

**PUBLIC ACCOUNTS COMMITTEE  
(1978-79)**

(SIXTH LOK SABHA)

**HUNDRED AND THIRTY-EIGHTH REPORT**

**DELHI DEVELOPMENT AUTHORITY**

**MINISTRY OF WORKS & HOUSING**

[Paragraph 29 of the Advance Report of the  
Comptroller and Auditor General of India for  
the year 1976-77, Union Government (Civil)]



*Presented in Lok Sabha on 30-4-1979  
Laid in Rajya Sabha on 30-4-1979*

**LOK SABHA SECRETARIAT  
NEW DELHI**

*April, 1979/Vaisakha, 1901 (S)*

*Price : Rs. 6.75*

CORREIGENDA TO 138TH REPORT OF PUBLIC ACCOUNTS  
COMMITTEE (6TH LOK SABHA).

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held on :—

- 27-10-1978 (FN)
- 27-10-1978 (AN)
- 28-10-1978 (FN)
- 28-10-1978 (AN) and
- 28-4-1979 (AN)

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\*Not printed. One cyclostyled copy laid on the Table of the House and five copies placed in Parliament Library.



**PUBLIC ACCOUNTS COMMITTEE**

(1978-79)

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Shri P. V. Narasimha Rao

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1. Shri H. G. Paranjpe—*Joint Secretary*
2. Shri D. C. Pande—*Chief Financial Committee Officer.*
3. Shri T. R. Ghai—*Senior Financial Committee Officer.*

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## INTRODUCTION

1, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Hundred and Thirty-Eighth Report of the Public Accounts Committee (Sixth Lok Sabha) on Paragraph 29 of the Advance Report of the Comptroller and Auditor General of India for the year 1976-77, Union Government (Civil) on Delhi Development Authority (Ministry of Works and Housing).

2. In this Report, the Committee have dealt with the aspects relating to (i) Main Objectives of DDA, (ii) Audit, Budget and Annual Reports, (iii) Revolving Fund (iv) Preparation of Master Plan and Zonal Development Plans and (v) (a) Scheme of large scale of Acquisition, Development and Disposal of Land and (b) Allotment of Land to Co-operative Societies. The Committee could not finalise their Report on other aspects due to paucity of time and they leave it to their successor Committee to take up the remaining aspects.

3. The Advance Report of the Comptroller and Auditor General of India for the year 1976-77, Union Government (Civil) was laid on the Table of the House on 4 April 1978. The Public Accounts Committee (1978-79) examined the Paragraph relating to Delhi Development Authority, at their sittings held on 27 and 28 October, 1978. The Public Accounts Committee (1978-79) considered and finalised this Report at their sitting held on 28 April, 1979. The Minutes of the sittings from Part II of the Report.

4. A statement containing observations and recommendations of the Committee is appended to this Report (Appendix VI). For facility of reference these have been printed in thick type in the body of the Report.

5. The Committee place on record their appreciation of the assistance rendered to them in the examination of this paragraph by the Comptroller and Auditor General of India.

6. The Committee would also like to express their thanks to the officers of the Ministry of Works & Housing for the cooperation extended by them in giving information to the Committee.

NEW DELHI;  
April 30, 1979  
*Vaisakha 10, 1901 (S)*

P. V. NARASIMHA RAO,  
*Chairman,*  
*Public Accounts Committee.*

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## CHAPTER I

### *Main objectives of D.D.A.*

#### *Audit Para*

1.1. Introduction—An enquiry committee appointed by the Government in 1950 had observed, *inter alia*, that the then existing Delhi Improvement Trust had

- frozen considerable areas of land under town expansion schemes but had not developed them,
- disposed of plots of developed land to the highest bidder or tenderer and this was against the objective with which the Trust had been set up; and
- failed to prepare a master plan for the development of Delhi.

The Committee recommended the setting up of a single planning and controlling authority for development of the whole of the urban area of Delhi and devolution of adequate financial resources to the authority for the purpose.

Pursuant to the Committee's recommendations, the Delhi Development Authority (hereafter referred to as DDA) was set up under the Delhi Development Act, 1957 (hereafter referred to as the Act) to "promote and secure the development of Delhi according to plan". For this purpose, the DDA was empowered to acquire, hold, manage and dispose of land and other property, to carry out building, engineering, mining and other operations and generally to do anything necessary or expedient for purposes of such development and for purposes incidental thereto. The finances of the DDA were to comprise income from its property, fees and charges leviable under the Act and grants and loans from Government. In addition, the DDA was empowered to borrow, with the approval of Government, by way of loans or debentures. The DDA, which came into being on 30th December 1957, consists of the Chairman (Lieutenant Governor of Delhi, *ex-officio*), a Vice-Chairman appointed by Government and 11 other Members (hereafter referred to as the Authority).

1.2. The main activities of the DDA and the accounts in which the respective transactions are accounted for are indicated below:

Main activity	Name of Account
1. Management of certain Government land and properties (known as old Nazul estates), which devolved on the DDA as successor to the erstwhile Delhi Improvement Trust.	Nazul Account I
2. Preparation and implementation of Delhi Master Plan and zonal development plans.	Plan Nazul Account I
3. Development and disposal of land entrusted to the DDA by the Delhi Administration under the scheme of large scale acquisition, development and disposal of land.	Nazul Account II
4. Execution of the scheme of removal of jhuggis and jhompris in Delhi.	Nazul Account II I
5. Management of properties vested in the DDA and construction and disposal of houses under its group housing schemes.	General Development Account.
6. Maintenance of an inter-State bus terminus . . . . .	I.S.B.T. Account.
7. Running of a lottery scheme . . . . .	Lottery Account.

1.3. In addition, Government transferred from the Municipal Corporation of Delhi and the New Delhi Municipal Committee to the DDA in February 1974 the slum improvement/clearance works in Delhi. These were however transferred back to Municipal Corporation Delhi in April, 1978. Transactions relating to these works had not been included by the DDA in its annual accounts (December, 1977).

[Pages 238-39 of Para 29 of the Advance Report of the C&AG of India for the year 1976-77, Union Government (Civil).

1.4. The Central Government had in March, 1937 extended the United Provinces Town Improvement Act, 1919 to Delhi. This led to the creation of the Delhi Improvement Trust. The Trust was to be managed by a Board which was a body-corporate having perpetual succession and a common seal for carrying out the provisions of the Act which *inter-alia* included formulation and execution of schemes as defined under Sections 24 and 25 of the U.P. Town Improvement Act as extended to Delhi.

1.5. In the wake of partition of the country in 1947 however, there was a phenomenal growth in the city's population with sprawling residential colonies without proper layouts and conveniences of life. The Central Government therefore appointed in 1950 an Enquiry Committee consisting of certain Members of Parliament as also others under the Chairmanship of Shri Birla for the purpose of finding out how the Delhi Improvement

Trust was going on, what were the difficulties they felt and what steps were necessary for improving that machinery with a view to carry on the work of development in as effective and satisfactory manner as possible.

1.6. That Committee also recommended the setting up of a single planning and controlling authority for development of the whole of the urban area of Delhi and devolution of adequate financial resources to the authority for the purpose.

1.7. Recognising the need for proper development of the National Capital as also to remedy the deficiencies in the then existing colonies, the Central Government in November, 1955 set up the Delhi Development (Provisional Authority). Close at its heels the Town Planning Organization was set up by the Government of India and placed under the administrative control of the Chairman, Delhi Improvement Trust to advise the Authority on all matters relating to planning of National Capital. In September 1956, this Organization produced an Interim General Plan which was intended to be an outline for planned development of Delhi.

1.8. The Charter and functional frame-work of Delhi Development Authority is provided in the DDA Act 1957. Section 6 of the Act which lays down the broad objectives of the Authority, reads as under:—

“The objects of the Authority shall be to promote and secure the development of Delhi according to plan and for that purpose the Authority shall have the power to acquire, hold, manage and dispose of land and other property, to carry out building, engineering, mining and other operations, to execute works in connection with supply of water and electricity, disposal of sewage and other services and amenities and generally to do anything necessary or expedient for purposes of such development and for purposes incidental thereto:

Provided that save as provided in this Act, nothing contained in this Act shall be construed as authorising the disregard by the Authority of any law for the time being in force”.

1.9. The scope of work of the Authority is amplified by the definitions given in Section 6. The terms ‘development’, ‘building’, ‘engineering’ and ‘amenity’ have been defined in Section 2 of the Act as follows:—

- (i) ‘development’ with its grammatical Variations means the carrying out of building, engineering, mining or other operations in, on, over or under land or the making of any material change in any building or land and includes redevelopment:

- (ii) 'building' includes any structure or erection or part of a structure or erection which is intended to be used for residential, industrial, commercial or other purposes, whether in actual use or not;
- (iii) 'engineering operations' includes the formation or laying out of means of access to a road or the laying out of means of water supply;
- (iv) 'amenity' includes road, water supply, street lighting, drainage sewerage, public works and such other convenience as the Central Government may, by notification in the Official Gazette, specify to be an amenity for the purposes of this Act."

1.10. The following specific functions have been assigned to DDA under the Act to subserve the wider objectives, enunciated in section 6:—

- (i) Carry out a civic survey and prepare a Master Plan for Delhi. (Section 7)
- (ii) Simultaneously, with the preparation of the Master Plan or as soon as may be thereafter, prepare a Zonal Development plan for each zone, into which Delhi may be divided. (Section 8)
- (iii) Make any modification to the Master Plan & Zonal Development Plan. (Section 11-A)
- (iv) Carry out and regulate development (assuming the functions of the local body) in areas, which may be declared as 'development area'. (Sections 12, 13, 29(1), 30 and 31)
- (v) Regulating the uses of land/buildings (a) according to the land use, prescribed under the Master Plan/Zonal Development Plans in respect of the uses, after the promulgation of the Master Plan, and (b) according to the regulations to be framed in pursuance of the proviso to section 14 in respect of use, which have been continuing from before the enforcement of the Master Plan. [Section 14 and 29(2)]
- (vi) Development/disposal of land, acquired by the Central Government and transferred to the Authority for the purpose, for which the land has been acquired, on payment of the acquisition cost by the Authority. Such land may be disposed of by the Authority with or without undertaking development, but within

certain constraints and subject to any directions given by the Central Government under the Act, Besides the above development and management of Nazul lands, placed at the disposal of the D.D.A. on agreed terms and conditions. After the development of the Nazul land, the Authority has to deal with it in accordance with rules made and directions given by the Central Government in this behalf.

(Sections 15, 22 & 22-A)

- (vii) Ordering the owner of land in a 'development area' to provide an amenity or to carry out development, for which he is responsible, and in the default of the same providing the amenities or carrying out development at the cost of the owner.

(Section 35)

- (viii) Requiring the local authority to assume responsibility (a) for the maintenance of the amenities, provided by the Authority in the course of the development of an area, and (b) for the provision of the amenities, which have not been provided by the Authority, but which in its opinion should be provided in the area, on terms and conditions agreed upon between the Authority and the local body; and where such terms and conditions cannot be agreed upon, on terms and conditions settled by the Central Government in consultation with the local body on a reference of the matter to the Government by the Authority.

(Section 36)

- (ix) Levying betterment charges on any property (within a 'development area' or otherwise), the value of which has increased or will increase as consequence of any development done by the Authority in a 'development area'.

(Sections 37—40A)

1.11. A brief mention about the origin of the main activities of the DDA as enumerated in the Audit Para and a few significant facts related thereto may be made as under:—

**(i) Preparation and implementation of Master Plan**

The Master Plan was approved in September, 1962. It envisaged development of about 62,000 acres of land between 1962 and 1981, 30,000 acres for residential purposes and the rest for district, regional parks etc. As against this the total area so far developed is 14,930.63 acres — the break up being—residential (5,710.98 acres), industrial (2,105.31 acres), commercial (666.67 acres), co-operative housing (578.67 acres), jhuggi

jhompri residential scheme (2,690 acres) and Horticulture (3179 acres). The total of land acquired upto 31-3-1977 has been 39,992.21 acres.

### (ii) Development and disposal of land

The Government of India, Ministry of Home Affairs letter No. F. 37/10/60-Delhi (1) dated 2-5-1961 (Appendix I), as amended from time to time, which provides the frame-work of the said scheme *inter alia*, reads as follows:

“The acquisition and development of land should generally follow the time schedule and targets indicated in Appendix I. The Central Public works Department will provide adequate engineering and other necessary staff to work for the Delhi Development Authority according to the existing procedure”.

Government of India, Ministry of Finance (Department of Economic Affairs), letter No. F. 1|24|8|61 dated 30-6-1961, as amended from time to time, which lays down the accounting arrangements for the transactions under the Scheme *inter alia* reads as follows:—

“The land will be developed partly by the Delhi Development Authority through the agency of the Central Public Works Department and partly by the Delhi Municipal Corporation. Payments in regard to the lands to be developed by the Delhi Municipal Corporation will be made to the Corporation by cheque on the Personnel Ledger Account. . . . .”

### (iii) Jhuggi and Jhonpri Removal Scheme

The implementation of the jhuggies and jhompries Removal Scheme was entrusted to Municipal Corporation, Delhi in February 1960 and the same was transferred to the DDA w.e.f. 22-1-1968. However, this work was transferred back to MCD w.e.f. 1-4-1978.

### (iv) Construction and disposal of houses under the Group Housing Scheme

This scheme was approved by the DDA, in principle, in June 1962 for construction and sale of houses/flats or hire purchase to lower and middle income groups. The first project comprising about 164 dwelling units was sanctioned in March 1963 and the money required for financing the same was diverted from unutilised portion of a loan, sanctioned by the Government of India for the implementation of the scheme of acquisition and development of land in Delhi.



(v) **Maintenance of an Inter State Bus Terminus**

The Delhi Administration vide letter No. 49/76/68/L&B dated 10-10-69 directed the DDA to construct an Inter-State Bus Terminus and to utilise the requisite amount from the Revolving Fund. But the DDA decided to construct the Terminus with its own funds.

(vi) **Running of a Lottery Scheme**

The DDA was authorised to undertake the running of the lottery scheme by the Central Government on 17-4-68. The Government have also been issuing order for utilisation of the net proceeds from the lotteries which amounted to Rs. 133.30 lakhs upto 31-3-77. The releases/grants from the Lottery Fund, which is maintained by the DDA include setting up and running of dispensaries and Community Centres in re-settlement colonies under the J.J.R. Scheme, promotion of sports, augmentation of medical facilities through the Red Cross Society etc., donations to Bangla Desh Relief Fund, National Defence Fund etc.

1.12. Apart from the main activities mentioned in the foregoing paras, a number of other specialised works have been taken up by DDA in pursuance of the objectives of the planned development of Delhi, Noteworthy are the construction of—

1. Junk Market at Maya Puri;
2. Subzimandies at Azadpur and Janakpuri;
3. Flated factories at Okhla;
4. Factory sheds at various locations;
5. Cycle Market at Jhandewalan;
6. The Jama Masjid Re-development scheme etc; and
7. The watch and ward and maintenance of un-utilised lands of various Ministries/Departments of Government of India. This responsibility entrusted to DDA during 1974-75, is mostly restricted to removal of un-authorized construction and safeguarding against squatting, the disposal and utilisation remaining with the Ministries/Departments concerned.

1.13. In this connection, Shri G. C. Baveja, Chairman of the Committee of Experts on the working of Delhi Development Authority, in his letter dated 6-6-1978, while forwarding the Report of the Committee to the Secretary, Ministry of Works & Housing has *inter alia* stated:—

“The DDA has become involved in activities which tend to detract from its main functions. Examples of these are the Delhi

Lotteries, management of the Inter-State Bus Terminus, management of urban villages etc. These activities tend to eat into the resources of the Authority, divert attention from more important works and lead to inefficiency. The Committee feels that the Authority should get itself rid of these ancillary functions and concentrate on its main task of plan preparation, land development and disposal and implementation of housing programmes on a large scale in Delhi."

1.14. While it can be said that the various schemes taken up by the DDA, on *ad hoc* basis have directly or indirectly helped in the development of Delhi, but the fact remains that these have been implemented at the cost of the main activities of the DDA such as acquisition and development of land for residential purposes. When the Committee enquired whether the diversification of the activities of DDA adversely affected their efforts in achieving the main objectives, the Ministry of Works and Housing have stated:—

"No review has been undertaken by DDA to find out whether the diversification of activities adversely affected the Authority's efforts in achieving its main objectives. Recently, however, a Committee of Experts on the working of the DDA appointed by Government of India (Baveja Committee) examined the working of the DDA. The Committee, which went into the working of the DDA in depth considered the question of diversification of activities of the DDA and recommended a number of steps to achieve the objective of stabilisation of prices of land and quickening the pace of development. These recommendations included, *inter-alia*, the following:

- (1) development of land for residential purposes be accorded first priority;
- (2) Land should be allotted only after development and considerably larger proportion of land be allotted to LIG people on pre-determined rate.

These recommendations have been accepted by Government."

1.15. In reply to a question whether this position is likely to continue even in future in terms of Baveja Committee's recommendations, the Ministry have informed the Committee that this is true to some extent. But the recommendations of the Baveja Committee which have been accepted by Government will be given effect to, so that the achievement of the main objectives of the DDA is not hampered.

1.16. On being pointed out that according to Sec. 6 of the DDA Act 1957 it appeared that the entire activity of DDA should really be to develop the area in such a way that further construction and further location of industries etc. took place in a planned manner, the Vice-chairman of the DDA stated during evidence:—

“The DDA has this as one of its two main functions. Its first main function is to prepare the plan itself so that there will be planned development and the second one is to prepare the infrastructure including commercial activity, road, water supply etc.”

When further pointed out that DDA was charged with more of development activity than regular house-building, the witness stated:

“It does—how to acquire, dispose of, building engineering, mining and other operations, In fact, Sec. 6 is an omnibus,”

1.17. When asked whether the activities of DDA had been diversified after a full examination of the implications of Sec. 6, the witness clarified in evidence:—

“Sec. 2—the definition section may kindly be referred to. ‘Building’ includes any structure or erection or part of a structure or erection which is intended to be used for residential, industrial, commercial and other purpose whether in actual use or not. . . . Then building operations, rebuilding operations etc. From these it will be evident that ‘development’ includes building activity.”

He added:

“... But I would say that the DDA which did not take up a massive housing programme then was not playing its part properly and I will support to the tilt the construction of housing specially for those who do not have sufficient money to build their own houses at one go. In fact, it is one of the primary aims of development.”

In the same context, he continued:

“There was no Housing Board in Delhi. The Housing Board of Delhi is the DDA, if I may submit. Other Developmental Authorities like the SIDCO, Bombay as also the Indore Development Authority, Indore—they are also undertaking housing construction.”

1.18. When the Committee enquired whether it would not be more appropriate for the DDA to devote itself to (i) planning and regulatory functions; and (ii) to acquisition, development and disposal of land after dividing it into plots rather than housing. The Ministry of Works and Housing have, in a written note, stated that "Admittedly these are the basic functions of DDA."

1.19. In reply to another question whether it would not be better if the housing activity in the public sector is handled by a Housing Board, if necessary, by financing it out of the surplus receipts from the disposal of land, the Ministry have informed that "the matter is under consideration of the Delhi Administration|Government of India".

1.20. It may be mentioned here that according to the information furnished to Estimates Committee (*vide* para 6.27 of the 97th Report (1975-76), 16 State Government of Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal and Union Territories of Chandigarh, Goa, Daman & Diu and Pondicherry have already set up the Housing Boards. That Committee had recommended that "Government should give more attention to the housing programme in rural areas and that separate Housing Boards for rural areas may be set up in each State."

1.21. The Committee wanted to know whether objectives set out in the DDA Act 1957 had been achieved. The Ministry have in a note stated:

"No precise targets or schedule of work were prescribed for achieving the . . . . . objectives. Moreover, the entire actual development of Delhi is not the sole concern of the Delhi Development Authority; numerous other Government, semi-Government agencies and local bodies are also involved in the task."

1.22. In the absence of prescribed targets the Committee desired to know the criteria laid down by the Government to ensure that the DDA was moving in the right direction for achieving the prescribed objectives and what control the Ministry exercised over DDA to achieve that end. The Ministry of Works and Housing have replied as under:—

"The DDA being a high-powered statutory body was required to set goals/targets for itself within the framework of the DDA Act 1957. It had come into existence by an Act of Parliament and the Lt. Governor of Delhi was made the Chairman of the DDA."

1.23. The Committee note that the construction and disposal of houses by DDA under its group housing schemes is undertaken by the Delhi Development Authority as one of its objectives under Section 6 of the Delhi Development Act, 1957. The Vice-Chairman, Delhi Development Authority stated during evidence that "in fact Section 6 is omnibus and the word 'Building' as defined in Section 2 of the above Act includes any structure or erection or part of a structure of erection which is intended to be made for residential, industrial, commercial or other purposes, whether in actual use or not". While the Committee admit that the massive house-building programme is essential 'for those who do not have sufficient money to build their own house' they are of the view that Section 6 of the Act is not omnibus and the words 'Building' & 'Engineering' as defined in the Act have been interpreted to mean that house building was chief function of the DDA. A reasonable interpretation of these words should have been that whatever the DDA is required to build, it should be conducive to the main object of development of Delhi. The Committee, feel that in order to leave no scope for doubt Section 6 of the Act need to be revised suitably in consultation with the Ministry of Law, if necessary, so that the functions of the DDA are clearly spelt out.

