Ashok Book Centre, Benz Circle, Vasavya Nagar, Vijaywada-520006. (A.P)	13.	M/s. Jayna Book Depot, Chowk Chhapparwala, Bank Street, Karol Bagh, New Delhi-110005.
	BIHAR	14.	M/s. Standard Book Co., 125, Municipal Market, Connaught Place, P.B. No. 708, New Delhi-110001. (T. No. 23411919)
2.	M/s. Progressive Book Centre, Zila School, Pani Tanki Chowk, Ramma, Muzaffarpur-842002. (Bihar)	15.	M/s. D.K. Agencies (P) Ltd., A/15-17, Mohan Garden, Najafgarh Road, New Delhi-110059.
	DELHI	16.	M/s. Vijay Book Service, C-D/123/C, Pitam Pura, New Delhi-110034.
3.	M/s. Jain Book Agency, C-9, Prem House, Connaught Place, P.B. No. 1113, New Delhi-110001.		MADHYA PRADESH
4.	M/s. Bookwell, 2/72, Sant Nirankari Colony, Kingsway Camp, Delhi-110009.	17.	M/s. Suvidha Law House, 28, Malviya Nagar, Roshanpura, Bhopal-462003.
5.	M/s. Rajendra Book Agency, IV-D-50, Lajpat Nagar, Old Double Storey, New Delhi-110024. (T. Nos. 26412362 & 26412131)		MAHARASHTRA
6.	M/s. Central News Agency Pvt. Ltd., P-23, Connaught Circus, New Delhi-110001.	18.	M/s. Usha Book Depot, 585/A, Chitra Bazar, Khan House, P.B. No. 2621, Mumbai-400002.
7.	The Manager, M/s. Books India Corporation, Publishers, Importers & Exporters, L-27, Shastri Nagar, Delhi-110052.	19.	M/s. Jaina Book Agency (India), 649-A, Girgaum Road, Opp. 2nd Dhobi Talao Lane, Mumbai-400002.
8.	M/s. Sangam Book Depot, LG-3, Akarshan Bhawan, 23, Ansari Road, Darya Ganj, New Delhi-110002.		PUDUCHERRY
9.	M/s. Biblia Impex Pvt. Ltd., 2/18, Ansari Road, New Delhi-110002. (T.No. 23262515)	20.	Editor of Debates, Legislative Assembly Department, Puducherry-605001.
10.	M/s. Universal Book Traders, 80, Gokhale Market, Opp. New Courts, Delhi-110054. (T. No. 23911966)		TAMILNADU
11.	M/s. Seth & Co., Room No. 31 D, Block-B, Delhi High Court, Sher Shah Road, New Delhi-110003.	21.	M/s. M.M. Subscription Agencies, 123, Third Street, Tatabad, Coimbatore-641012.
12.	M/s. Dhanwantra Medical & Law House, 592, Lajpat Rai Market, Delhi-110006. (T. No. 23866768)	22.	M/s. C. Sitaraman & Co., 73/37, Royappettah High Road, Chennai-600014.
			UTTAR PRADESH
		23.	M/s. Law Publishers, Sardar Patel Marg, P.B. No. 1077, Allahabad (U.P).
		24.	M/s. Ram Advani Bookseller, Mayfair Building, Hazrat Ganj, GPO Box No. 154, Lucknow-226001.