1.24. The Committee regret to note from the reply of the Ministry of Works and Housing that no precise targets or schedule of work were prescribed by the Delhi Development Authority for achieving their main objectives namely development of land for residential purposes, development of district and community centres etc. even though "the DDA being a high powered statutory body was required to set goals and targets for itself within frame work of the DDA Act 1957". In the absence of any prescribed targets to achieve the basic objectives, coupled with the failure of the Government on their part to exercise their control to ensure that the DDA was going in the right direction, the Authority has been functioning in an unbridled manner far away from fulfilling the objectives for which it was set up.

1.25. The Committee are concerned to note that the Delhi Development Authority has since diversified its activities by taking up works such as a Removal of Jhuggies and Jhompries Scheme, maintenance of Inter-State Bus Terminus and running of a lottery etc. In addition to these, a number of other special works such as Junk market at Mayapuri, subzi-mandies at Azadpur and Janakpuri, flatted factories at Okhla, factory sheds at various locations, cycle market at Jhandewalan, Jama Masjid Re-development Scheme etc. were also taken up by DDA from time to time. Occasionally, the Authority was also called upon to attend to misc. functions/minor duties such as Watch and Ward and maintenance of unutilised lands of various Ministries and Departments of Government of India as a field agency of the Government of India.

1.26. While it can be said that such schemes have helped marginally in the development of Delhi the fact remains that this diversification in the activities has not only tended to detract the DDA from its main functions such as development of land for residential purpose, development of district and community centres in public housing schemes, but has also diverted its resources which otherwise could have been spent more appropriately on important tasks before it to ameliorate the living condition of the people of Delhi. The Chairman of the Committee Experts on the Working of Delhi Development Authority (1978) has rightly pointed out in his letter dated 6-6-1978 to the Secretary, Ministry of Works and Housing that "the Authority should get itself rid of these ancillary functions and concentrate on its main task of plan preparation, land development and disposal and implementation of housing programmes on a large scale in Delhi." The Committee hope that Government would examine the above recommendation seriously and act expeditiously in the matter.

1.27. According to the information furnished to Estimates Committee in 1975, as many as 16 States and 3 Union Territories had set up Housing Boards for undertaking housing programmes in their respective States and Union Territories. In the case of Delhi, the Committee have been informed that the proposal of setting up a Housing Board is under the consideration of the Delhi Administration and Government of India, As the demand for houses/flats in relation to the growing population of Delhi still exceeds the available number of dwelling units, the Committee strongly recommend that an early decision may be taken in the matter.

## CHAPTER II

### *Audit, Budget & Report*

#### *Audit Paragraph*

2.1. Under Section 25 of the Act, the accounts of the DDA are to be audited by the Comptroller and Auditor General of India and its annual accounts as certified, together with the audit report thereon, are to be forwarded to Government for being laid before both Houses of Parliament. Important points noticed in the course of audit are also commented upon in the Audit Reports of the Comptroller and Auditor General of India on Union Government (Civil). Some points noticed in the course of audit of the accounts of the DDA are given in the succeeding paragraphs.

2.2. The Public Accounts Committee, in its 75th Report (1972-73) had observed that no evaluation of the work done by the DDA had been undertaken since its inception and recommended that such review be undertaken by an expert committee. A Committee of Experts was accordingly set up in June 1974 and submitted its report on 31st March 1975. To consider the recommendations in the report, Government set up an empowered committee in October 1975 and this committee submitted its report in May 1976. The DDA stated (January 1978) that, while implementation of the decisions of the empowered committee was under consideration, Government had appointed another committee of experts on 25th October 1977 to examine the working of the DDA in depth.

[Page 241 of Para 29 of the Advance Report of the Comptroller & Auditor General of India for the year 1976-77, Union Government (Civil)]

2.3. As Section 25(1) of the Delhi Development Act 1957 provides that 'the Authority shall maintain proper accounts and other relevant record and prepare an annual statement of accounts including the balance-sheet in such form as the Central Government may by rules prescribe in consultation with the Comptroller and Auditor General of India, 'the Committee desired to know whether any rules had been prescribed in this regard. The Vice-Chairman, DDA replied, during evidence, in affirmative and added:—

"There are three sets of rules—the Delhi Development Authority (Maintenance or Current Account) Rules, 1959, the Delhi

Development Authority (Preparation of Budget) Rules, 1960 and at the present moment in draft form the Delhi Development Authority (Budget and Accounts) Rules, which are yet to be finally published."

2.4. When asked whether there was any rule on the Auditing of Accounts, the representative of the Ministry of Works and Housing stated during evidence:

"On 28th of June 1961 the Ministry of Health issued a notification and the rules that were formulated under them were called 'Delhi Development Authority (Preparation of Budget) Rules, 1960.' Those rules generally contain the format of the budget to be framed. The point that you raised was in regard to the estimate of contingent expenditure, estimate of establishment expenditure and estimates of expenditure on works and scheme. All these things are contained in these rules. But as you earlier said, these rules do contain a variety of inadequacies. Therefore, an attempt was made first to revise those rules in the draft that is before us."

2.5. Enquired about the nature of inadequacies which the Government have been experiencing, the witness deposed:

"Actually what we experienced was not only inadequacy but we were going a step further. There would be further improvements on the draft also. This exercise is currently being done in consultation with the C. & A. G. of India. He has seen the first draft and has asked us to consult the Controller General of Civil Accounts which we have done. You know that Baveja Committee was appointed to go into the working in depth of the DDA. I was also a member of that Committee. We found that the present state of the DDA Budget is too inadequate in a variety of ways in the sense that keeping of accounts under the system is not activity-wise. In other words, if we wanted to know about the estimates which has been provided for a particular scheme and what expenditure has been incurred on it and how much in physical term that has been achieved, it was not possible. Then, clearcut powers of re-appropriation are not there. They can appropriate from one to the other work. Nobody knows whose powers start where and where they end. We have taken care of all these things now and have made certain specific recommendations. Major recommendations have also been submitted to the Committee a couple of days ago."



2.6. On being pointed out that even the draft Rules were lying pending for the last one year or so, the witness stated:—

“What happened was when the rules were framed, at that time, the type of study in depth had not been gone into as was done when the Baveja Committee was appointed. When the rules were framed the activity of the organisation was considered to be only that of an agency. But the diversification of the function of the DDA necessitated framing of the budget on a very different pattern and it had to be a performance-oriented budget. All these things were not, I should say, taken good care of during this period.”

He added in this connection:

“We have been discussing with the Vice-Chairman of the DDA and in six months’ period we will completely streamline the budgetary procedures.”

2.7. Supplementing the information, the Secretary, Ministry of Works and Housing stated:

“So far as the Baveja Committee report is concerned, it has recently come into the hands of the Government. There is already an empowered committee consisting of Joint Secretary who considers this report. That has been finished in the last two months and the report is going before the Cabinet within the next few days. Thereafter the detailed implementation by the report will be taken up.”

*Audit objection pending for long*

2.8. The Committee learnt during evidence that 549 audit objections for the period prior to 1971-72 were still lying pending as under:—

1967-68 . . . . .	70
1968-69 . . . . .	92
1969-70 . . . . .	99
1970-71 . . . . .	99
1971-72 . . . . .	189

When asked about the reasons for such a state of affairs, the Finance Member, DDA stated:

“I have had a review of the objections conducted recently, I have joined the DDA recently as its Finance Member. Since then I have started paying some attention to this problem and I have recently started analysing the objections yearwise and I

have promised my counterpart in the office of the Accountant General, Central Revenues and the Ministry officials that by about January I expect to clear all the relatively older objection and then I shall tackle the remaining ones division by division."

#### *Delays in preparation of Annual Administrative Report*

2.9. According to Section 26 of the Act *ibid* the Authority shall prepare for every year a report of its activities during that year and submit the report to the Central Government in such form and on or before such date as may be prescribed by rules, and that Government shall cause a copy of the report to be laid before both Houses of Parliament. Asked whether the form in which the report is to be submitted had been prepared, the representative of the Ministry of Works and Housing stated during evidence:

"In this context, I may be permitted to submit that the Committee on the Papers to be Laid on the Table has examined the Ministry a couple of months ago and has stated that there has been very hard criticism, both in regard to the preparation of the accounts and dealing with the audit report and the delay in the laying of the paper on the Table of the House. So we have gone into the recommendations which the Committee has made and we have submitted our lines of action we have thought about."

2.10. In spite of the provisions in the DDA Act and the Rules made thereunder the Authority has not, however, been able to comply with this vital provision as would be seen from the following table:

Year	Date when submitted to the Govt.	Delay
1971-72 . . . . .	18-4-73	5½ months
1972-73 . . . . .	30-3-74	5 months
1973-74 . . . . .	8-5-75	6 months
1974-75 . . . . .	5-6-76	7 months
1975-76 . . . . .	11-1-77	2½ months

The Vice-Chairman, DDA stated:

"The form of the Administrative Annual Report has been prescribed.....The Delhi Development (Misc.) Rules 1959"

prescribe that the Annual Report shall be prepared and submitted by 31 October following the end of the financial year. We have been remiss on occasions in this behalf. But this year for example an Annual Report will be submitted to the Government in time."

2.11. Enquired whether it is a fact that the report for the year 1974-75 was laid on the Table of the House after a long delay, the representative of the Ministry of Works and Housing stated during the evidence:

"All the delays which have been mentioned are conceded straight-away. There is no question of our saying that they were not delayed. After the Committee under your Chairmanship met, we underwent a strict drill in consultation with the Comptroller & Auditor General, because the preparation of the Accounts is with them and the Audit is also with them. It has now been laid down that the Annual Accounts of the DDA would be received by 31st October and the completion of the Audit would take place on 7th January."

The witness also assured the Committee that 'the Reports will be submitted in time in future.'

#### *Evaluation of work of Delhi Development Authority*

2.12. The Public Accounts Committee in its 75th Report (1972-73) had observed that no evaluation of the work done by the DDA had been undertaken since its inception and had recommended that such a review be undertaken by an expert committee. A Committee of Experts was accordingly set up in 1974 and it submitted its report on 31st March, 1975. The consider the recommendations in the report, Government set up an empowered Committee in October 1975 and this Committee submitted its report in May 1976. While implementation of the decisions of the Empowered Committee was under consideration the Government had appointed another Committee of experts on 5th October, 1977 to examine its working in depth. The Committee wanted to know the considerations which necessitated to appoint the Committee of Experts in 1977. The Ministry of Works and Housing have, in a written note stated:

"The Committee of Experts appointed in June, 1974 based their study on the data available up to 1973-74. The DDA enlarged its area of activities and embarked on a large scale construction of houses during the period following 1974. The Government, therefore, decided to appoint another Committee of experts to inquire into the working of DDA in depth."

2.13. The Main recommendations of the Empowered Committee which have been accepted by the Government are as under:

- “(1) Zonal development plans for the built up areas and walled city should be prepared at an early date.
- (2) Policy decision regarding unauthorised colonies in Delhi should be expedited.
- (3) At least 50 per cent of the plots every year should be reserved for Low Income Group and Economic Weaker Section categories while another 30 per cent may be kept for MIG.
- (4) Maximum efforts and resources should be directed towards the construction of Janta, Community Service Personnel and Low Income Group flats so that the requirement of people falling in the lowest economic strata could be met on priority basis. The total cost of Low Income Group flats constructed by Authority should not exceed Rs. 15,000 to Rs. 20,000 and monthly instalment should be kept down within the repaying capacity of this Group. Same is the case regarding Community Service Personnel and Janta flats.
- (5) There is no acceptable rationale for the fixation of departmental and administrative charges of 15 per cent and 2 per cent respectively. These should be reduced to 11 per cent on the actual cost of construction.
- (6) A proper and well equipped planning and Architectural Organization is essential to ensure integrated growth of the city which is window for the rest of the country.”

2.14. To a question whether the above recommendation had been implemented, the Ministry have replied:

“The Government had asked the Authorities concerned to implement the decisions taken by it on the report of the “Empowered Committee”. However, in the meantime consequent upon a Cabinet decision, a Committee of Experts (known as Baveja Committee) was appointed in October, 1977. As the new Expert Committee was required to examine the working of the DDA in depth, the decision taken on the report of the earlier “Empowered Committee” were kept in abeyance till the decision of the recommendations of the new Expert Committee were available.”

2.15. The Committee note that Delhi Development Authority (Maintenance of Current Account) Rules 1959 and Delhi Development Authority (Preparation of Budget) Rules 1960 were framed under Section 25 of the Delhi Development Act 1957. The representative of the Ministry of Works and Housing had admitted during evidence that 'the present state of the DDA Budget is too inadequate in a variety of ways in the sense that keeping of accounts under the system is not activity-wise' and that 'these rules do contain a variety of inadequacies and that the clear cut powers of re-appropriation are not there.' The Committee are constrained to point out that no serious effort was ever made in the DDA to streamline the budgetary procedure during the last two decades and even the revised draft rules i.e. DDA (Budget and Accounts) Rules—have been pending approval for the last more than one year. The Committee have been informed in this regard that the draft rules have been shown to the Controller General of Civil Accounts and that an exercise is currently being done in consultation with the Comptroller and Auditor General of India. The Committee have been assured during evidence in October, 1978 that the Government would streamline the budgetary procedure within six months.

2.16. While formulating the revised rules, the Committee hope that care would be taken to provide that the accounts in the DDA are kept activity-wise and the Annual Accounts exhibit the financial results of each of the activity separately. The Committee therefore recommended that the DDA should be subject to same discipline as any other statutory Corporation set up by Government of India as far as form of accounts, time required for compilation and auditing of annual accounts, presentation of accounts and the Audit Report thereon are concerned.

2.17. The Committee are concerned to note that 549 Audit Objections during the period 1968-69 to 1971-72 were still pending with the DDA for settlement. The Finance Member had assured the Committee during evidence in October 1978 that "by about January he expected to clear all the relatively older objections." The Committee appreciate this and hope that this assurance must have been fulfilled by now but at the same time they would like that responsibility be fixed for past lapses and procedure for dealing with audit objections promptly streamlined.

2.18. Section 26 of the Delhi Development Act, 1957 provides that 'the Authority shall prepare for every year a report of its activities during the year and submit the report to the Central Government in such form and on or before such date as may be prescribed by rules, and that Government shall cause a copy of the Report to be laid before both Houses of Parliament.' It has been provided under Rule 5 of the Delhi Development Authority (Misc.) Rules, 1959 that 'after the close of each financial year the Authority shall prepare and submit to the Central Government not later

than 31 October next following a report of its activities during each year." The Committee are perturbed to find that in spite of the provisions in the Delhi Development Act and the rules made thereunder, there had been delays ranging from 2½ months to 7 months in submission of the Annual Administrative Reports to the Government. The Committee would like the Government to investigate the matter thoroughly so as to identify the reasons for these delays, not only for fixing responsibility for dereliction of duty on the officers concerned but also to take remedial action to plug the loopholes in the functioning of the accounts Department of the Delhi Development Authority. Since the Committee have been assured that the annual Reports of the DDA would be finalised and submitted to Government in time in future, they would watch this commitment from the Papers laid before Parliament.

2.19. The Committee are constrained to point out that they see no logic in deferring the implementation of the recommendations of the Committee of Experts set up in May 1974, particularly when it was the first committee set up to evaluate the functioning of DDA since its inception in 1957. That the Government had not taken up seriously the recommendations of that committee is evident from the fact that instead of examining and implementing its recommendations expeditiously, Government appointed an Empowered Committee and that too after 7 months of the receipt of the report of the Expert Committee. While the implementation of the decision of the Empowered Committee was still under consideration, Government hastened to appoint another committee of Experts in October, 1977, i.e. 17 months after the receipt of the report of Empowered Committee in May 1976. The reasons as to why the recommendations of the Empowered Committee though accepted in entirety could not be implemented expeditiously after receipt of its report are best known to Government. The Committee are however, not satisfied with the explanation of the Government that the implementation was deferred due to enlarged activities of DDA during the period following 1974 which implies that either the study of the expert committee was not in depth or the performance of the DDA was insignificant upto 1973-74 as compared to the work done during the 2 years following 1974. The Committee deplore that by keeping the decision of the Expert Committee in abeyance the work done by that committee as well as by the Empowered Committee had become infructuous. They feel that main and important recommendations of that Committee, such as early preparation of Zonal Development Plans for the built-up areas and walled city, expeditious policy decision regarding a unauthorised colonies, reservation of 50 per cent plots for Low Income Group and Economically Weaker Sections and 30 per cent for Middle Income Group, construction of flats for Janta, Community Service Personnel and Low Income Group on priority basis, reduction of departmental and administrative charges necessity of a proper and well-equipped planning and Architectural Organisation etc. could and should have been implemented without waiting for

the recommendations of the new Committee which submitted its report only in June 1978. The Committee would, however, like to know in specific terms as to how the recommendations made by the Committee of Experts is an improvement over the recommendations made by the earlier Committee.

### Budget

2.20. The rules made under section 24 of the Act provide that a budget for the ensuing financial year in the prescribed form should be placed for approval before the Authority by 5th October and that the approved budget should be submitted to Government by 15th October each year. The rules also provide for preparation of revised estimates for the current for preparation of revised estimates for the current year along with the preparation of budget estimates for the next year. The following table indicates the dates on which the budget estimates for the years 1974-75 to 1976-77 and the revised estimates for the relevant previous years were approved by DDA submitted to Government:

Budget Estimate for	Revised Estimate for	Due date for being placed before the Authority	Actual date when placed before the Authority	Due date for submission to Government	Actual date of submission to Government
1974-75	1973-74	5th Oct., 1973	9th July, 1974	15th Oct., 1973	3rd August 1974
1975-76	1974-75	5th Oct., 1974	3rd March, 1975	15th Oct., 1974	26th March, 1975
1976-77	1975-76	5th Oct., 1975	20th April, 1976	15th Oct., 1975	4th June, 1976

2.21. The DDA stated (January 1978) that the actuals of the previous year were not available on the scheduled dates and that the rules would be amended to provide for submission of the budget to the Authority by 15th December and to Government by 15th January.

2.22. Despite of late submission of revised estimates for a year (March or later), wide variations were noticed between these estimates and the actuals as indicated below:—

Year	Receipts			Expenditure		
	Budget* estimate	Revised* estimate	Actuals*	Budget* estimate	Revised* estimate	Actuals*
(In lakhs of rupees)						
1974-74	3073.70	2463.57	2522.18	3668.45	3514.19	1708.53
1974-75*	3985.70	1721.54	1667.68	4174.18	1815.66	1663.54
1974-76	2920.80	3315.93	3270.63	3219.25	3360.17	2652.89

\*Comprising items 2 to 6 and items 1 to 6 of the state ment at page 240.

2.23. There was no procedure in vogue in the DDA to examine the variations from the budget/revised estimates for appropriate remedial action.

[Pages 241 and 242 of para 29 of the Advance Report of the C&AG for the year 1976-77, Union Government (Civil)].

2.24. It will be seen from the Table given in the Audit Para that there has been delay in the preparation of the Budget estimates for the years 1974-75, 1975-76 and 1976-77 and the delay in submitting the same to the Government beyond the prescribed date (15 October) ranged between 5 to 9½ months.

2.25. The procedure and the various stages involved for preparation of the Budget estimates are explained in the following note furnished to the Committee:

"The Budget of the Authority is prepared in terms of Section 24 of the Delhi Development Act, 1957. The Budget of the Authority is required to be placed before the Authority by the 15 December, each year for approval as envisaged under para 27 of the Draft Budget and Accounts Rules. For compilation of the Budget, concerned officers of the various branches of the Authority are required to furnish the requisite information regarding revised Estimates of the current year and budget estimates of the ensuing year between the 31 July to 15 September, each year. On receipt of the required material, the accounts branch consolidates the estimates of the various accounts and from the figures of pay and allowances and contingencies, share cost of administration is determined in the proportion approved by the Authority *vide* Resolution No. 265 dated 17-8-1968 for allocating the due share of cost of administration to be borne by the various accounts. After consolidation, the Budget and Accounts Branch works out the extent of variations between the Budget Estimates and Revised Estimates of the current year and the Budget Estimates of the ensuing year. The consolidated Budget together with the reasons for major variations between the Budget Estimates and Revised Estimates of the current year and Budget Estimates of the ensuing year are submitted to the Vice-Chairman for his approval. Immediately thereafter, stencils are got cut, cyclostyled and then copies of the Budget are got bound for submission to the Authority. All this work takes round about a period of three months before the Budget Estimates are placed before the Authority for their consideration and approval.



2.26. The dates on which the Budget of the Authority was approved by the Vice-Chairman and the date on which it was placed before the Authority are indicated below:—

Budget	Date of approval by Vice Chairman	Due date for submission to the Authority	Date of placement before the Authority	Period of delay
B.E. 73-74 R.E. 72-73 <sup>1</sup>	20-4-73	15th Dec. each year.	31st May, 73	5½ months
B.E. 74-75 R.E. 73-74	26-6-74	„	9th July, 74	6½ months
B.E. 75-76 R.E. 74-75	19-2-75	„	3rd March, 75	2½ months
B.E. 76-77 R.E. 75-76	2-3-76	„	20th April, 76	4 months
B.E. 77-78 R.E. 76-77	19-2-77	„	4th March, 77	2½ months
B.E. 78-79 R.E. 77-78	17-1-78	„	10th Feb., 78	1½ months

2.27. The reasons for delay in respect of each year have been explained by the Ministry as under:—

“B.E. 1973-74

R.E. 1972-73:

Chief Engr. and the divisions under him had delayed in furnishing the material for Budget for the year 1973-74 and R.E. 1972-73. Generally, the information for this period was received from these officers after December, 1972 which led to the delay in compilation of Budget.

B.E. 1974-75

R.E. 1973-74

The delay in submission of the Budget to the Authority was for a period of about 6½ months. From the files it has appeared that information in respect of Budget of Nazul Account-I and II was received from Commissioner (Impl.) as late as on 19th April 1974. These Budgetary proposals were further modified by Commissioner (Impl.) on 21st May, 1974. The Estimates for this period in respect of different accounts were submitted to the V.C. between 3rd to 7th June, 1974, V.C had wanted certification modifications to be made in the budgetary proposals. These modifications were carried out and the final estimates were approved by the V.C. on 26th June, 1974. In the case of the housing scheme under

CDA, it will appear from the files of those years that the proposals could not be finalised because of divergent views held by the Chief Engr., E.M. and the Commissioner (Impl.) with regard to the inclusion of the schemes in the Budget. Discussion were continued upto the middle of June, 1974 and it was only on 22nd June, 1974 V.C. finally approved the Budget.

B.E. 1975-76

R.E. 1974-75

Budget proposals in respect of housing schemes under GDA were received very late from the Chief Engr. This is evident from the fact that Budget estimates of Housing Scheme (Receipts and Expenditure) were received from FA(H) on 16th Jan., 1975 vide FA(H)-letter No. 22(76) 74-HAG. Immediately on receipt of budgetary proposals from all concerned, action was taken to consolidate the budget and the budget was approved by the V.C. on 19th February, 1975.

B.E. 1976-77

R.E. 1975-76

Budget for this year was finalised on 2nd March, 1976. The delay in finalisation of the Budget was due to the late receipt of information from the following officers:

Particulars of Budget	Date on which received	Officers from whom received.
1. ISBT . . . . .	28th Jan., 76	G.M.I.S.B.T.
2. Nazul A/c. III J.J.R.S. . . . .	20th Jan., 75	A. O. (JJ)
3. Commr. Schemes of GDA . . . . .	6th Nov., 75	Dy. Commr. (Imp'l.)
4. Housing Schemes . . . . .	22nd Nov., 75	A O (H)

The information received from various officers was immediately taken up for compilation and the Budget was submitted to the V.C. for approval on 27th February, 1976. V.C. approved the Budget on 2nd March, 1976.

B.E. 1977-78

R.E. 1976-77

Budget for this year was finalised on 19th Feb. 1977. Again this year the information was received late from the various sources C.E. had furnished the budgetary proposals/information to FA(H) on 8th November, 1976 as against the due date of 15th August, 1976. FA(H) finalised the budget on the basis of data furnished by the Chief Engr. and other officers on 28th December, 1976. F.M., however, found the BE for the year

1977-78 grossly inadequate and as such be referred the budgetary proposals to the E.M. on 11-1-1977 for considering the increase in B.E. on construction programme for the year 1977-78. In the light of further discussions, C.E. submitted the supplementary budget on 15-2-1977. The revised proposals were submitted to V.C. on 18th February, 1977 and the budget was finally approved by the V.C. on 19th February, 1977.

2.28. It would be seen from the facts stated above that delay in finalisation of the budget in the years mentioned above was mainly either due to the late receipt of information from the various wings of the Authority or the last minute changes suggested in budgetary estimates by the various authorities. There was no deliberate intention on the part of any branch to delay the preparation of the Budget. However, remedial measures have already been taken to avoid such delays in future.

2.29. The Committee of Experts (Baveja Committee) have also in their report referred to non-adherence to the time schedule in the submission of the Budget estimates to the DDA/Government. In para 4.6 of their Report, they have recommended that "the Authority should finalise and submit the Budget estimates to the Ministry of Works and Housing by 31st December latest whereas major schemes and programmes costing over 25 lakhs should be forwarded to the Ministry well in advance say by 1st December each year. . . ."

2.30 In a note, the Ministry of Works and Housing have informed the Committee as under:—

"On the recommendations of the Baveja Committee, it has been since decided by Government that the Authority should finalise and forward its budget estimates to the Ministry of Works and Housing, as required under Section 24 of the DDA Act, 1957 latest by the 31st January of each year and the DDA have been directed to act accordingly."

2.31 When asked during evidence about the reasons for delays in submission of the Budget estimates, the Finance Member, DDA stated—

"Apart from seeing that I will ensure that the present years budget estimates will be placed before the Authority by the due date i.e. 15th December. I have no excuse to offer.

In the same context, the Vice-Chairman, DDA stated—

"If the accounts have not been prepared properly in the past, they should be prepared. If there are any audit objections remaining unanswered they must be answered. If any mistakes had been committed, they must be corrected for future, if there are any lacunae in the rules of procedure, they must be corrected. We have taken due note of."

2.32. When asked whether any person had been hauled up or punished for the delays in preparation/submission approval of Budget estimates for past mistakes or omissions in this regard, the Secretary of the Ministry stated during evidence—

“We will ask the DDA to fix responsibility in cases in which DDA is the appointing authority of the officers. Where Government is the appointing authority, I shall recommend to Government that responsibility shall be fixed.”

*Delays in closing of Accounts*

2.33. There were also delays in closing and preparation of the accounts for the years 1974-75, 1975-76 and 1976-77 as will be seen from the Table given below. The Committee desired to know the factors responsible for such delays. The Ministry of Works & Housing have in a note explained as under:

Year	Due date of closing	Actual date of closing	Period of delay
1974-75	. 31st Oct.	3-12-75	Approx. one month.
1975-76	. 31st Oct.	18-2-77	Approx. 3½ months.
1976-77	. 31st Oct.	2-3-78	Approx. 4 months.

In respect of the year 1974-75, there is delay of only one month. As regard the delay for the two subsequent years, it may be stated that there took place a phenomenal increase in the activities of the organisation particularly during the period of emergency. This is borne out by the fact that in 1975-76, the total amount of receipt and expenditure (Rs. 59.64 crores) was 65 per cent higher than the average total amount of receipts and expenditure (Rs. 36.08 crores) for the previous three years and in 1976-77 the figures of receipts and expenditure (Rs. 95.38 crores) shot up to 164 per cent higher than the average figures of receipts and expenditure of the previous three or four years (Rs. 36.08 crores). Work of the Budget & Accounts Section thus fell into arrears due to the shortage of staff.

2.34. Enquired whether any measures had been taken by the DDA for prompt preparation of the accounts and if so, whether there was any improvement in the situation, the Ministry of Works and Housing have replied.

"The DDA has taken steps to remedy the situation. The shortage of the staff has been made good to some extent. Ground rent bills are being printed on Bradma machines. Mechanisation of accounts is being considered. Reconciliation of figures of the monthly accounts with the figures recorded in the revenue branches is being done concurrently. The position has improved considerably and it is hoped that the accounts for the year 1977-78 will be closed by the due date."

2.35. The Audit para has pointed out despite the late submission of revised estimates for a year (March or later) wide variations were noticed between those estimates and the actuals for the years 1973-74 to 1975-76. The Committee wanted to know the reasons for such wide variations as pointed out by the Audit between the revised estimates and the actuals. The Ministry of Works and Housing have state:

**RECEIPTS**

Year	Revised Estimates	Actuals	Variation col. 2 & 3	Reasons for variations
1	2	3	4	5
(In lacs of rupees)				
1973-75	2403.27	2252.66	(- )150.39	The Central Government imposed ban in August, 1973 on the grant of House Building Advances to its employees. Since most of the allottees of flats were Govt. servants, the cost of flats could not be recovered in lump sum from them. The flats were thus, allotted to them on hire-purchase instalment basis which led to variations between the revised estimates and the actuals of 1973-74. Variations were however, only 6.1.
1974-75	1731.54	1807.68	(+ )86.14	Variation is minor (5% only)
1975-76	315.33	3270.63	(- )44.70	Variation is minor (less than 2%)

**EXPENDITURE**

1973-74                      1994.19      1708.53      (-)285.66      The shortfall was due to less expenditure incurred on :

Lacs.	
1. Works & Dev. Scheme	Rs. 11.89
2. Dev. of land	Rs. 28.60

1	2	3	4	5
				3. Constn. of house under H.P. Scheme Rs. 113.47
				4. J.J. projects Rs. 96.00
				5. Cost of Admn. Rs. 31.23
				The programme of housing scheme was slowed down due to shortage of cement, steel, Bldg. material, coal for the manufacture of bricks. Some posts remained unfilled.
				Lacs.
1974-75	1815.66	1663.54	(- )152.12	Less expenditure was incurred on land Rs. 74.24
				J. J. Projects Rs. 103.41
				The expenditure on J. J. works had to be restricted to the funds released by Delhi Admn. Moreover, grants were released towards the end of the financial year as follows:—
				Lacs.
				January, 75 Rs. 30.00
				February, 75 Rs. 8.00
				March, 75 Rs. 52.00
1975-76 . . .	3376.77	2692.89	(- )683.88	The variation was mainly due to less expenditure on—
				R.E. Actual Vari- ations
				1-Const. houses 126881 958.11 (-)310.70
				2-J.J. Pro- jects 752.00 274.00 (-)478.00
				A provision of Rs. 3.00 crores was made in the R.E. for 75-76 towards payment to Delhi Admn. in respect of lands used by D.D.A. from its group- housing schemes. This liability was not discharged because of difference of opinion about the method of calculating the cost of land which ultimately led to the variation as mentioned above.

1	2	3	4	5
				<p>Although provision of Rs. 752 lacs was made as expenditure on J. J. capital works in R.E. 75-76 the expenditure had to be restricted to the grant actually released by Delhi Admn. as this is a scheme wholly financed by the Govt. of India. As against the anticipated grant of Rs. 6.50 crore from L. G. for implementation of J.R. scheme in R.E. 75-76, grant of Rs. 3.77 crores was actually received as under—</p>
				Rs. lacs.
			December, 75	84.00
			March, 76	293.13
				377.13

2.36. Asked whether wide variations such as those evident from the above statement between the estimates and the actuals did not show lack of control on expenditure by the Authority, the Ministry in a note have stated:

“The examination of the variation between the estimates and the actual figures of a particular year, no doubt, would enable efficient control on expenditure. However, the control on expenditure in the various Branches of the Authority is being exercised by having the schemes and proposals examined in Finance in the first instance, at the time of giving clearance for undertaking the scheme to ensure that due budget provision exists. In the absence of such a provision, the same is made in the revised estimates. The officers entrusted with the execution of works also control the expenditure through the registers of works. Besides this, in the Works Audit Sections of the DDA, Works Audit Registers have been prescribed for watching the expenditure against the sanctioned estimates of various schemes.”

2.37. When asked as to why there was no procedure in vogue to examine the variations in the Budget revised estimates for appropriate remedial action, the Ministry of Works and Housing have stated:

“The officers entrusted with the execution of works are required to control the expenditure through the Register of works. Besides, in the works Audit Sections, works Audit Registers have been

prescribed for watching the expenditure against the sanctioned schemes. Budget & Accounts section has also now taken up the review of expenditure *vis-a-vis* the budgetary provision under each major head at the time of closing of monthly accounts. Wherever there is marked variations between the actuals and budgetary estimates, the heads of depts., concerned are being advised for taking remedial action. Further from this year, instructions have been issued by DDA to the Engg. Authorities to exercise necessary control over expenditure *vis-a-vis* the budgetary allotments.

The Baveja Committee, which went into the working of the DDA recommended that the system of preparation of a final appointment account should be adopted by the DDA after the close of the financial year indicating the budget estimates, the revised estimates, the actuals under each activity and the variations and the reasons for the same. This recommendation has been accepted by Government and DDA has been asked to implement it."

2.38. As the DDA is required to submit its budget to the Government, the Committee desired to know about the action taken by the Government on it. The Ministry of Works and Housing have, in a written note, stated:

"Since the Delhi Development Authority is an autonomous body and the Authority is its own budget sanctioning authority, except to keep a watch on the receipt of the budget as required under rule 8 of the Delhi Development Authority (Preparation of Budget) Rules, 1960, no further action was taken."

**2.39. Section 24 of the Delhi Development Act, 1957 requires that the Delhi Development Authority shall prepare its annual budget of estimated receipts and expenditure in such form and at such time every year as may be prescribed by rules, and forward it to the Central Government. The prescribed rules are contained in Delhi Development Authority (Preparation of Budget) Rules, 1960. According to Rule 8 of these Rules, the Budget Estimate is required to be placed before the Authority by 5 October each year and after approval by the Authority, is to be submitted to the Government by 15 October every year. The Committee are distressed to note that these provisions were flagrantly violated as they find that against the due dates, the Budget Estimates for the year 1974-75 were placed before the Authority and Government as late as 9 July, 1974 and 3 August, 1974 respectively. Similarly, the Budget estimates for the year 1975-76 were submitted on 3rd March, 1975 and 26th March, 1975 and for the year 1976-77 on 20th April, 1976 and 4th June, 1976 respectively. Thus the delays involved in submission of the Estimates to the Government ranged bet-**



ween 5 to 9½ months. But what the Committee are surprised to learn from the Ministry of Works & Housing is that the Budget of the Authority is required to be placed before the Authority by 15 December each year for approval as envisaged under para 27 of the Draft Budget and Accounts Rules, which are still at draft stage. It is, incomprehensible that the Ministry should explain the delay for the previous years under these draft rules by basing 15 December as the date for submission of Budget Estimates to the Authority. Whatever corrective measures are taken for future, the Committee hope that for the mistakes and omissions in the past Government would take note of them seriously and as promised by the Secretary Ministry of Works and Housing during evidence action will be taken urgently to "ask the DDA to fix responsibility in cases in which DDA is the appointing authority of the officers and where Government is the appointing authority, I shall recommend to Government that responsibility should be fixed".

2.40. The Committee note that the Committee of Experts on the working of DDA (Baveja Committee) have also criticised the Authority for non-adherence to the time schedule, as laid down in the Rules for the submission of the Budget Estimates to Government for the Budget of the authority. To be realistic, that Committee have recommended that "the authority should submit the budget estimates to the Ministry of Works and Housing by 31 December latest, whereas major schemes and programmes costing Rs. 25 lakhs should be forwarded to the Ministry well in advance, say by 1 December each year." The Committee have been informed that on the basis of the recommendations of the Baveja Committee "it has been decided by Government that the Authority should finalise and forward the budget estimates to the Ministry of Works & Housing as required under Section 24 of the Delhi Development Act, 1957 latest by the 31st January of each year and the DDA have been directed to act accordingly." Whatever the new working arrangements are made, the Committee hope that Government would learn a lesson from the past mistakes and omissions and ensure that Budget estimates of the Authority are finalised and submitted to the Ministry of Works and Housing well in time so that these are properly scrutinised in details with reference to the investment programmes, the availability of resources etc. The Committee do not agree with the contention of the Ministry that "since the DDA is an autonomous body and the Authority is its own budget sanctioning authority except to keep a watch on the receipt of the budget as required under rule 8 of the DDA (Preparation of Budget) Rules, 1960 no further action was necessary". Sections 23(4), 41 and 42 of the Delhi Development Act vest in Government adequate powers to issue directions to the Delhi Development Authority for the efficient administration of the Act and to determine the terms and conditions for release of Government funds. In the circumstances, the Committee expect that the Government would exercise the powers vested in them under these sections and take adequate action hereafter. The Committee feel that nothing in

the rules should inhibit the Government to advise the authority of modifications/corrections in the Budget estimates if the Ministry are satisfied that the Estimates prepared show lack of direction, adequate planning and that there is no co-relation between the outlays provided with physical progress to be achieved and targets fixed.

2.41. The Committee are distressed to note that the DDA's budget and revised estimates of receipts and expenditure when compared with the actuals for the years 1973-74 to 1975-76 showed wide variations. It indicates that the Budget estimates were prepared by the DDA in the beginning of the year unrealistically and without proper planning and care. They feel that since the revised estimates were submitted to the Authority long after the close of the year, such substantial distortions could and should have been avoided. The Committee must express their grave displeasure that there was no procedure in vogue in DDA to examine the variations from the budget/revised estimates for appropriate remedial measures. The Committee have been informed in this regard that Baveja Committee, which went into the working of the DDA have recommended that the system of preparation of a final appropriation account should be adopted by the DDA after the close of the financial year indicating the budget estimates, the revised estimates, the actuals under each activity and the variations and the reasons for the same. This recommendation has been accepted by Government and DDA has been asked to implement it.

2.42. The Committee hope that with the new procedure adopted in the DDA, the variations in budget/revised estimates and the actuals would be reduced to the minimum, if not totally eliminated.

2.43. The Committee regret that there have been delays in closing the accounts of the DDA as they find that as against the due date of 31 October, the actual dates of closing the accounts for the years 1974-75, 1975-76, 1976-77 have been 3-12-1975, 18-2-1977 and 2-3-1978 respectively. The Committee note that the Government have taken some remedial measures such as making good the shortage of staff, printing of Bills on Brehma-machines, reconciliation of the monthly accounts concurrently with the figures recorded in the revenue branches, and as a result thereof there is stated to be considerable improvement. The Committee hope that the accounts for the year 1977-78 and thereafter are closed by the due date.

2.44. The Committee also find from the reasons advanced for the delay ranging from 4 to 9 months in submission of budget estimates and revised estimates to the Authority that the Chief Engineer or the divisions under him had been responsible for the delay in furnishing the requisite material for budget in most of these cases. The Committee would like to know the action taken against the Chief Engineer.

## CHAPTER III

### *Revolving Fund*

#### *Audit Para*

3.1. For financing the acquisition and development of land under the scheme, a revolving fund was set up by Government in 1961-62 with an initial contribution (seed capital) of Rs. 1.25 crores (raised to Rs. 12.31 crores by 1969-70) out of the Consolidated Fund of India and placed at the disposal of the Delhi Administration. Sums out of the revolving fund were to be advanced to the DDA (among others) for meeting expenditure on the development of land and receipts from the disposal of land were to be paid back into the revolving fund for financing further expenditure on acquisition and development of land. In practice, the DDA was allowed (by the Delhi Administration) to utilise the receipts to meet expenditure under the scheme and remit from time to time to the revolving fund only the surplus, if any, with it. It was observed, however, that the DDA had not remitted all such surpluses to the revolving fund. The surplus amount so held back (in Nazul Account II) amounted to Rs. 4.86 crores as on 31st March, 1976.

3.2. In addition, other receipts relating to the scheme such as deposits realised from the applicants for allotment of land (mentioned in subparagraph 8.1) had also been credit to Nazul Account II. As on 31st March, 1976, there was an accumulated balance of Rs. 8.75 crores (including Rs. 4.86 crores mentioned above) in the Account, out of which Rs. 6.13 crores were utilised by the DDA, without approval of Government, for lending to its other accounts (notably the General Development Account) and Rs. 2.5 crores were invested in fixed deposits with the State Bank of India. In this context, it was also noticed in audit that a request made by the Delhi Administration on 7th May, 1975 for payment of Rs. 1 crore into the revolving fund out of surpluses retained by the DDA had not been agreed to by the latter on 15th July, 1975 on the ground that no funds were available, though fixed deposits of Rs. 2 crores had matured on 24th May, 1975 and had been reinvested on the same day for 3 months. The DDA stated (January, 1978) that:—

- (i) it had a common cash book for Nazul Accounts I and II and General Development Account and transfers from one account to another were made to adjust the balances in the respective accounts, such transfers being of a temporary nature;

(ii) sanction of Government for such transfers was not considered necessary and

(iii) the Delhi Administration had not pressed for payment of Rs. 1 crore in May 1975.

[Page 243—45 of Para 29 of the Advance Report of the C&AG of India for the year 1976-77 (Civil)]

3.3. According to the Audit Para sums out of the Revolving Fund were to be advanced to the DDA (among others) for meeting expenditure on the development of land and receipts from the disposal of land were to be paid, back into the revolving fund for financing further expenditure on acquisition and development of land. However, in practice, the DDA was allowed (by the Delhi Administration) to utilize the receipts to meet expenditure under the scheme and remit from time to time to the revolving fund only the surplus, if any, with it.

3.4. The Committee desired to know the considerations which weighed with the Delhi Administration to change the procedure laid down for operating the Revolving Fund and whether the approval of the Government of India was obtained in this regard. The Ministry of Works and Housing have stated as under:—

“According to the earlier procedure, DDA sent cheques to the Delhi Administration for premium realised from the disposal of developed plots for deposit into the Personal Ledger Account of the Housing Commissioner. Simultaneously, DDA requested for issue of cheques to be paid to the C.P.W.D. indicating the date by which the money was needed. As completion of necessary formalities for the withdrawal of the cheque from the Personal Ledger Account of the Housing Commissioner took some time, it often became difficult to adhere to the time limit. There was also the risk of cheque drawn by Delhi Administration being presented at the bank for encashment before actually the intimation of the corresponding credit could reach the bank. Apart from creating complications, this was at times proving quite embarrassing. The Delhi Administration vide their letter No. L&HI 3(10)/65 dated 4th February, 1966 allowed the DDA to utilise the amount of receipts connected with the scheme of Large Scale acquisition, Development and Disposal of Land for direct utilisation against its development expenditure.

The approval of the Ministry of Home Affairs to this departure was sought *vide* letter No. L&H Fin. 3(1)|71-KW dated 26-4-1973 but the Ministry did not agree to it.”

3.5. When asked whether this changed procedure had resulted in accumulation of heavy balances of the Government in the hands of the DDA, the Ministry have stated:—

“Upto the year 1971-72, all the surplus receipts from the disposal of land under Nazul Account-II were being passed on to the Revolving Fund. It is only from the year 1973-74 that total receipts were not made over to the Delhi Administration. It is a fact therefore that at the end of the year 1975-76, the surplus amount not passed on to Delhi Administration accumulated to Rs. 4.86 crores.”

3.6. To a further query as to how the surplus amount of Rs. 4.86 crores held back on 31st March, 1976 was utilised by the DDA, the Ministry have informed the Committee as under:—

“Funds with the Authority are used for developmental and construction works. The amount of Rs. 4.86 crores was also utilised on these works.

The amount held back upto 31-3-1978 is Rs. 3.03 crores. In addition, a sum of Rs. 7.84 crores is also payable to the Revolving Fund for the lands utilised by the DDA for putting up its group housing colonies.”

3.7. As stated above the total amount payable to the revolving fund as on 31-3-1978 amounted to Rs. 10.87 crores. The Committee wanted to know the purpose for which this amount was utilized and the manner in which this amount was to be refunded. The Vice Chairman, DDA stated during evidence:—

“We have agreed to payment of Rs. 11 crores of which Rs. 3.81 crores is immediately due and the balance is due as and when land is developed and sold. This has been accepted as due from DDA and we are taking steps to see that it is repaid in the revolving fund.

Rupees 3.30 crores is clearly payable today because land has been developed and sold. The money has come to us and we have used it for something else. Actually we should have put it in the revolving fund. The balance of Rs. 7.84 crores represents land which has been used by DDA for putting up flats. The flats have still not been sold. They are under various stages of constructions. As and when these flats are sold that amount will have to be paid to the revolving fund. We are fully aware of this liability and we shall discharge it. Gradually, we are coming to the position where flats are getting sold

and money is slowly beginning to come in and we will ensure that this liability is fully met."

3.8. The Ministry of Works and Housing have subsequently in a written note informed the Committee:—

"The DDA has to liquidate the liability of Rs. 3.03 crores as surplus upto 31-3-1978. In addition a sum of Rs. 6.77 crores and not 7.84 crores is also payable to Revolving Fund for the land utilised by the DDA for putting up its group housing colonies. Against the amount of Rs. 9.80 crores payable to Revolving Fund, a provision has been made for payment to Delhi Administration a sum of Rs. 3.00 crores during current year and another sum of Rs. 3.00 crores during the next financial year. At present the DDA is not in a position to discharge these liabilities and therefore it proposes to pay in instalment.

Government is however considering the ways and means to provide sufficient funds to the DDA to meet its obligations."

3.9. Explaining the reasons for this state of affairs, the Vice-Chairman, DDA deposed:—

"There are two basic reasons why we got into difficulties—one was the juggi and jhonpri schemes and the second is equally serious, viz., the quantum is much higher. A programme for construction of approximately 70,000 houses was taken in hand by DDA in the year 1976 without making arrangements for the institutional financing of these houses. The houses naturally began to be constructed; surplus funds of the DDA were put into these schemes. By themselves they were not adequate to maintain the schedule of completion of houses with the result that out of the 70,000 houses, only about 4,000 houses could be constructed and sold so that returns could be got back."

And the balance of the houses remained at various stages of construction, thus locking up enormous amounts of capital. This Capital basically represented the revolving fund and this is an aberration which has caused our present difficulties."

In the same context he added:—

"The cost is Rs. 9.61 crores on account of juggi jhonpris, Rs. 3 crores on account of cattle colonies and approximately Rs. 6-1/2 crores on account of investment in housing to which I referred to."

3.10. Supplementing the information, the representative of the Ministry of Works and Housing stated during evidence:—

“During the last two years the juggi jhompris were put on a very massive scale whereas the earlier scheme was only limited to the programme having 1500 or 1600 juggies to be put up. For two years they spent as much as Rs. 10 to 12 crores. To be exact, the figure is Rs. 8.53 crores Government contribution and Rs. 9.61 crores as overrun. We had fixed the basic cost of juggi at Rs. 1200.

3.11. As a sum of Rs. 9.61 crores was diverted to Juggi Jhompris, the Committee enquired whether the approval of the Government was obtained for this diversion of funds. The Vice Chairman, DDA replied in negative.

In reply to another question whether the approval of the Government was necessary in this case, he stated:—

“it was necessary”.

3.12. When the Committee enquired about the person who was responsible for sanctioning and diverting this huge amount of Rs. 9.61 crores to the juggi jhompri Scheme, the witness stated that it was the then Vice-Chairman.

3.13. When further enquired whether there was anything on the agenda of Authority's meetings, he stated that ‘he is the only person responsible.’

To a question whether he was competent to do it, the witness replied in negative. The Committee therefore wanted to know the remedy in this regard. The Vice-Chairman stated:—

“The Finance Member has been delegated very specific powers now by the Lt. Governor of Delhi.”

3.14. Enquired whether prior to that the Finance Member was not having the powers, the witness stated:—

“No. There were no powers and functions specifically mentioned. Now anything in the Budget shall be brought before the Authority. It is the personal responsibility of the Finance Member to ensure that this is done. In these matters, the Vice-Chairman does not have the power to overrule the Finance Member. The Finance Member has the power to refer this to the authorities concerned.”

3.15. The Committee desired to know the action which had been taken or is proposed to be taken against the officers who were responsible for diverting the sum of Rs. 9.61 crores to Juggi Jhompri scheme without the specific approval of the Government. The Ministry of Works and Housing have informed the Committee that "the matter is under consideration of the DDA". The Committee also desired to know whether the approval of Government was taken for construction of the above said 70,000 houses in 1976, the Vice-Chairman, DDA deposed:—

"Regarding these houses, the Housing Committee approved the lay-outs which is just equivalent to saying that in a particular place it is proper to put up a particular number of houses. There is no budgetary exercise done to look at the details of this particular scheme. I can quote one specific case which has recently come to notice. We took up a project in Trilokpuri for putting up MIG and LIG houses at a cost of Rs. 3 crores. The work has been taken up even without the administrative approval and it is nearing completion. When it is take up without proper administrative approval, it means that the scrutiny done regarding costs of the project, regarding the funding of the project, regarding the effect on the balance of the Budget of the Authority, none of those exercises have been carried out and this is grossly irregular. But apart from that, it is highly unwise. The only thing that gives trouble is the finance. No exercise of any sort about the feasibility of the project has been done."

3.16. In this context, the audit has also pointed out that a request made by the Delhi Administration on 7th May, 1975 for payment of Rs. 1 crore into the revolving fund out of the surpluses retained by the DDA had not been agreed to by the latter on 15th July, 1975 on the ground that no funds were available, though fixed deposits of Rs. 2 crores had matured on 24th May, 1975 and had been reinvested on the same day for 3 months. The D.D.A. stated (January 1978) that the Delhi Administration had not pressed for payment of Rs. 1 crore in May 1975.

3.17. As the fact that the authority was not depositing the entire surplus amount into the revolving fund was known to the Delhi Administration, the Committee desired to know the action taken by them in this regard. The Ministry in a note have stated:

"The Delhi Administration has been reminding the DDA to deposit the excess of the receipt over the expenditure into the Revolving Fund. Since this money stood blocked in various developmental and housing schemes in progress it was not possible to remit the entire amount. DDA has however



been depositing money in the Revolving Fund from time to time as shown below:—

Year	Date of demand of Delhi Admn.	Amount demanded	Date of release	Amount released by the D.D.A.	
				(figures in lakhs of Rs.)	
1974-75	25-4-74	151.00	15-5-74	25.00	
			6-7-74	46.62	
	21-9-74	600.00		..	
	25/28-1-75		12-3-75	70.00	
			15-3-75	12.00	
			22-3-75	32.00	
1975-76			19-4-75	50.00	
			26-4-75	25.00	
		100.00 20.00	7-5-75	31-7-75 16-8-75 18-8-75	10.00 10.00 5.00
			22-8-75	10.00	
			3-9-75	20.00	
		50.00	2-9-75	17-9-75	38.00
		100.00	22-9-75	16-10-75	123.00
		100.00 30.00	Oct. 1975 6-11-75	31-10-75 14-11-75	40.00 30.00
		20.00	5-12-75	10-12-75	20.00
		50.00	11-2-76	16-2-76	50.00
		75.00	18-3-76	27-3-76 30-3-76	82.00 31.50
	1976-77	23-7-76	100.00	31-8-76 6-9-76	100.00 25.00
		9/76	190.00	18-9-76 11-3-77	165.00 100

3.18. As pointed out by Audit, the DDA did not obtain the prior approval of the Government for reappropriating Rs. 6.13 crores funds from Nazul accounts to Non-Nazul accounts (including General Development Account) as per Delhi Development Authority (Preparation of Budget)

Rules,\* 1960. The Committee wanted to know the reasons for not obtaining the approval of the Government for effecting such transfer. The Ministry of Works and Housing have stated:—

“According to the system of maintenance of accounts prescribed by the Government of India in consultation with the Comptroller & Auditor General of India, only one cash book is maintained for recording the transactions of all the accounts operated by the DDA. Under this system, it becomes difficult to know the actual figures of receipts and expenditure of the individual account immediately at the end of every month. The actual figures of receipts and expenditure can be known only when the accounts of that particular month are compiled. On closing the monthly accounts, the funds from accounts having surpluses are transferred to make up the deficiency in the other accounts. This is treated as loan and the borrowing account pays interest to the lending account at the Government rate. It may thus be seen that it would be difficult to approach the Government of India for their prior approval for transferring the funds from one account to another. However, interest as required under Rule 19 of the DDA (Preparation of Budget) Rules, 1960 has been adjusted on each occasion.”

3.19. The figures of all such transfers at the end of each of the last five years furnished by the Ministry are given below:

The figures of transfers for the last five years are as under:—

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(Amount in lacs of rupees)

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**1972-73**

*Transferred from*

Nazul Account I to General Dev. A/c.	70.00
Nazul Account II to General Dev. A/c.	105.00

**1973-74**

Nazul Account I to General Dev. A/c.	31.00
Nazul Account II to General Dev. A/c.	110.00

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\*According to the Delhi Development Authority (Preparation of Budget) Rules, 1960 notified by Government of India the Authority may sanction reappropriation of funds from one major head of account to another within any major head provided that no reappropriation shall be made from Nazul to non-Nazul Accounts of *vice-versa* and from slum or Re-housing Accounts to General Development Account and *vice-versa*, without the prior approval of Government.

1	2
<b>1974-75</b>	
Nazul Account I to General Dev. A/c.	11.00
Nazul Account II to General Dev. A/c.	265.00
Nazul Account II to Nazul A/c. I	25.00
<b>1975-76</b>	
Nazul Account II to General Dev. A/c.	435.00
Nazul Account II to Nazul Account I	33.00
Nazul Account II to Nazul Account III	145.00
<b>1976-77</b>	
Nazul Account I to Nazul Account II	50.00
Nazul Account II to Nazul A/c. III	752.00
General Dev. Account to Nazul A/c. II	222.00
General Dev. Account to Nazul A/c. II	200.00

3.20. The Committee have noted that there were diversions during 1972-73 to 1976-77 from Nazul A/c. I to General Development Account (Rs. 112 lakhs) and from Nazul Account II to Nazul Account III (Rs. 897 lakhs). The surplus money in Nazul A/c-II was to be credited to the revolving fund set up by Government in 1962 out of the Consolidated Fund of India and that in Nazul A/c. I was held on behalf of Government and could not be utilised for other purposes without Government approval. Some of these diversions from Nazul Account-I to General Development Account (1972-73) were pointed out by Audit in its inspection report also. The Committee desired to know why these unauthorised diversions were made, what the financial control and scrutiny was exercised by the DDA and Government and why no action was taken on observations of Audit and whether such diversion did not amount to a constitutional irregularity, viz utilisation of Government revenue for other purposes without specific authorisation. The Ministry, in a note have stated:—

“Funds from Nazul A/c. I to GDA amounting to Rs. 112 lacs and not Rs. 217 lacs were transferred from 1972-73 to 1976-77. It may primarily be stated that the funds with the Authority were used for developmental and construction works. If the DDA had paid the entire amount due to the revolving fund, it would not have been possible to accelerate the pace of developmental works. Besides, it may be stated that as per the

system of maintenance of accounts prescribed by the Government of India in consultation with CAG, the actual figures of receipts and expenditure are known only when the accounts of a particular month are compiled. At the time of closing of monthly account, the funds from accounts, having surpluses are transferred to make up the deficiency in the other account, if any. These transfers are treated as loans and the borrowing account pays interest to the lending account as required under rule 19 of the DDA (Preparation of Budget Rules 1960).

The Baveja Committee, which went into the working of the DDA in depth stated that diversion of funds from one account to another by the Authority without any authority was unfortunate and the Committee could not but express its unhappiness about such diversions which smack of financial indiscipline and lack of control. In the light of the above observations, the DDA has been asked to avoid such lapses in future and maintain strict financial discipline according to the rules/instructions on the subject."

3.21. As there were various diversions from one account to another without the approval of the Government, the Committee desired to know the extent to which financial control was exercised by the Government over DDA. The Vice-Chairman, DDA stated during evidence:

"The diversion of funds is symptomatic—firstly improper preparation of budget estimates and secondly for not preparing cash flow projections at the time of preparation of budget. When these were taken up under various heads at a given point of time, the cash flow in that particular head fell below their requirements. When that happens temptation to appropriate from one head of account to another remains. In the case of the consolidated fund of the State or of the Centre, appropriation from one head of account to another head of account under a major head without vote of the Legislature or contingent fund advance being obtained is not possible. That is the constitutional position. But, in an organisation like DDA you find a single cash book in which the fund flowing from day-to-day is going into the fund of the Authority and it is subsequently classified. I doubt whether it would really be possible to have it audited and accounted that headwise or to introduce that system of reappropriation from one major head of account to another major head of account in the case of operation of the Consolidated Fund. I am not trying to make out a justification for not having at least an *ex-post facto* regularisation of it. These things come to us where the

administration appropriate that for a temporary use of the fund from one head of projects to another head. It should be possible but there should be a built-in-mechanism for this being pointed out in time and for the appropriate action being taken for regularization of these if necessary by *ex-post facto*. One of the problems of the DDA is that it was never had a very strong internal audit organisation. In fact one expert committee pointed this out and we found that the exercise in DDA so far was to ensure that such an audit organisation was created. It had been cursory to put it mildly. One that sort of a situation occurs in which there is no strong internal audit organisation, which any time points out any discrepancies which might have crept in, then that self-correcting Mechanism cannot operate. This has been mainly the weakness of the DDA. We have taken steps to ensure that this sort of internal audit organisation is created. I would like to make one submission. At any given amount of time, it is possible that there may be works going on and it is also possible that under a particular head of account, General Development Fund Account, at a particular moment of time, there may be inadequate funds. At the same time, the overall cash position of DDA may be comfortable because income flowings may be from other heads to meet the *intra-head* adjustments or other *intra-head* adjustments which take place or which are likely to take place. So, it would be futile for me to say that it never takes place. If I were to make such a promise, it would be difficult for me to keep it up. But if the self-correcting mechanism is there, then it would be possible for the DDA in a financial year for reappropriation of funds or by way of supplementary grants by going up to the Government of India for their approval. It should be possible to bring about closure of the accounts at the end of a year with discrepancies properly being ironed out. We are trying to see that this happens."

3.22. Enquired whether the DDA maintains proper accounts under different heads, the Finance Member, DDA stated as under:

"I had earlier conceded that there were lots of things to be improved. With due respect to you, Mr. Chairman and other members of this Committee I have a little reservation on this point. The DDA is keeping a single cash book and it is in accordance with the rules prescribed and with the approval of the Auditor General of India. It is very difficult to strike a balance in respect of each account unless the account of a particular month is closed. Normally it takes a couple of months as had

been pointed out in our reply. We treat this transfer as loan and pay interest to the loanee account at the bank rate. I would certainly respect the Committee's view and I would like to have it examined in consultation with the Ministry. My personal view both as a Finance Member and as an employee of the DDA a certain amount of flexibility is necessary. If I do my job reasonably well, any abuse of this flexibility should not be there."

The Vice-Chairman, DDA added in this connection:

"In an organisation where works are in progress and where, so far, we have not prepared specific performance budgets earmarking project funds in separate accounts maintaining a single account is inevitable. A certain amount of misuse of funds would be there."

3.23. In reply to another question as to why it was inevitable to keep a single account particularly when the Government had prescribed the necessary rules, the witness stated:

"There have been no transfers in the sense that in the total appropriations, those are ways and means advances and adjustments are done by Government. Reappropriations are not done except through proper reappropriation procedure. At a certain given point of time, certain ways and means adjustments always happen and still continue to happen."

3.24. When the Committee desired to know whether the diversion of funds from a particular purpose to another purpose was permissible, he stated:

"I am not talking of diversion from one purpose to another. Please understand me correctly. To the extent that the DDA funds are diverted from A to B and to keep that diverted fund there it is all right. But if it goes elsewhere I would never support it."

In the same context, the witness added:

"Where such transfers have taken place under a given set of circumstances then existing, I would never have defended. At the appropriate time I would request the Committee for my permission to say something about Nazul I and II. I have very strong reservations about the accounts proper. About the legal position regarding certain matters, I will speak at the appropriate time when we discuss Nazul I and Nazul II accounts. There had been a total diversion from Nazul I and

II to another Fund. There had been reappropriations. I would say that this is highly irregular. To the extent that has been as a ways and means exercise, I would say that it is a correctable irregularity and it is likely to occur in future also."

3.25. Enquired whether the approval of Delhi Administration was required for all such transfers, the Ministry of Works and Housing have, in a written note, stated that the approval of the Delhi Administration was required for such transfers.

3.26. As the DDA had informed the Audit (January 1978) that sanction of Government for such transfers was not considered necessary, the Committee wanted to know whether the Government accepted the stand of the DDA that it need not deposit the accretions to the fund from time to time. The Ministry of Works and Housing have stated as under:

"The Government do not accept the stand that DDA need not deposit accretions to the fund from time to time. The Government has been pursuing the matter and though the DDA has not made all the payment due, some payments have been remitted. Measures to remedy the situation are under active consideration of the Government."

3.27. It is seen from the Budget Estimates for Nazul Account III and General Development Accounts for the year 1973-74 to 1977-78 that the expenditure approved for was more than the anticipated receipts in the respective accounts. The Committee, desired to know now the deficits were to be met. The Ministry have informed the Committee as under:

"From the position explained below it will be seen that the excess of expenditure over receipts was balanced during these years by way of provisions under debt, deposits and advances heads.

NAZUL ACCOUNT-III  
(Figures in lakhs of Rs.)

Year	Receipts	Expdr.	Excess	Source from which expdr. was met
1	2	3	4	5
1973-74	441.40	473.30	32.90	(i) Encashments of investment of 32.78 lakhs (ii) Closing balance reduced by 0.47.
1974-75	235.77	296.71	60.94	(i) Encashment of investment of 5 lakhs. (ii) Deposits increased by 1.23 lakhs balance. (iii) Closing balance reduced by 54.91 lakhs.

1	2	3	4	5
1975-76	227.30	260.80	33.50	(i) Deposits 4.23 (receipts). (ii) Closing balance reduced by 29.57.
1976-77	802.36	837.59	35.23	(i) Increase in advances by 0.09 receipt (ii) Closing balance reduced by 35.14.
1977-78	908.45	971.99	63.54	(i) Amount received from Nazul A/c-II 100.00.
GENERAL DEVELOPMENT A/C.				
1973-74	1466.55	2067.20	600.65	(i) Closing balance was reduced by 980.25.
1974-75	24.870	2789.56	370.86	(i) Closing balance was reduced by 668.06.
1975-76	1290.55	1927.25	636.70	(i) Loan from LIC 354.00. (ii) Loan from HUDCO 301.00
1976-77	1333.65	1830.86	497.21	(i) Encashment of investment 640.00 lakhs.
1977-78	5645.06	6968.80	1323.83	(i) Loans from LIC 500. (ii) Loan from HUDCO 500.00 (iii) Deposits from intending purchases of flats 600.00.

3.28. The Committee note that for financing the acquisition and development of land, Government set up a revolving fund in 1961-62 with an initial contribution of Rs. 1.25 crores (subsequently raised to Rs. 12.31 crores by 1969-70) out of the Consolidated Fund of India and placed it at the disposal of the Delhi Administration. The Rules governing the operation of the revolving fund are contained in the Ministry of Finance letter No. F1(24)-B/61 dated 30 June, 1961. According to these rules sums out of the revolving fund were to be advanced to the DDA for meeting expenditure on the development of land and receipts from the disposal of land were to be paid back into it for financing further expenditure on acquisition and development of land. All amounts required for development purposes were to be specifically drawn from this revolving fund by means of a cheque signed by two officers of the Land & Housing Department of the Delhi Administration authorised by the Chief Commissioner in this behalf. The Committee are distressed to note that whereas the Delhi Administration in February 1966 allowed the DDA to utilise the amount of receipts connected with the scheme of large scale acquisition, development and disposal of land for direct utilisation by it against its



development expenditure, it sought the approval of the Ministry of Home Affairs for the same in April 1973 i.e. after a lapse of 7 years. It is interesting to find that whereas upto the year 1971-72 all the surplus receipts from the disposal of land under Nazul Account II were being passed on to the revolving fund it was only from the year 1973-74 that all receipts were not made over to the Delhi Administration. What has perturbed the Committee most is the fact that this practice was adopted despite the fact that the Ministry of Home Affairs did not agree to the changed procedure in April 1973. The Committee take a serious view of the decision of the Delhi Administration in allowing the DDA to utilize the amount of receipts directly in clear violation of the rules governing the regulation of the provision of the Revolving fund as also without prior approval of the Central Government. The Committee urge that a thorough investigation into this ill-advised procedure allowed by the Delhi Administration and executed by the DDA should be held with a view to fixing responsibility. The Ministry of Works and Housing also owe an explanation to the Committee for not taking timely action to restrain the DDA from adopting wrong procedure.

3.29. The Committee have reasons to believe that the above changed procedure must have resulted in accounting irregularities apart from the serious financial repercussions on the other activities of the DDA as the modified procedure of permitting the DDA not to remit the net proceeds to the revolving funds gave an opportunity to it to keep large sums with it which it utilised on its housing and other commercial programmes without any governmental check either on the utilisation of this fund or on the wisdom of such investments. The Committee's apprehensions regarding accounting discrepancies gather strength from the fact that at one stage the Ministry of Works and Housing had informed the Committee that DDA owed a sum of Rs. 10.87 crores to the revolving fund as on 31 March, 1978 but in their subsequent note this figure was amended to Rs. 9.80 crores. This wide disparity in the figures furnished by the same source viz. Ministry of Works and Housing is a sad commentary on the maintenance of the accounts of the DDA. . . The Ministry felt complete helplessness in this regard. The Committee desire that the deposits to and withdrawals from the Revolving fund from 1973-74 onwards may be gone into carefully with a view to identify the irregularities for suitable remedial action.

3.30. The Committee regret to note that the DDA had diverted its surpluses from the sale of land to the construction activity and Jhuggi and Jhompri schemes. The Vice-Chairman, DDA had admitted during evidence that the DDA got into difficulties because (i) it had taken in hand a programme for construction of approximately 70,000 houses without making arrangements for the institutional financing of these houses and putting its surplus funds into these schemes and as these funds were inadequate, DDA could complete construction of 4000 houses only and the balance of

houses remained at various stages of construction, blocking an enormous amount of capital which basically represents the revolving fund; (ii) a sum of Rs. 9.61 crores was diverted to Jhuggi and Jhompris schemes. The Committee are of the view that the diversion of funds to the schemes taken up on ad hoc basis however laudable those might be had in fact retarded the progress of acquisition, development and disposal of land which are the basic and main activities of the DDA. This had also resulted in exorbitant rise in the land prices.

3.31. Another objectionable feature which has come to the notice of the Committee is that a sum of Rs. 9 crores was spent on Jhuggi and Jhompris without the approval of the competent authority or the Government. The Vice-Chairman DDA stated during evidence that the then Vice-Chairman of the DDA was the 'only person responsible for diverting these funds in spite of the fact that he was not competent to do it'. He has further informed the Committee that 'there is no budgetary exercise done to look at the details of the particular schemes' and in this context he referred to the project taken up in Trilokpuri for putting up MIG and LIC houses at a cost of Rs. 3 crores without the administrative approval of and without sorting out the feasibility of the scheme. The Committee feel deeply concerned over such grave and revealing irregularities.

The Committee would recommend that the Government should undertake a thorough probe into these lapses and fix responsibility.

3.32. From the information furnished by the Ministry of Works & Housing, the Committee find that against a demand of Rs. 715 lakhs to be deposited in the revolving fund in 1974-75, the DDA had deposited a sum of Rs. 185.62 lakhs during that year and Rs. 75 lakhs in 1975-76. Again the DDA had deposited a sum of Rs. 469.50 lakhs in this fund in 1975-76 against a demand of Rs. 545 lakhs. It is distressing to note that a request made by the Delhi Administration on 7 May, 1975 for payment of Rs. 100 lakhs into the revolving fund out of the surpluses retained by the DDA had not been agreed to by the latter on 15 July, 1975 on the ground that no funds were available though fixed deposits of Rs. 200 lakhs had matured on 24 May, 1975 and had been reinvested on the same day for another three months. The Committee would like to be informed as to why the DDA had reinvested Rs. 200 lakhs for another three months instead of depositing these amounts in the revolving fund.

3.33. According to the Delhi Development Authority (Preparation of Budget) Rules, 1960 notified by Government of India, the Authority may sanction re-appropriation of funds from one major head of account to another within any major head provided that no reappropriation shall be made from Nazul to non-Nazul accounts or vice-versa and from slum or Rehousing Accounts to General Development Accounts and vice versa.

without the prior approval of the Government. In spite of these provisions, the Committee are perturbed to note that during the years from 1972-73 to 1976-77 Rs. 112 lakhs and Rs. 915 lakhs were transferred from Nazul Account I & II respectively to General Development Account; Rs. 422 lakhs from General Development Account to Nazul Account II; Rs. 30 lakhs from Nazul Account I to II and Rs. 58 lakhs from Nazul Account II to I and Rs. 897 lakhs from Nazul Account II to III without the approval of the Government. What is surprising is the fact that the DDA had stated that it need not deposit the accretions to the fund from time to time whereas the Ministry of Works and Housing have admitted that the approval of the Delhi Administration was required for such transfers. The Finance Member, DDA stated during evidence that as the DDA is keeping single cash book under the prescribed rules, it is very difficult to strike a balance in respect of each account unless the account of a particular month is closed. The Vice-Chairman also conceded that the diversion of funds is symptomatic—firstly of improper preparation of budget estimates and secondly of not preparing proper cash flow projections at the time of preparation of budget. Another reason advanced by him was that 'the DDA never had a strong internal Audit organisation'. The Baweja Committee which went into the working of the DDA in depth also stated that diversion of funds from one account to another by the Authority was "unfortunate". The Committee are also surprised to note that during the year 1973-74 to 1977-78 when the expenditure provided for was more than the anticipated receipts in the respective accounts, the excess of expenditure used to be balanced by way of provisions under Debt, Deposits and Advances heads. In view of the above facts, the Committee recommend that the DDA should revise their Budget and Accounts rules in consultation with the Comptroller and Auditor General of India so that DDA may maintain their accounts on commercial basis and it should have a proper balance sheet of all its assets and liabilities, details of its block accounts and a profit and loss statement activity-wise... They are also of the view that the powers to appropriate and re-appropriate funds out of sums allotted are required to be specifically delegated to the various authorities and it should introduce the system of performance budgeting.

3.34 The Committee can only conclude from the above facts that hitherto there was no proper machinery available to control the activities of D.D.A. which was committing one irregularity after another. What is more surprising is the fact that Government asked as a passive observer and did not exercise their right to intervene. The Committee hope that the authorities concerned would learn a lesson from the past irregularities and take concrete measures to obviate their recurrence.

## CHAPTER IV

### *Preparation of master plan and zonal development plans*

#### **Audit Paragraph**

4.1. The Act (section 7) provides that the DDA should, as soon as may be, carry out a civic survey of, and prepare a master plan for Delhi. It (section 8) also provides that simultaneously with the preparation of the master plan, or as soon as possible thereafter, the DDA should proceed with the preparation of a zonal development plan for each of the zones into which Delhi might be divided (under the master plan). The master plan as prepared by the DDA was approved by Government and came into force on 1st September 1962.

4.2. The master plan, which is essentially a land use plan, divided Delhi into 139 zones and provided for the manner in which land in each zone should be used and the stages by which development should take place in each zone. It also covered broad aspects of development likely to take place over the period commencing from 1961 and ending in 1981. Of the 139 zonal development plans required to be prepared by the DDA 43 plans had come into operation by the end of 1977, 13 plans were awaiting approval of Government and 83 plans were still to be submitted to Government (December 1977).

[Page of Para 29 of the Advance Report of the C&AG of India for the year 1976-77, Union Government (Civil)].

4.3. The Committee desired to know the break-up of the 139 zonal plans with regard to their preparation, finalisation and notification. The position indicated by the Ministry is as under:

“Total number of zonal plans to be prepared and notified was 139

(i) Number of zonal plans approved and notified by the Central Government	43
(ii) Number of zonal plans submitted to the Government for approval	13
(iii) Number of zonal plans under finalisation/modification	1
(iv) Number of zonal plans under preparation and different stages of action	49
(v) Number of zonal plans to be prepared and published	23
<b>TOTAL</b>	<b>139</b>

Under the provisions of the D.D.A. Act, 1957, the draft zonal development plans are required to be published by inviting public suggestions/objections. All these objections and suggestions are processed by the Screening Board after giving personal hearing to each objection. A large number of objections are received mainly on the plans forming parts of built-up areas and thus a lot of time is consumed in finalising such zonal plans.”

4.4. It will be seen from above that 18 zonal plans were submitted to the Central Government for approval. The Committee desired to know the dates on which these zonal plans were prepared, submitted to the Authority and the Government for approval together with the latest position in each case. The information furnished by the Ministry of Works and Housing is as under:

“The statement of 13 Zonal Development Plans incorporating the dates on which these were prepared and submitted to the Delhi Development Authority and to the Central Government, date of preparation of the plan, No. of DDA’s Resolution, date of sending the plan to the Government and the latest position after Government’s directions to modify the plan, is enclosed (Appendix II ‘A’). At present only five plans are pending with the Central Government. The latest position of the plans is indicated in column No. 6 of the above Appendix”.

4.5. It will be seen from the Appendix that these plans were sent to the Central Government for approval during the years, indicated below but none of them has been approved so far.

Year	No. of Plans sent for approval
1969	1
1971	2
1972	6
1975	1
1977	3
<b>TOTAL</b>	<b>13</b>

4.6. The Committee also desired to know the latest position of the 11 zonal plans which were stated to be under finalisation/modification. The information furnished by the Ministry is indicated in Appendix II ‘B’. It

will be seen from the Appendix that out of the 11 plans only one plan is ready, after modification, for submission to the Central Government. All the remaining plans though prepared during the years from 1964 to 1968 are still at various stages of modifications. As regards the latest position of the 49 zonal plans stated to be still under preparation and at various stages of action, the information furnished by the Ministry is indicated in Appendix II 'C'.

4.7. The Committee also desired to know the latest position with regard to the remaining 23 zonal plans which were still to be prepared and published for eliciting public opinion. In a note furnished by the Ministry, the position has been indicated as under:

“Out of the 23 plans, two plans are to be prepared in consultation with the Railways, 7 plans are to be prepared in consultation with the Ministry of Defence and 6 plans have not yet been published because they pertain to the areas already heavily built upon. This leaves a balance of 8 zonal development plans which are to be processed for preparation and these can be finalised only after passing through the due process envisaged under the Delhi Development Act, 1957 and the Rules framed thereunder.”

4.8. It has been stated above that 8 Plans are yet to be processed for preparation. It is pertinent to point out in this connection that the Baveja Committee have stated in their report (1978) that no separate Wing was established in the DDA, exclusively for preparing and processing the Zonal Development Scheme. Some additional staff was provided for the purpose a couple of years ago, but the same was utilised for other tasks, like planning of Resettlement Colonies under the J.J.R. Scheme.

4.9. To a question as to why 6 plans pertaining to Walled City and other built up areas could not be published, the Ministry of Works and Housing, have stated:

“The zonal plans of the areas which are heavily built up schemes ‘Walled City’ and other built up areas can only be finalised after the re-development schemes of these areas and regularisation schemes of unauthorised colonies are prepared and finalised. This is the main cause of delay for finalisation of Zonal plans of Walled City Area and other ‘built up areas.’”

4.10. Enquired as to when the thinking of the Government is likely to be conveyed to the DDA regarding the development of Walled City area, the Ministry have state:

“The policy is not to demolish any substantial structure except absolutely required for the provision of essential community

facilities. This policy has to be studied further, and accordingly the plans would be prepared of Walled City area after conducting fresh physical, land use, Socio-economic and traffic surveys. Policy regarding preparation of plans for Walled City is under study with the DDA alongwith preparation of the new Master Plan."

4.11. When the Committee desired to know as to why the 23 Zonal Development Plans could not be finalised in 22 years, the Secretary, Ministry of Works and Housing stated during evidence that 'the present management of the DDA and the Ministry are trying their best to remedy what audit has pointed out.'

4.12. To a question as to what extent the non-preparation of these Zonal Plans was responsible for the coming up unauthorised colonies, slums and Jhuggis and Jhompris in Delhi, the Ministry have stated:

"The preparation of a zonal development plant does not prevent the development of unauthorised colonies, slum etc. The failure to prepare some zonal plans would not mean that land use decided in the Master Plan was not enforced but it could lead to *ad hoc* decision in individual cases."

4.13 Enquired whether the Government would be able to control all encroachments without a zonal development plan, the Secretary, Ministry of Works and Housing stated during evidence:

"The existence of a zonal plan is no deterrent to encroachments at all...it gives an idea to the citizens of what exactly they could do."

4.14. When the Committee desired to know whether the *ad-hoc* decisions in individual cases would not result in distortions in the plans when finalised, the Ministry have stated as under:

"No *ad-hoc* decision has been taken so far. However, some changes in the Master Plan/Zonal Plan land uses have been made. These changes have been accepted by DDA/Government after going into comprehensive details"

4.15. In reply to a question, the Ministry have informed the Committee that the changes made by the DDA in the Master Plan e.g., implementation of resettlement schemes in agricultural belts have not yet been approved by the Government.

4.16 To another question whether the non-preparation/approval of the Zonal Development plans in a large number of cases does not indicate that the land use in different planning divisions was either not enforced in accordance with the Master Plan or was allowed to be implemented on *ad hoc* basis, the Ministry have stated:

“The Master Plan provides the methodology to develop the lands in accordance with the provisions of the Master Plans even in the absence of the zonal development plans. In such cases, the development plans/detailed layout plans are prepared and implemented keeping in view the norms and standards on different density patterns. These schemes are incorporated in the zonal development plans when these are prepared and finalised. Even in such cases, therefore, the land use regulations are enforced in accordance with the Master Plan provisions and not in contravention of the Master Plan provisions, implementation of such schemes in the absence of the zonal development plans is also not done on ‘ad-hoc basis’, because the provision of the facilities and utilities according to the standards are provided while preparing implementing such schemes.”

4.17 As out of the 139 Zonal Development Plans required to be prepared as per Master Plan by the DDA, 43 plans had come into operation by the end of 1977, the Committee desired to know how planned development of various areas was ensured in the absence of the remaining Zonal Development Plans. The Ministry of Works and Housing have stated:

“Development of a new area has no relation with the zonal plan. As per details given in the Delhi Master Plan, an additional area of 12000 Hects. for residential, 1920 Hects. for industrial and 560 Hects. for commercial use was to be planned/developed. DDA planned almost all the areas as given in the Delhi Master Plan and substantial development also took place in most of the zones. For example a colony namely Janakpuri was planned/developed in an area of about 400 Hects., after incorporating existing urban villages, unauthorised colonies and various community facilities required thereto. In the development plans, we show all the community facilities viz.; schools, health centres, fire stations, police posts, post offices, fire stations etc. as per standards given in the Delhi Master Plan, so there is no question that any plan has been prepared on *ad hoc* basis.”



4.18. To a question whether he was satisfied with the progress of preparation of the zonal plans, the Vice-Chairman, DDA stated during evidence:

**"I am not satisfied with the progress."**

4.19. When asked how the DDA could claim that there was really a Master Plan when more than two third of the Zonal Development Plans were yet under preparation/finalisation, the witness stated:

**"It gives the basic framework of the planning. There is an impression that the basic framework itself is not adequate; and it means there is nothing unless there is a specific zonal plan. The zonal development plan itself has to be clearly understood. A zonal development plan in the case of built up area is basically a plan which tells us what is to be done on every single plot of land over there. There are certain other areas where a zonal development plan itself would be only a minor expansion of the Master Plan itself because the area is severely populated. In such case, a zonal development plan would indicate to us a phasing out of the working to be undertaken in particular area."**

4.20. The Committee also desired to know the position of a constructed house on a particular plot which the DDA might declare after finalisation of their Zonal Development as parking place. The Vice-Chairman stated in evidence:

**"Where there is no zonal development plan it does not mean that there is no development control. It just means that instead of their being an overall plan in which we just took an area, you have to submit a lay out for approval. This itself causes an inconvenience because you have to go to more than one authorities. It does not mean that anyone can build a house anywhere he likes."**

4.21. When the Committee desired to know the period taken in Delhi for completing a zonal plan, the Ministry of Works and Housing, in a written note, have stated:

**"The time to be taken for finalisation of a zonal plan depends upon various factors like the area for which the plan is to be prepared, availability of necessary expertise for sketching etc, the number of objections and suggestions received from the public on the particular draft plan published, the decisions of various committees like Screening Board etc. and the views of the Delhi Development Authority thereon. Broadly as such no time limit can be laid down."**

4.22. As the Master Plan for the Delhi came into force on 1 September 1962 and since then the DDA could finalise only 43 zonal development plans out of 139, the Committee desired to know about their time frame for full completion of the Master Plan in all its details. The Secretary, Ministry of Works and Housing stated:

“I think this Master Plan itself has become due for revision; and after that is done, it may well be that the preparation of these zonal plans may be redundant under the old Master Plan.”

He added:

“What we plan to do now is that the new Master Plan will include preparation of the zonal plans as well. In the case of Bombay and some other cities in Madhya Pradesh, the Master Plan will be a complete detailed plan and there will be no time lag after that.”

4.23. Clarifying the position the Ministry in a subsequent note have stated:

“The decision in the matter as to what will happen to the zonal plans under preparation/finalisation after the preparation of the Second Master Plan, can only be taken care of by the Committee, which will deal with the study for the same and frame the Second Master Plan. How the Committee will react to these zonal plans cannot be explained at this stage. At present, we have to work within the frame work of the present Master Plan.”

4.24. When asked when the new Master Plan would be ready, the Vice-Chairman, DDA assured the Committee “it will be ready by 1981”. In this context he added:

“The only areas where we have some doubts are the cantonment where we have no control, the old city itself about which certain policy decisions would have to be taken at the level of the Government.”

4.25. When asked on what grounds the DDA had decided to diversify its activities mid-way, the Vice-Chairman, DDA, stated in evidence:

“The structural organisation of DDA was itself found to be defective in the sense that there was over dependence on other agencies like TCPO etc., to get assistance, in the preparation of master plan. There was excessive dependence on Town and country planning organisation for the over-all working preparation of detailed zonal development plans etc.”

He added:

"We do not have even the land use register with us."

4.26. On being pointed out that delay in finalising the Zonal Plans had given rise to lot of complaints of corruption in local bodies as well as in DDA and other bodies which sanction the plans for residential houses or for shopping centres, the Secretary of the Ministry stated:

"This point is readily conceded."

4.27. Enquired as to what steps were proposed to be taken to set right the organisational deficiencies within the Authority, the Ministry of Works and Housing stated:

"The Ministry of Works and Housing have assigned/transferred all the Planning functions of the Union Territory of Delhi to the DDA as such, there won't be any conflict with other departments. Organisational deficiencies are also being filled-up."

4.28. The Vice-Chairman, DDA stated during evidence:

"Government have clearly decided that the master plan preparation work is that of DDA and not of TCPO. On the basis of this, Lt. Governor has been pleased to sanction for us the necessary organisational set up for this purpose and therefore, our Planning Department has now been divided into three clear cut wings and the necessary staff has been put in position. We have perspective planning Wing which is responsible for preparing perspective plan. We have City Planning Wing which goes into the detailed lay outs which I referred to. The job of the architectural wing is to prepare architectural planning, drawing, etc. It has nothing to do with the master plan. The responsibility of these three wings is clear cut. The persons responsible could be hauled up. It would certainly be indefensible."

The witness added:

"We have taken a lot of staff on deputation from the TCPO and apart from that, we have been in touch with the Bombay Metropolitan Regional Authority. We have been able to staff our Planning Wing to the extent of 60 per cent and work has already commenced. In other words, structurally I would say that we are 60 per cent equipped to deal with this and, by the end of December, the structural organisation dealing with perspective plan preparation and area plan preparation will

be wholly complete. Guidelines have already been prescribed as to how they should proceed and work is going on. I think we are reasonably well set for this work."

### *Master Plan*

4.29. The Master Plan for Delhi was prepared by the Town and Country Planning Organisation of the Government of India, while it was processed and submitted to the Central Government for approval by the DDA. The plan was approved in September 1962. The Master Plan is basically a scheme, broadly prescribing the land use in various areas. The land uses were originally determined, keeping in view the projected requirements of the community, which naturally change with the time. So, one of the inbuilt provisions of the Master Plan was that it will be reviewed after 5 years and revised after 10 years.

4.30. The Committee, therefore, desired to know whether any periodical revisions of the Master Plan were made by the DDA keeping in view the rising population and socio-economic development in the Union Territory of Delhi. The Ministry of Works and Housing have stated:

"Although the Authority had not made any periodical revisions of the Master Plan, however, keeping in view the rise in population and the socio-economic development in the Union Territory of Delhi, detained studies were conducted for the proposed increase of densities in residential areas and the Authority revised density pattern to keep with the rising population."

4.31. Enquired when and by whom this study was conducted and whether it was a part of Master Plan, the Ministry have stated:—

"The study was conducted by the DDA/TCPO during 1967—74, and finally this was approved by the Central Government vide notification No. K-12016(1)/76-Part-II dated 22nd December, 1976. The study was a part of Master Plan."

4.32. Enquired whether the Government were prepared to make an amendment in the Act so that within a time schedule, a detailed Master Plan was prepared for Delhi because the past experience was not good, the Vice-Chairman, DDA stated:

"There are certain statutory implications of the present master plan itself. If the extension of this master plan for its retention is not done, the date on which the master plan ceases to have legal force there would be considerable chaos in Delhi regarding land. My submission is that chances of sticking to the time schedule are even greater under the present Act than they would be by merely amending the Act. I think the present safeguards or rather the present ill-effects if we do not prepare

**the plan in time, should be sufficient to keep us on our toes."**

4.33. When the Committee wanted to know whether any modifications were made to the Master Plan by the DDA without the approval of the Central Government, the Ministry of Works and Housing have, in a written note, stated:

"The Delhi Development Act, 1957, under section 11-A (1), provides for the "Delhi Development Authority to make any modification to the Master Plan or the Zonal Development Plan as it thinks fit, being modifications which, in its opinion, do not effect important alterations in the character of the plan and which do not relate to the extent of land-uses or the standards of population density."

The DDA has reported that in a few instances where it was felt necessary to implement certain schemes in anticipation of the necessary modification in the Master Plan and uses/regulations, such schemes were taken in hand for implementation and the Government of India was moved to allow the processing of such changes in the Master Plan for example, implementation of resettlement schemes in the agricultural green belt."

4.34. The Ministry have in a subsequent note stated:

"This implementation was done before change in the Master Plan, as the time was very less and the schemes were to be implemented within a year or so."

4.35. The Committee desired to know in how many cases Section 14 regarding use of land was not strictly followed or was violated by the DDA itself or by other Government or semi-Government organisations and local bodies. The Ministry in a note have stated:

"Following five kinds of violations of the Master Plan can be identified.

- (1) Resettlement Colonies;
- (2) Commercial Development;
- (3) Transport-cum-commercial centre;
- (4) Changes in land use;
- (5) Zonal and sub-division regulations.

- (1) *Resettlement Colonies*: 894 hectares of land which have been brought under resettlement colonies of Khanpur, Gokul-

puri, Sultanpuri, Khichripur and Trilokpuri; the details of which are as under:—

Name of the Scheme/Area	Period	Official Agency
Patparganj Complex (Kalyanpuri, Khichripur, Trilokpuri Sultanpuri in the east of G.T. Karnal Road	1975-77	D.D.A.
Khanpur (in the south of Mehrauli-Badarpur Road)		
Gokalpuri Complex (in the north of Wazirabad Barrage)		

In the Master Plan this land is shown as "agricultural green belt" or "rural use zone" and has now been used for resettlement colonies. D.D.A. should have got changed land use from agricultural green belt/rural use zone to residential before implementing these schemes.

(2) *Commercial Development*: The details of the violations committed by various agencies are given as under:—

Name of the Scheme	Period	Official Agency
(i) Underground shopping centre in Connaught Place (inner circle area, earmarked for recreational and under parking in the zonal development plan	1976-77	NDMC
(ii) Hotel-cum-inn in the north of Mandir Marg adjoining Birla Mandir in the area earmarked for religious institutions	1977	NDMC
(iii) Shopping Complex in front of Jama Masjid in the area earmarked for recreational use	1976	D.D.A.
(iv) Shopping centre under the Defence Colony Bridge	1976	D.D.A.

(3) *Transport-cum-Commercial Centre*: The details of the violation made are as under :—

Name of the Scheme/Area	Period	Official Agency
(i) Transport Nagar-cum-commercial Scheme in the north of Wazirpur Barrage Road in the agricultural green belt area	1976	M.C.D.
(ii) Transport Nagar-cum-commercial Scheme in Samalka Village (Rural area)	1976	M.C.D.

- (4) *Change in land use*: D.D.A. constructed their multistoreyed building on a piece of land in an area where the maximum FAR is 1.5 after getting it declared as 'development area'.
- (5) *Zonal and Sub-division regulations*: Certain instances of the violations of the Sub-division regulations, permitting more **number of storeyes, coverage, etc.** against the provisions of the Master Plan have been noticed.

4.36. In this very context the Vice-Chairman stated during evidence:

"There is a report which was asked for by the Government of India forwarding violations of the Master Plan. But I don't have it now with me...."

He added:

"According to me it was seriously written but it is for the Government to say whether they accept my view or not. We have tried to spare no one. Even the CBI itself is being hauled up for violation".

4.37. Section 8 of the Delhi Development Act, 1957 provides that "simultaneously with the preparation of the master plan or as soon as possible, thereafter, the Authority shall proceed with the preparation of a zonal development plan for each of the zones in which Delhi may be divided". The Committee find that the Master Plan drawn up for 20 years (1962-81), after its approval by the Government, came into force on 1 September, 1962. The Plan divided Delhi into 139 zones providing for the manner in which land in each zone should be used. The Committee are distressed to note that out of the total 139 zonal plans to be prepared and notified, only 43 plans have so far been approved by Government and notified, 13 are under submission to Government for approval, 11 are under finalisation of modification, 49 are under preparation and 23 are yet to be prepared. The preparation and finalisation of the zonal plans for the last more than 16 years, since the inception of the Master Plan, shows utter lack of interest, drive and inept handling of the subject not only in the DDA but also in the Ministry of Works and Housing which were entrusted with the task of approval of the zonal plans. When asked during evidence, the Vice-Chairman, DDA conceded that he was not satisfied with the progress. The unpardonable delay in the preparation of the zonal plans has retarded the planned development of Delhi by several years.

4.38. The Committee recommend that Government should institute a thorough probe to identify the reasons for delays in the preparation and

finalisation of the zonal plans at various stages so as to fix responsibility at the appropriate levels.

.....

4.39. The Committee have also been informed during evidence that the Master Plan itself has become due for revision and "it may well be that the preparation of these zonal plans may be redundant under the old master plan". The Committee can not accept these views of the Government as they feel that however comprehensive the revised master plan may be, there have to be detailed zonal plans to feed the Master Plan. The Committee, therefore, desire that the work on the incomplete zonal plans should proceed apace so that these are finalised before the revision of the Master Plan is taken up.

4.40. With regard to the revision of the master plan the Committee recommended that a committee of senior technical officers drawn from various Ministries and Departments concerned, Delhi Administration and other agencies, such as Delhi Municipal Corporation, New Delhi Municipal Committee etc., who are directly or indirectly connected with the development schemes and provision of essential services in Delhi, may be constituted immediately to draw up a suitable framework for the new Master Plan. This is considered essential for undertaking detailed studies and surveys for the formulation of the new plan to avoid pitfalls or large scale modifications at later stage.

4.41. The Committee note that one of the inbuilt provision of the master plan was that it will be reviewed after 5 years and revised after 10 years. The Committee are perturbed to note that the DDA had not made any such review of the master plan. This violation of the statutory provision is deplorable and calls for fixation of responsibility.

4.42. Section 11A(1) of the Delhi Development Act 1957 provides for the DDA to make any modification to the master plan or the zonal Development plan as it thinks fit, being modifications which, in its opinion, do not affect important alterations in the character of the plan and which do not relate to the extent of land uses or the standards of population density'. It is distressing to note that in some cases certain schemes were taken up by the D.D.A. in anticipation of the necessary modification in the Master Plan and uses/regulations without the approval of Government. The Committee are surprised to note that besides the D.D.A. other Government and Semi-Government institutions such as N.D.M.C., D.M.C., and even CBI had also violated the prescribed land use. The Vice-Chairman, DDA had assured the Committee that "they had tried to spare no one. Even CBI itself is being hauled up for violation". The Committee would like to know specifically within the next three months the action taken against the persons concerned in this regard.



## CHAPTER V

### *Scheme of large scale acquisition, development and disposal of land*

#### *Audit Paragraph*

5.1. Government approved in May 1961 a scheme for large scale acquisition, development and disposal of land in Delhi. Under the scheme, land was to be acquired by the Delhi Administration and placed at the disposal of various agencies, including the DDA, for development. While the land so placed was to continue to vest in the President of India, the area intended for (i) private housing (ii) industries, (iii) shopping centres and business premises, (iv) public and private institutions and (v) public utilities and community facilities was, after development by the DDA (among others), to be demarcated into plots and made available on leasehold basis in accordance with the terms and conditions laid down in the scheme.

5.2. For implementing the scheme of large scale acquisition, development and disposal of land, the Delhi Administration had notified 74,372.36 acres of land for acquisition but actually acquired 40,394.25 acres upto the end of July 1977; of the latter, 29,596.95 acres had been placed at the disposal of the DDA, as per particulars given below:—

To end of 1970-71	16573.00	acres.
In 1971-72	600.00	„
In 1972-73	4332.00	„
In 1973-74	3878.00	„
In 1974-75	84.65	„
In 1975-76	1175.98	„
In 1976-77	1081.29	„
In 1977-78 (Upto July, 1977)	1872.03	„
	<hr/>	
	29596.95	„

5.3. Initially, the work of development of land placed at the disposal of the DDA was entrusted by it to the Central Public Works Department on agency basis. Since 1968, the work is being executed by the DDA itself, mainly through its four development divisions. Land intended for disposal, after development and demarcation into plots, is made over by

the development divisions to the sales branches of the DDA for disposal. There was, however, no centralised record either in the main office of the DDA or in its development divisions indicating the area of land taken up for development, area actually developed, number and area of plots demarcated and number of plots ready for disposal from time to time (December 1977). The DDA had prescribed in 1971 a quarterly return showing progress of development of land, to be furnished to the main office of the DDA by its divisions. A scrutiny during audit revealed however, that the prescribed returns had not been received regularly and, where received, were not complete in all respects. No review or evaluation of the progress made in the development of land from time to time had also been conducted by the DDA (December 1977).

5.4. The DDA was requested (July 1976) to compile and furnish the latest information regarding the area taken up for development, area developed for various purposes and area disposed of or otherwise utilised. The DDA stated (January 1978) that out of 8019.53 acres taken up for development upto 30th June 1976 for industrial and commercial purposes 5458.76 acres had been developed. Similar information in regard to land development for residential and other purposes had not been furnished (January 1978) despite reminders.

5.5. Available information contained in the report of the Committee of Experts (March 1975), indicated that out of 25,467.31 acres of land placed at the disposal of the DDA, 15,164.31 acres had been taken up for development by it and 13,616.17 acres developed, as per details below:—

Purpose	Area taken up for development	Area developed
(In acres)		
1. Residential . . . . .	6531.52	5894.95
2. Industrial . . . . .	2416.90	2233.69
3. Commercial . . . . .	165.89	137.53
4. Jhuggi-jhompri resettlement scheme . . . . .	1400.00	1200.00
5. Group housing pockets separately developed . . . . .	150.00	150.00
6. Green areas developed . . . . .	4000.00	4000.00
7. Area under villages . . . . .	500.00	..
<b>TOTAL . . . . .</b>	<b>15164.31</b>	<b>13616.17</b>

5.6. The Committee of Experts had also pointed out (March 1975) that, out of 5894.95 acres developed for residential purpose, the DDA had utilised 710 acres only for the purpose. Similar information in respect of utilisation of land for industrial, commercial and other purposes was not available with the DDA (December 1977). A consequence of the timelags in the development and disposal of land was locking up of funds expended on acquisition and development of land.

5.7. According to the scheme of large scale acquisition, development and disposal of land and orders issued by Government, land demarcated into plots for residential, industrial, commercial and other purposes was to be disposed of as a general policy, by auction, the premium being determined by the highest bid. In the following cases, however, land could be disposed of at pre-determined rates, these rates being fixed by the Delhi Administration with reference to the cost of acquisition and development plus an additional charge varying, with the size of the plot, from Rs. 3 to Rs. 8 per square yard and charges for beautification, village redevelopment etc.

Category	Rates applicable
(i) For residential purposes to individuals whose land had been acquired	} Pre-determined rates.
(ii) Low and middle income groups for house building	
(iii) Co-operative societies for house building	
(iv) Group housing schemes of the D.D.A.	
(v) For shifting of industrial units established in non-conforming areas.	
(a) Prior to 1st September, 1962	Pre-determined rates.
(b) Between 1st September 1962 and 31st December 1966	Pre-determined rates plus 50 per cent thereon (known as commercial rates).
in addition, land could be allotted at certain concessional rates to educational, cultural, social and charitable organisations.	
[Pages 243, 245-247 of Para 29 of the Advance Report of the C & AG for the year 1976-77 (Civil).]	

5.8. The two primary objectives for which the Delhi Development Authority was set up are:

- (i) Planned Development of Delhi; and
- (ii) Checking rise in the prices of land in Delhi.

The Delhi Development Authority is the successor body to the erstwhile Delhi Improvement Trust. As such, management of 14462 acres of land belonging to the Government came to be entrusted to the Authority. Subsequently, Government of India issued orders on 2 May 1961 approving a scheme known as 'Scheme for large acquisition, Development and Disposal of Land in Delhi'. This scheme was primarily designed towards introducing measures on control of land values and stabilising land prices in the urban areas of Delhi.

5.9. The Master plan for urban Delhi aimed at balanced and integrated growth of Delhi upto 1981 by which year the population of Urban Delhi was estimated at 46 lacs. The provisions of civic amenities and facilities was based upon this estimate. The Master Plan identified the urbanisation area upto 1981 as 1,10,500 acres of which an area of 42700 acres was already developed when the Master Plan was prepared. The break-up of the area of land to be acquired and developed is given below:—

	Area in acres
(a) Residential . . . . .	30,000
(b) Commercial . . . . .	1,900
(c) Industrial . . . . .	4,800
(d) Government . . . . .	500
(e) District and Regional Parks . . . . .	25,000
<b>TOTAL</b>	<b>62,000</b>

5.10. The acquisition of the land for residential purpose was to be completed as per the Master Plan in two stages, 17,000 acres being developed in the first stage and the balance in the second stage. Land was to be acquired by the Delhi Administration under the Land Acquisition Act 1894 and placed at the disposal of one of the four agencies given below:—

- (i) The Delhi Development Authority
- (ii) The Central Public Works Department
- (iii) The two Municipal Corporations
- (iv) Co-operative House—building Societies.

5.11. The break-up of the area acquired for this purpose and developed as well as under development is indicated below:—

Agency	Area developed	Area development
Delhi Development Authority	6000 acres	6000 acres
Co-operative House Building Societies	1500 „	2000 „
C.P.W.D., M.C.D. etc.	2300 „	500 „

There are 7500 acres of land under occupation of unauthorised colonies.

### FREEZING OF LAND

5.12. The Audit has informed that the total land frozen in the Union Territory of Delhi under Section 4 of the Land Acquisition Act 1894 as on 31st July, 1977 was 74,372.36 acres; of this 67,790.84 acres had been notified under Section 6 of the Act *ibid* as required for the planned development of Delhi. 27,395.59 acres of land, though notified under section 6, had not been acquired. The land actually taken possession of was 38,137.66 acres. The disposal and distribution of acquired areas as on 31-7-1977 was as under:—

Agency	Acres
1. Delhi Development Authority	29,596.95
2. Government/Semi Government/Organisations	4,952.28
3. MCD/DDDA for J.J. Removal Scheme (stands included in I)	2,800.82
4. Co-operative Societies	3,557.18
5. Others	1.66
6. Area in the process of transfer to various agencies	29.59

5.13. A year-wise table of freezing, notifying, acquiring, developing and disposing the land since 1957 as furnished by the Ministry of Works and Housing is given below:

Area notified u/s 4 in 1957	3000 acres
Area notified u/s 4 in 1959	34070 acres
Area notified u/s 4 in 1960	1808 acres

*Upto 31-3-1961*

Notified u/s 4	43621 acres
Notified u/s 6	8342 acres
Acquired	8349 acres

*Upto 31-3-1962*

Notified u/s 4	60271 acres
Notified u/s 6	9304 acres
Acquired	10916 acres

*Upto 31-3-1962*

Notified u/s 4	61245 acres
Notified u/s 6	13563 acres
Acquired	18104 acres

*Upto 31-3-1964*

Notified u/s 4	62216 acres
Notified u/s 6	17546 acres
Acquired	21508 acres

*Upto 31-3-1965*

Notified u/s 4	62629 acres
Notified u/s 6	20816 acres
Acquired	25081 acres

*Upto 31-3-1966*

Notified u/s 4	70189 acres
Notified u/s 6	25121 acres
Acquired	28558 acres

*Upto 31-3-1967*

Notified u/s 4	71111 acres
Notified u/s 6	46528 acres
Acquired	29662 acres

*Upto 31-3-1968*

Notified u/s 4	71699 acres
Notified u/s 6	49091 acres
Acquired	30285 acres

*Upto 31-3-1969*

Notified u/s 4	.	.	.	.	71725	acres
Notified u/s 6					54257	acres
Acquired	.	.	.		30784	acres

*Upto 31-3-1970*

Notified u/s 4	.	.	.	.	71995	acres
Notified u/s 6					63429	acres
Acquired	.	.	.		31703	acres

*Upto 31-3-1971*

Notified u/s 4	.	.	.	.	72115	acres
Notified u/s 6	.	.	.	.	63877	acres
Acquired	.	.	.	.	32478	acres

*Upto 31-3-1972*

Notified u/s 4	.	.	.	.	72176	acres
Notified u/s 6	.	.	.	.	64285	acres
Acquired	.	.	.	.	32535	acres

*Upto 31-3-1973*

Notified u/s 4	.	.	.	.	72581	acres
Notified u/s 6	.	.	.	.	66805	acres
Acquired	.	.	.	.	33319	acres

*Upto 31-3-1974*

Notified u/s 4	.	.	.	.	72893	acres
Notified u/s 6	.	.	.	.	67000	acres
Acquired	.	.	.	.	35680	acres

*Upto 31-3-1975*

Notified u/s 4	.	.	.	.	73053' 10	acres
Notified u/s 6	.	.	.	.	67004' 00	acres
Acquired	.	.	.	.	36040' 21	acres

*Upto 31-3-1976*

Notified u/s 4	.	.	.	.	73065' 93	acres
Notified u/s 6	.	.	.	.	67193' 82	acres
Acquired	.	.	.	.	37193' 13	acres

*Upto 31-3-1977*

Notified u/s 4	.	.	.	.	74367' 75	acres
Notified u/s 6	.	.	.	.	67790' 84	acres
Acquired	.	.	.	.	39992' 21	acres

5.14. The Ministry of Works and Housing have also stated that no record of year-wise development disposal of land has been maintained by DDA. However the break-up of the total area which has already been developed, purpose-wise is given below:—

(i) Residential	5710.98 acres
(ii) Industrial	2105.31 acres
(iii) Commercial	666.67 acres
(iv) Co-operative Housing	578.67 acres
(v) Jhuggi Jhompri removal scheme	2690.00 acres
(vi) Horticulture .	3179.00 acres
	14930.63 acres

5.15. It is seen from the above table that the DDA had acquired 18014 acres of land as far back as on 31-3-1963 yet it could develop 14930.63 acres of land only till date. The main reasons which contribute to the slow development of the land as given by the Ministry of Works and Housing are enumerated below:—

- (i) The crops which are standing on the acquired land hinder the process of surveying and demarcation etc. of the land till the crops are reaped by the farmers.
- (ii) Removal of unauthorised encroachments and squatters also become a problem for planning and surveying and for taking of the work of development of land.
- (iii) At time there are stay orders in particular schemes from the Courts, on less the same are vacated the development works are not planned and undertaken as such.
- (iv) In spite of the fact that plans have been prepared in the DDA and then approved by the competent authority, the implementation of these schemes become difficult in the absence of the approved services plans which are required to be approved by the Planning Wing of the MCD, who are not in a position to accord approval because of the non-availability of the trunk services, which is a primary responsibility of the civic body, where the internal services schemes prepared by DDA are required to be connected.



- (v) Development process also became slow when there was an acute shortage of stipulated materials like cement and steel etc. during the year 1973-74 and 1974-75, when there were inflationary conditions prevailing in the country as well and all works had come practically to a stand till during that period, till the emergency was enforced on 25.6.1975.
- (vi) During the year 1977-78 the progress had further come to a virtual stand still and there was complete grinding halt in the Engineering projects when the financial stringency gripped DDA with a severest attack."

5.16. One of the reasons for dissolution of Delhi Improvement Trust was freezing of considerable areas of land under town expansion schemes and non-developing of those areas. The Committee desired to know whether freezing of large areas of land without providing for its development and disposal did not leave the position unaltered even after 20 years of setting up of the DDA. The Ministry of Works and Housing have stated:—

"The main intention of freezing and notifying of land was to prevent speculated transactions in different hands and also to provide for future planning and emergent planning. Another advantage of freezing is that unauthorised transactions of sale of land are obviated and the real fact that a particular piece of land has been notified, discourages the persons from encroaching upon it."

5.17. The Audit has pointed out that total and frozen under Section 4 of the Land Acquisition Act 1894 as on 31st July 1977 was 74,372.36 acres of which 67,790.84 acres had been notified under Section 6 of the Act *ibid*. The Ministry of Works and Housing have informed that the remaining 6582 acres of land remained to be notified were frozen under Section 4 between 1957 and 1961.

5.18. When the Committee desired to know the reasons for not notifying this land under Section 6 and by when the Delhi Administration proposed to notify it, the Ministry stated:

"Prior to 1967 notification u/s 6 used to be issued in respect of land which was immediately required for utilization. In 1967 the L.A. Act was amended to make it obligatory to issue notification u/s 6 within a period of 3 years from the date of issue of the notification u/s 4 of the L.A. act. In all the cases where notification u/s 6 had not been issued after 1967, notifications u/s 4 have lapsed. If in future any of this land is again needed fresh notifications u/s 4 and 6 of L.A. Act will be issued.

5.19. The position regarding the land not acquired (27,395.59 acres) earlier frozen and notified is as under:

“They were frozen in 1957. Notification u/s 6 was issued for most of the land in 1967 and for a part in 1970.

Land Notification for acquisition is acquired on demand from the development agencies, primarily the DDA, from time to time according to the requisitions received from them. They were finally acquired by 1977.

5.20. Subsequently the Ministry have informed the Committee in this connection as under:

“Notified lands have not been acquired so far because of financial constraints in the revolving fund and non finalisation of Zonal Development plants by the DDA.”

5.21. The Vice-Chairman, DDA, stated during evidence, in this context:—

“DDA does not acquire. One of the fallacies in Delhi is (1) that DDA has acquired a lot of land and (2) that the DDA has a big revolving fund on account of this activity. Both these are absolutely false premises. Acquisition of land is done by the Government under what is known as large scale acquisition and development. Out of these substantial areas of land are placed at the disposal of the DDA under Section 22 of the Delhi Development Act but more than 50 per cent of the land has just been notified under Sec. 4 and land under Sec. 6 has not been acquired because it was used as an instrument of keeping certain areas green. Under some provisions of the Master Plan instead in letting them remain agriculturally green we notify under Sec. 4 even to destroy the potential for development of agriculture there so that people may not invest in it.

5.22. Enquired as to what were the implications of the notification under Sec. 4, the witness stated:—

“The implications are that the prices have come down, that he cannot develop and that he cannot sell the land.”

5.23. When the Committee asked whether the Govt. could justify by any norms for not releasing the land not acquired so far to enable others to develop it, the Secretary, Ministry of Works and Housing stated during evidence:—

“A large scale acquisition scheme was thought of as a device to prevent speculation, as you have mentioned, and to keep the prices of land down.

As you know, today prices of land in Delhi are very high. The idea of the scheme was that land would be taken over, would be developed and put in the market for private development as well as for governmental activity on a large scale. In this particular respect the DDA was not able to keep up to the promise which was held before it, namely, that it was not able to develop land fast enough to meet the demands from the market. The result of this naturally was that prices began to rise. Then, as prices begun to rise, I believe, the DDA was fascinated at the prices they were getting and they started to construct the market by releasing small areas of land for auction at a time which, to my mind, was a totally misconceived policy, but, unfortunately, that has been the policy followed in the last so many years.

5.24. To a question whether there was any proposal for de-notification of any of these lands, and if so, what were likely to be the implications of such de-notification, particularly with reference to the future plans and prices on disposal of land following denotification, the Ministry have replied:

“No proposal for large scale denotification is under consideration. Denotification of individual pieces of land is however done from time to time in case the land utilising agencies request for such denotification due to change of plans etc.”

5.25. The Vice-Chairman, DDA, stated in this connection during evidence:—

“The Delhi Administration has recently taken up the review of all un-acquired lands and apparently the view taken is that land which is not required for urbanisation should not in fact be retained under notification and that we should de-notify those areas. This is an exercise which is in progress”.

5.26. Enquired whether there was any legal time limit for freezing notifying and developing the land and whether the land stood denotified/defrozen if the time limit was not adhered to, the Ministry have replied:

“Prior to 1967 there was no time limit for notifying the land u/s 6. By the amendment of 1967, it has been provided that if notification u/s 6 is not issued within a period of 3 years from the date of issue u/s 4 then the latter (notification u/s 4) lapses. In case where notification u/s 6 had been issued beyond the period of 3 years interest at the rate of 6 per cent will be paid.

There is no time limit for acquiring the land. About utilizing the land no time limit has been prescribed."

5.27. The Ministry have informed that a sum of Rs. 3,71,73,350.32 was paid as interest and since the above interest was paid in addition to the market value of land and also solatium on the compensation, the above amount was, therefore, be counted towards the cost of land.

5.28. The Committee wanted to know whether the objectives of freezing and notifying the large areas of land such as preventing speculated transactions in the different hands, obviating the unauthorised transactions of sale of land and discouraging the persons from encroaching upon it, had been achieved. The Ministry of Works Housing informed the Committee "Speculations have been checked to a certain extent.

Unauthorised transactions of sale of land and encroachments however could not be successfully prevented. Sometimes people adopt methods of transferring lands including those notified through agreement of possession, agreement of construction contract etc.

The DDA faces enormous difficulties in checking or removing unauthorised encroachments on notified land/acquired lands."

5.29. When the Committee desired to know as to what organisational failures resulted in inadequate development of land acquired and how these were proposed to be taken care of in future, the Ministry have stated:

"The slow development of land was primarily due to financial constraints and partly due to other socio-political reasons. However, a special cell has been set up under the Commissioner (Lands) DDA to monitor the progress of Development of land and this cell is already seized of the problem and has taken up the preparation of regulations and completion of records of the lands transferred to DDA under section 22(i) of the DDA Act."

5.30. According to Audit 29596.95 acres out of the total land of 38137.66 actually taken possession was placed at the disposal of the DDA upto July 1977. The committee, therefore, desired to have a year-wise statement of the land fully developed and finally disposed of so far under each of the purposes for which it was specified. The Ministry of Works and Housing have informed:

"No record of yearwise development and disposal of land has been maintained in DDA every since its inception and resultantly it is not possible to furnish these figures..."

Most of the land developed so far has been disposed of.

5.31. Enquired at whose disposal the balance of the land acquired had been placed and what was the position of its development and allotment, the Ministry of Works and Housing stated:

“The lands are being acquired not only on the recommendation of DDA but also on the recommendation of other organisations in Govt. & Co-Op. Societies etc. The position of disposal of land in July, 1977 out of 40.394 acres of land is as under:—

Delhi Development Authority	29,595.91 acres
Government/Semi-Govt.	4,952.28 acres
Cooperative Societies	3,557.18 acres”

5.32. The Vice-Chairman DDA, stated during evidence that to maintain the *status quo*, 50,000 tenements are required annually keeping an annual increase of population of Delhi to 2.25 lakhs.

To a question as to how much land was required for 50,000 tenements, he stated:

“The average is 50 tenements per acre and as such we require additional one thousand acres per annum in Delhi. I may add the calculation indicates that in Delhi the requirement of housing would be approximately 50,000 units and for that we require 1,500 acres. Apart from 1500 acres for housing we would require another 1000 acres to provide service ancillaries including roads etc.”

5.33. As the DDA was able to develop 14930.63 acres of land during the last 22 years, the Committee desired to know whether the Government had fixed responsibility in this regard. The Secretary Ministry of Works, and House stated:

“The initial idea of trying to get hold of the land and trying to develop it through one single central authority was perhaps misconceived. It was too ambitious a thing for this kind of an organisation. . . . there was miscalculation and rather overambition when the original scheme was evolved.”

5.34. Enquired whether DDA pointed out to the Government that the scheme had not been proceeding satisfactorily, the witness stated:

“I am not aware of any letter from Government to the DDA or from the DDA to the Government. I am happy that the PAC has now forced us to take a review of the whole thing. I wish this had happened before.”

Regarding land allotted by DDA to Government/Semi Government organisations it may be mentioned that no separate record of land developed and built upon by Government/Semi-Government organisation has been maintained.

5.35. As 2105.31 acres of land was allotted by DDA for industrial purposes, the Committee desired to know the basis for allocation of development land for various purposes and as to how the allocation of 2105 was determined for industrial purposes, the Ministry have stated:

“Use of 842 Hect. (2105 acres) of land for the development of industrial use has not relation with total 5972 Hect. (14930 acres) developed for all the uses. In the Master Plan, 2301 hect. was proposed for the purpose of Indl. use.”

5.36. As out of 29596.95 acres of land placed at the disposal of the DDA, 14930.63 acres were stated to have been developed till March 1978, the Committee wanted to have the time bound programme for development of the balance areas. The Ministry of Works and Housing have informed the Committee:

“It has been indicated earlier in the audit para reply that 14930 acres of land has been developed till March, 1978 including land under Engineering Wing, Horticulture Wing and JJR etc. A time bound programme is already there for the completion of the remaining development works in the areas already declared as developed and for a further area of about 1021.59 acres of land which is likely to be completed by 31.3.80.”

5.37. As it was stated that most of the land developed (14930.63 acres) had been disposed of, the Committee asked the Government to compile and furnish information indicating the area disposed of. The Ministry have stated:

“The DDA has informed that the information in terms of acres as desired by the PAC is not readily available at the moment. They have started compiling the requisite information. As it is likely to take some time, the same will be furnished in due course.”

5.38. The Audit para points out that initially, the work of development of land placed at the disposal of the DDA was entrusted by it to the Central Public Works Department on agency basis but since 1968, the work was being executed by the DDA itself, mainly through its four development divisions. The Committee desired to know the consideration for setting up an Engineering wing of its own in 1968 and whether it was

meant to expedite developmental works. The Ministry of Works and Housing have stated:

“The Government of India after having reviewed the scheme on large scale acquisition, development and disposal of land in Delhi, widened the scope of revolving fund to meet the expenditure on the following items as well:-

1. Construction of Multi-storeyed flatted factories.
2. Construction of single-stroyed shed for group industries.
3. Construction of ware-houses.
4. Construction of bus-terminals.
5. Construction of parking sites for idle trucks.
6. Construction of car parks.
7. Development of district/community centres where shopping office accommodation, cinemas, hotels etc. will be provided. The expenditure will be confined to development of sites for these purposes which will be auctioned and may include, in some cases acquisition of land also.
8. Development of local and convention shopping centres in residential colonies.
9. Construction of special markets, such as cycle market, vegetable market etc. and
10. Acquisition and development of land in the ring towns in the Union Territory of Delhi e.g. Narela.

The Authority also felt that if house construction is to make an impact of Delhi population such a programme will necessarily have to be continued by the Authority, in the coming years. For speedy execution of housing programme and for achievement of the accepted targets, it was thought that the setting up of an independent construction unit under the DDA was essential and therefore, the Authority in its resolution No. 584 of 16th August, 1967 approved the creation of Construction Unit in the DDA. The Engineering Wing has so far developed 14,930.63 acres of land and have taken up construction of 50,280 houses including 17,603 in progress. To this extent, the creation of an Engineering Wing can be said to have achieved the objective for which it was set up.”

5.39. The Audit have informed that Land intended for disposal, after development and demarcation into plots, is made over by the development divisions to the sales branches of the DDA for disposal. There was, however, no centralised record either in the main office of the DDA or in its

development divisions indicating the area of land taken up for development, area actually developed, number and area of plots demarcated and number of plots ready for disposal from time to time (December, 1977).

5.40. As the DDA being concerned with the management of land right from its development till its disposal according to the Master plan, the Committee desired to know how it was that the DDA was not aware of the total land taken for development, fully developed and disposed of and remaining to be developed.



*The Ministry of Works and Housing have, in a written Note, stated*

Total number of land (in acres) so far placed at the disposal of DDA under Section 22 (i) of the Delhi Development Act upto 31-7-77 is—27049. The break-up thereof is as under:—

Land in acres placed with the DDA under sec. 22 (i) up to 31-7-77	(a) Land in acres handed over to Engg. Deptt. for various schemes of DDA	A. Land in acres actually developed by the Engg. Deptt. as intimated by the Chief Engineer :	Land in acres under development by the Engineers for various schemes of the DDA.	Land in acres balance with the lands Deptt.
27049 acres	11912	(a) Res. purposes 5710.98 (b) Ind. purposes 2105.31 (c) Com. purposes. 666.67 (d) Co-op. Housing 578.67 9061.63	2849.37	6810 acres
	(b) Land in acres handed over to other agencies .	1351		
	(c) Land in acres handed over to Hort. Deptt. for development of parks in green areas.	4951		
	(d) Land in acres handed over for J.J. Resettlement/Slum Schemes.	2725		
		D.J.J.R Scheme 2690.00	2459.00	
	<b>TOTAL :</b>	<b>20839 acres</b>	<b>14930.69</b>	<b>5308.37</b>
				<b>6810</b>

Note- The information regarding area of land disposed of is not available.

The Ministry have added in this connection:

So far as no records have been kept in terms of acreage of and taken up for development, actually developed, plots demarcated and ready for disposal plots disposed of etc. This has been taken up in accordance with the observations of the PAC. The various schemes developed by the DDA are being reduced/super-imposed on the revenue maps of the land in question and the desired information in terms of exact acres will be collected and furnished. Since this is a colossal task, it is likely to take a considerable time. The various regulations in this regard are also awaiting vetting by the Legal Section. This, however, does not mean that the development so far undertaken by the DDA was haphazard or the disposal inadequate. The process of review of progress of development land is a regular one. The review is carried by the Inspection Officers during the currency of the contract”.

5.41. The DDA prescribed in 1971 a quarterly return showing progress of development of land, to be furnished to the main office of the DDA by its development divisions. A scrutiny during audit revealed, however, that the prescribed returns had not been received regularly and, where received, were not complete in all respects.

5.42. The reasons for not furnishing the quarterly returns and the action taken by the DDA to ensure the timely submission of the above returns, as given by the Ministry, are as under:—

“Quarterly reports showing the progress of land developed by the Development Divisions had been prescribed but these were received late and were mostly not complete in all respects. The reason for this was that the statement was too detailed and its preparation cumbersome. In view of this, new monthly and quarterly statements have been prescribed which reflect the progress of works in physical and financial terms and also project the requirement of funds. Statements have also been prescribed to monitor the disposal plots flats and to watch the recovery of demand. These statements were prescribed in March, 1978.”

5.43. The DDA was requested (July 1976) to compile and furnish the late information regarding the area taken up for development, are developed for various purposes and area disposed of or otherwise utilised. The DDA stated (January 1978) that out of 8019.53 acres taken up for development upto 30th June 1976 for industrial and commercial purposes 5458.70 acres had been developed. Similar information in regard to land development for residential and other purposes had not been furnished (January 1978) despite reminders.

5.44. In the absence of the basic data, the Committee enquired how individual schemes of development land were approved and whether the DDA had laid down any priorities for development of land. The Ministry have replied:

"The priorities in the past had been laid down to some extent on *ad hoc* basis. This was in some cases, inevitable as development had to be coordinated with the work of other agencies. As a result of this, development and disposal of land could not be planned on a long term basis."

5.45. When asked to furnish information of cases (including expenditure and area involved) in which priorities were determined on *ad hoc* basis, the Ministry have submitted the following information:

"There are no such schemes where priority for development has been laid down on *ad hoc* basis. However, in a few cases, the schemes were dropped but later on again taken up for execution.

In the Delhi Master Plan it was decided to develop additional 12,000 Hectares of land for residential use, 900 Hectares of land for industrial use, 760 Hectares of land for commercial use, etc. as details given in Appendix III.

Scheme of Large Scale Acquisition, Development and Disposal of Land was approved in May, 1961 and some powers were given to Delhi Development Authority for the development of land. Delhi Development Authority started development taking into consideration the following factories:—

- (i) Areas which were adjoining to built-up areas like Arjun Nagar, Kishan Nagar, East of Kailash, Naraina, etc.
- (ii) Areas where system of Water Supply, Sewerage, Drainage etc. were in existence.

5.46. Committee of Experts had also pointed out (March 1975) that, out of 5894.95 acres developed for residential purposes, the D.D.A. had utilised 710 acres only for the purpose. Similar information in respect of Utilisation of land for industrial, Commercial and other purposes was not available with the DDA (December 1977). A consequence of the timelags in the development and disposal of land was locking up of funds expended on acquisition and development of land.

5.47. The Committee therefore, desired to know the total area not disposed of or not utilised under each of the purposes and the total expenditure incurred an area not disposed of or not utilised. The Ministry of Works and Housing have furnished the following information:

"So far as industrial plots are concerned, an exercise, has been carried out and it has transpired that the total area covered by

the industrial plots, placed at the disposal of Land Sales Branch (Industrial) aggregated to 931 acres (covering 7,617 plots) out of which plots involving an area of 781 acres (including 6,521 plots) have already been disposed of, leaving behind plots, involving an area of 150 acres approximately (including 1,096 plots).

On the other hand, as residential plots are of different sizes, it has not been possible to make calculations, in terms of acreage of the residential plots placed at the disposal of the Land Sales Branch (Residential). The total no. of plots placed at the disposal of Land Sales Branch (Residential), however, aggregates to 33,252 out of which number of plots allotted or sold by auction calculated to 29,164 leaving behind 4,088 plots, pending for disposal.

Yearwise break up of expenditure on development of land is given below. The information regarding development disposal of land in acreage is not readily available and is being compiled. It will be furnished in due course.

**Statement showing yearwise expenditure on development of land.**

(Figures in lacs of rupees)

1961-62	.	.	.	29.06
1962-63	.	.	.	119.83
1963-64	.	.	.	110.37
1964-65	.	.	.	112.75
1965-66	.	.	.	142.00
1966-67	.	.	.	187.98
1967-68	.	.	.	175.38
1968-69	.	.	.	221.01
1969-70	.	.	.	363.00
1970-71	.	.	.	350.76
1971-72	.	.	.	385.59
1972-73	.	.	.	379.19
1973-74	.	.	.	380.67
1974-75	.	.	.	380.81
1975-76	.	.	.	786.70
1976-77	.	.	.	1026.48
1977-78	.	.	.	380.02

5.48. The Ministry of Works and Housing have stated that slow development of land is due to diversification of the activities in a manner that funds meant for land development tended to be utilised for other purposes. This naturally affected the pace of acquisition and development. Some of the other contributing factors were:

- (i) Unauthorised encroachments;

(ii) Stay orders from courts; and

(iii) Non-availability of truck services which are provided by the Municipal Corporation of Delhi.

5.49. The reasons for slow non-utilisation or disposal of land are as under:—

“After development, land is either sold or earmarked by D.D.A. for its own construction activities. Sale of land to be reasonably fast because of demand, but land reserved for DDA Group Housing is utilised only according to pace of Housing activity itself. This activity has been retarded for want of funds. However, DDA has since reorganised its Housing activities and developed linkages with financial institutions. The programmed Housing activities are not likely to be affected for want of Funds in future. This in turn will speed up utilisation of developed lands.”

5.50. According to the scheme of large scale acquisition, development and disposal of land and orders issued by Government, Land demarcated into plots for residential, industrial, commercial and other purposes was to be disposed of as a general policy, by auction, the premium being determined by the highest bid. In the following cases, however, land could be disposed of at pre-determined rates, these rates being fixed by the Delhi Administration with reference to the cost of acquisition and development plus an additional charge varying, with the size of the plot, from Rs. 3 to Rs. 8 per square yard and charges for beautification, village re-development, etc.

Category	Rates applicable
(i) For residential purposes to individuals where land had been acquired.	} Pre-determined rates
(ii) Low and middle income groups for house building	
(iii) Co-operative societies for house building	
(iv) Group housing schemes of the DDA	
(v) For shifting of industrial units established in non-conforming areas	
(a) Prior to 1st September 1962	Pre-determined rates
(b) Between 1st September 1962 and 31st December, 1966.	Pre-determined rates plus 50 per cent thereon (known as commercial rates).

In addition, land could be allotted at certain concessional rates to educational, cultural, social and charitable organisations.

5.51. The Committee desired to know the basis on which land was allotted at pre-determined rates and whether it was allotted after inviting applications or only to those who applied for it. The Ministry of Works and Housing have stated:

"In accordance with the Government of India, Ministry of Home Affairs letter dated 2nd May, 1961, land is allotted at pre-determined rates in the following type of cases:

- |   |  |
|---|--|
| (i) For residential purposes  | To individuals whose lands have been acquired; this allotment is made on the recommendations of the Delhi Admn. after they have verified the claims. |
| (ii) Low & Middle Income Groups for House building                        | By inviting public applications and drawing lots.  |
| (iii) Co-operative Societies for house building                           | According to the verifications made by the Registrar Co-operative Societies.   |
| (iv) Group Housing Schemes of the DDA.                                    | As per the layout plan and the requirement.  |
| (v) For shifting of industrial units established in non-conforming areas. | By inviting applications and on the basis of specific recommendations of the land allotment/ advisory Committee.                                     |

As regards allotment at concessional rates to educational, cultural, social and charitable organisations, this is done on the specific recommendations of the concerned Ministry Delhi Administration.

5.52. The Committee have been informed that the pre-determined rates of land for residential purposes were revised five times by the Delhi Administration 1968, 1969, 1970, 1975 and 1977. The details are shown in Appendix IV.

Enquired what were the recorded reasons for the revision of rates in August, 1975, the Ministry have stated that there are no recorded reasons. However, a note recorded by the then Vice-Chairman is attached (Appendix-V).

5.53. In reply to a question as to whether the approval of Delhi Administration was obtained, the Ministry have replied:

"The then Vice-Chairman, DDA considered this proposal urgent and obtained the approval of the Lt. Governor/Financial Advisor directly.

The Secretariat of Delhi Administration was not informed of this."

5.54. The Financial Review and proforma Accounts of the Scheme of large scale acquisition development and disposal of land in Delhi have been prepared according to the instructions of the June, 1961 except the Proforma Account of each individual scheme. D.D.A. being the executing agency was asked to prepare the Proforma Account of each scheme but they never complied with the instructions. However, the consolidated Proforma Account of the Scheme was prepared regularly every year upto the year ending 31.3.68. Thereafter the accounts could not be prepared regularly every year upto the year as D.D.A. did not supply the information in respect of development and sale of land etc. Accounts of four years viz. 1968-69, 69-70, 70-71 and 71-72 were consolidated in the Proforma Accounts for the year ending 31.3.75.

The financial results of the scheme as depicted by these accounts are as under:—

Period ending 31-3-62	. Loss of Rs.	6,51,817
Period ending 31-3-63	. Profit of Rs.	11,112
Period ending 31-3-64	. Profit of Rs.	32,844
Period ending 31-3-65	. Profit of Rs.	16,213
Period ending 31-3-66	. Profit of Rs.	90,839
Period ending 31-3-67	. Profit of Rs.	5,92,59,437
Period ending 31-3-68	. Profit of Rs.	5,78,42,300
Period ending 31-3-72	. Profit of Rs.	11,02,02,698
Period ending 31-3-75	. Profit of Rs.	28,36,49,322
Period ending 31-3-76	. Profit of Rs.	40,35,48,964

5.55. Enquired whether any review of the scheme of Large-scale acquisition, development and disposal of land in Delhi as recommended by a Committee set up by Government in February, 1959 has been conducted by Government to assess whether the objectives have been achieved. The Ministry of Works and Housing have stated:

“The Scheme of ‘Large-Scale Acquisition, Development & Disposal of land in Delhi was approved by the Government of India, Ministry of Home Affairs letter No. F. 37/16/60-Delhi (i) dated 2nd May, 1961 on the basis of the recommendations of the Committee set up by the Government in February, 1959.

The Government of India had appointed an expert committee on the working of the DDA. The report of the Committee was further examined by an Empowered Committee. Recently,

Baweja Committee appointed to examine the working of the DDA has also submitted its report to the Government of India. The report submitted by the Baweja Committee is still under consideration of Government of India."

5.56. Section 22(3) of the Delhi Development Authority Act provides that "after any such Nazul land has been developed by, or under the control and supervision of the Authority, it shall be dealt with by the Authority in accordance with rules made and directions given by the Central Government in this behalf.

The Ministry of Works and Housing have informed the Committee in this regard that no rules have been made or directions given specifically under the provisions of section 22(3) of Delhi Development Act, 1957 by the Central Government.

However, the Central Government in their letter No. 37/16/60-Delhi (i) Dated 2nd May, 1961 as amended from time to time, issued some executive instructions relating to acquisition, development and disposal of land. For this purpose, an annual financial review of the scheme was required to be sent to the Central Government.

5.57. The Committee note that the management of 14462 acres of land belonging to the Government was entrusted to the Delhi Development Authority in 1957 as it was the successor to the erstwhile Delhi Improvement Trust. Subsequently, Ministry of Home Affairs issued orders on 2 May 1961 approving the scheme for large scale Acquisition, Development and Disposal of land in Delhi. This scheme as stated by the Secretary, Ministry of Works and Housing during evidence was thought of as a device to prevent speculation and to keep the prices of land down. The idea of the scheme was that land would be taken over, would be developed and put on the market for private development as well as for governmental activity on a large scale. According to the scheme the land was to be frozen, notified and acquired under Land Acquisition Act, 1894. For the planned development of Delhi, the Development Authority with the help of the Town and Country Planning Organisation of the Central Government drew up a draft Master Plan for development of Delhi up to 1981 which was approved by the Government in September 1962. The Master Plan identified the urbanisable area upto 1981 as 1,10,500 acres of which an area of 42,700 acres was already developed. The break up of the total area of 62000 acres of land to be acquired & developed was residential (30,600 acres), commercial (1900 acres), Industrial (4800 acres), Government (500 acres) and District & Regional Parks (25,000 acres). Against this, the Committee are constrained to note that the Government had upto the end of July, 1977 acquired 38137.66 acres of land, the disposal and distribution of this acquired land being DDA (29596.25 acres), Government/semi-Government organisations (4952.28 acres), Cooperative societies (3557.18



acres), area in process to transfer to various agencies (29.59 acres) and other (1.66 acres). The Committee are shocked to note that out of the acquired land of 38137.66 acres the various agencies had been able to develop about 50 per cent of it, i.e. 18730 acres approximately, the details being DDA (14930.63 acres), cooperative societies (1500 acres) and other agencies (2300 acres). The Committee would like to know the reasons for this slow pace of acquisition and development of land.

5.58. From the material furnished from by the Ministry of Works and Housing, the Committee are concerned to note that out of total of 74372.36 acres of land frozen under Section 4 of the Land Acquisition Act 1894 upto 31 July, 1977, the bulk of it i.e. 38878 acres were frozen during 1957 to 1960. It is painful to point out that Government could acquire only to the extent of 38137.66 acres till 31 July, 1977 i.e. after a lapse of 17 years whereas according to Government's own estimation the annual requirement of Delhi is 2500 acres. Even the Master Plan had identified the urbanisable requirement of Delhi for a population of 46 lacs upto 1981 as 62000 acres. The Committee are unable to understand as to why the Govt. had frozen the land beyond their capacity to acquire and develop. This has resulted in, apart from causing set back in development of certain areas in Delhi, sky rocketing prices of land, exorbitant increase in rents of residential premises beyond the reach of common man. Untold miseries of people of Delhi can be imagined who due to unplanned programme and activities of Delhi Administration have today to live in shanties even after 22 years of the DDA having come into being in 1957. The Committee, therefore, recommend that an independent inquiry should be instituted in this whole affair to pin point the responsibility for these lapses and the result of the inquiry intimated to them.

5.59. The total land frozen under Section 4 of the Act *ibid* as on 31 July 1977 was 74372.36 acres of which 67790.84 acres had been notified under Section 6 upto 31 July, 1977. The Ministry of Works and Housing had informed the Committee that the remaining 6582 acres of land remained to be notified were frozen under Section 4 between 1957 to 1961 and in all those cases where notification under section 6 had not been issued after 1967, notification under Section 4 had lapsed. The Ministry had also stated that in future any of this land is again needed fresh notifications under Sections 4 and 6 of the Land Acquisition Act will be issued. The Committee also find that out of the 67790.84 acres of land for which notification under Section 6 was issued the Government had been able to acquire only 38137.66 acres of land upto 31 July, 1977. The reasons for not acquiring the remaining notified land of 28653.18 acres were stated to be the financial constraints in the revolving fund and non-finalisation of Zonal Development Plans by the DDA. The Committee therefore desire to know whether these facts were ever brought to the no-

policy of the Government by the Delhi Administration and if so, what action was taken in the matter. They recommend that every effort should be made to acquire the land and to develop the so acquired land expeditiously and that monetary and other resources to undertake acquisition and development of land on this scale be made available to Delhi Administration and DDA.

5.60. Prior to 1967, there was no time limit for notifying the land under Section 6 after it was frozen under Section 4 of the Land Acquisition Act 1894. By the amendment of 1967, it has been provided that if notification under Section 6 is not issued within a period of 3 years from the date of freezing the land under Section 4, the latter notification under Section 4 lapses and in case where notification under Section 6 had been issued beyond the period of 3 years, interest at the rate of 6 will be paid. There is no time limit for acquiring/utilizing the land. The Committee are surprised to learn that a sum of Rs. 3,71,73,350.32 was paid as interest on account of late issuance of the notification under Section 6 and that this amount was counted towards the cost of land. The Committee are unable to understand as to why an innocent purchaser of land should pay for the delay on the part of Central Government. The Committee would therefore desire that a thorough investigation for identifying the reasons for delay in issuing the notification under Section 6 of the Act *ibid* should be held with a view to fix responsibility. The Committee are also of the view that a time limit should be fixed for acquiring the land after issuing the notification under Section 6 of the above Act and for developing it thereafter so that all the agencies will be prompt in acquiring and developing the land.

5.61. The Committee find that out of the 38137.66 acres of land acquired by the Delhi Administration, 29596.95 acres were placed at the disposal of the DDA for development. The Committee are distressed to note that the DDA had been able to develop only 14930.63 acres upto 31 July 1977 i.e. during the last 22 years. The Secretary, Ministry of Works and Housing had admitted during evidence that 'the DDA was not able to develop land fast enough to meet the demands from the market' and the result of this naturally was that prices began to rise which fascinated the DDA which then started releasing small areas of land for auction which was a totally misconceived policy. The Vice-Chairman of DDA had also admitted during evidence that the initial idea of trying to get hold of the land and to develop it through one single central authority was perhaps misconceived. He had also stated during evidence that to maintain status-quo in Delhi 2500 acres of land annually was required for housing purposes only. The Committee feel that the slow progress in development of land has led to acute scarcity of land with the attendant malpractices and profiteering in the disposal of land. The

Committee are of the view that the DDA has not been able to pay its attention to this primary function of development of land due to its involvement in other activities. The Committee therefore recommend that in future highest priority should be given to the development of land and its immediate disposal thereafter.

5.62. The Committee have been informed in this regard that a special cell has been set up under the Commissioner (Lands) DDA to monitor the progress of development of land and that this cell is already seized of the problem and has taken up the preparation of regulations and completion of records of the lands transferred to DDA under Section 22(i) of the Delhi Development Act 1957. The Committee would like to know the progress made in this regard and urge upon the Government to draw a time bound programme for development of the remaining portion of the land which has been acquired but has not yet been developed.

The Committee note that the Master Plan had identified the development of 30,000 acres of land for residential purposes upto 1981. Against this, the Committee are distressed to find that the total land developed upto 1977 for this purpose was 9510.98 acres, the details being DDA (5710.98 acres), Cooperative Societies (1500 acres) and other agencies (2300 acres). Slow progress in the development of land for residential purposes has resulted in the growth of a large number of unauthorised colonies as is evident from the fact that about 7500 acres of land are under occupation of people residing in such unauthorised colonies. The Committee have also been informed that about 8500 acres of land is under development for residential purposes with the various agencies. They, therefore, recommend that vigorous efforts be made to complete work on land under development so that it could be released for residential purposes expeditiously.

5.63. According to the initial scheme the work of development of land placed at the disposal of DDA was entrusted by it to the Central Public Works Department on agency basis but since 1968, the work was being executed by the DDA itself mainly through its four development divisions. The DDA had stated that the creation of an Engineering Wing can be said to have achieved the objective for which it was set up as it had been able to develop 149.63 acres of land and to construct 50,280 houses including 17603 in progress.

The Committee are not fully convinced with this contention of the DDA as is evident from the fact that it could develop also 14930.63 acres of land as against 29596.95 acres allotted to it for development. Had the DDA continued to entrust the work of development of land to CPWD in addition to its own Engineering Wing, the development of land would have been much faster. The Committee would like the Government to

re-examine the present arrangement and devise ways and means to speed up the programme of development of land. . . . .

5.64. The Committee also note that the DDA had prescribed in 1971 a quarterly return showing progress of development of land, to be furnished to the main office of the DDA by its development division and that a scrutiny during audit had revealed that the prescribed returns had not been received regularly and where received these were not complete in all respects. The Committee are surprised as to how in the absence of these returns, the DDA reviewed the progress of development of land in Delhi. They would, therefore, recommend that DDA should ensure timely submission of these returns and monitor progress of development of land.

5.65. According to the scheme of large scale acquisition, development and disposal of land and the orders issued by the Government on 2 May, 1961, land was to be allotted to certain categories at pre determined rates which did not involve an element of profit. The Committee are perturbed to note that the pre-determined rates had been revised five times in 1968, 1969, 1970, 1975 and 1977. It is most surprising that in 1975 the then Vice-Chairman, DDA had obtained the approval of the then Lt. Governor and Financial Adviser, DDA directly without recording any reasons for revising the pre-determined rates. The Committee would like the matter to be examined in all its aspects with a view to fix responsibility.

5.66. Section 22(3) of the Delhi Development Act 1957 provides that after any Nazul land has been developed by or under the control and supervision of the Authority, it shall be dealt with by the Authority in accordance with rules made and directions given by the Central Government in this behalf. The Committee have been informed in this regard that no rules have been made or directions given specifically under the provisions of Section 22(3) of the Delhi Development Act, 1957 by the Central Government. Many other such instances have also come to the notice of the Committee where rules have not yet been framed by the Government under the above Act. In this connection it is seen that the Committee on Subordinate Legislation had, in paragraph 34 of their 5th Report (Second Lok Sabha) recommended that ordinarily rules should be framed under an Act as soon as possible after the commencement of the Act. and in no case this period should exceed six months. The Committee would, therefore, like to know the specific reasons for not formulating the rules under the various provisions of the Delhi Development Act 1957 so far. Also, the steps being taken to frame rules under the said Act, should be intimated to the Committee.

*Allotment of land to Cooperative Housing-Building Societies*

5.67. The Audit has informed that the total land frozen in the Union Territory of Delhi under Section 4 of the Land Acquisition Act 1894 as

on 31st July, 1977 was 74,372.36 acres; of this 67,790.84 acres had been notified under section 6 of the Act *ibid* as required for the planned development of Delhi 27.395 59 acres of land though notified under section 6, had not been acquired. The land actually taken possession of was 38,137.66 acres. The disposal and distribution of acquired areas as on 31-7-1977 was as under:-

Agency	Acres
1. Delhi Development Authority . . . . .	29,596.95
2. Government/Semi Government/Organisations . . . . .	4,952.28
3. MCD/DDA for J. J. Removal Scheme. (Stands included in I) . . . . .	2,800.82
4. Co-operative Societies . . . . .	3,557.18
5. Others . . . . .	1.66
6. Area in the process of transfer to various agencies . . . . .	29.59

5.68. The Ministry of Works & Housing have informed that no record of yearwise development and disposal of land allotted to D.D.A. has been maintained in D.D.A. ever since its inception. However, the total area developed for different purposes by the D.D.A. over the years is as under:—

1. Residential	5710.98 acres
2. Industrial	2105.31 acres
3. Commercial	666.67 acres
4. Co-op. Housing	578.67 acres
5. Jhuggi Jhonpri Removal Scheme	2690.00 acres
6. Horticulture	3179.00 acres
Total :	14,930.63 acres

Most of the land developed so far has been disposed of.

5.69. As 3557.18 acres of undeveloped land was allotted to cooperative House Building Societies by the Delhi Administration and another 578.67 acres developed land was allotted by the D.D.A. to Co-op. Housing Societies, the Committee desired to know the total number of co-operative House-Building Societies. The representative of the Ministry of Works & Housing stated during the evidence:

“The co-operative house building societies in Delhi are broadly divided into two groups: plot-holders Society and group-housing Society. Registration is done from 1947.....

There are 242 plot-holders Societies. There are 161 group housing Societies. The total of 403."

5.70. Enquired as to how many societies applied for land, the witness stated: 'About 355 societies applied for land. Other did not apply for land.'

In this connection, the representative of the Delhi Administration stated during evidence as under:

"...Land to co-operative societies are given on the recommendation of the Land Allotment Advisory Committee; Out of the application which were given to the Land Allotment Advisory Committee, the Committee recommended only 127 cases in which land had to be allotted by Delhi Administration. We allotted land in the case of 125 societies. Now, 2 co-operative societies are still to be allotted land for which recommendation has been made to the D.D.A."

5.71. Regarding allotment of land to the Group Housing Societies, the Vice-Chairman, D.D.A., stated during evidence as under:—

"The allotment of land to co-operative societies has been done by the Delhi Administration except in the case of group-housing societies. These co-operative Societies include 161 group housing societies. 72 cases have been closed: 89 cases have been found to be eligible for allotment; of these 89, 54 have been allotted land, and the rest are under consideration..."

5.72. To a question as to how many co-operative societies were given un-developed land and in how many cases the land had been developed by these Co-operative Societies and distributed to their members, the Ministry of Works and Housing have, in a written note, stated:

"Out of 127 Co-operative House-Building Societies, 125 have been allotted undeveloped land. 93 of them have already developed the land and 82 out of them have allotted plots to its members."

5.73. Enquired whether it was a fact that in many cases the land was not allotted to these societies for more than ten years, the witness stated:—

"Officers were sent to the Co-operative Societies in 1964 for allotment of land and after 1967 land was started to be allotted. But in some cases possession was not handed over because some persons had obtained stay order from the court. There has been delay in those cases but in most of the cases land was allotted in 1969."

5.74. As the development of land in these cases were slow, the Committee desired to know whether these Co-operative Societies were given any time limit for development of land and allotment thereof and the cases in which this time-limit was not adhered to. The Ministry of Works & Housing have stated:—

“There years time limit from the date of possession of allotted land/date of execution of agreement was given to such Societies for development. However, no time limit is prescribed for allotment. The permission for allotment of plots to the members is given to a Society only when its demarcation-cum-layout plan is approved/released by the competent authority and the membership of the members is cleared by the Registrar, Co-operative Societies. 98 Societies have not completed development within 3 years and 27 have completed the development within the time allowed.”

5.75. It was pointed by a member of the Committee during evidence that the general complaint in Delhi was that a lot of harrassment was caused while getting land and a lot of unnecessary and frivolous objections were raised by the Department. The Committee, therefore, desired to know the difficulty in allotting land to the remaining Co-operative Societies. The representative of the Ministry of Works & Housing stated during the evidence:—

“As I said earlier, 76 plot-holders societies are not fortunate enough to get land allotted by Delhi Administration. The Committee set up by Government to go into the working of cooperative house-building societies in Delhi, under the chairmanship of Dr. Lokur, made a recommendation that both the Delhi Administration and DDA should try to explore the possibility of given them land. If they are not successful, the Registrar of Cooperative Societies should take steps for winding up the societies. There is no use of the societies remaining on paper and not getting land. This recommendation is before Government; an Empowered Committee is deliberating on it and it has to give a report.”

5.76. The recommendations of Dr. Lokur Committee and the action taken thereon are given below.

Recommendations of Lokur Committee	Act on taken
1. The Delhi Development Authority has stated that 87.81 hectares of land is available for allotment to Group Housing Societies but 45.44 hectares out of this land is said to be undulated. This undulated land should be levelled up and dressed as early as possible and utilised for allotment of the societies.	D.D.A. has been asked to prepare a time-bound programme for implementation of this decision.

Recommendation of Lokur Committee	Action taken
2. If, as stated by the Delhi Development Authority, some pockets of land are available the question of allotting such land to societies to whom no land is allotted should be considered.	The DDA is hard put to find land for its own projects and also to the existing group housing societies. In these circumstances, Govt. has not found possible to accept this recommendation.
3. If any land covered by the notifications under section 4 of the Land Acquisition Act, 1894, is not yet acquired, it may be acquired and earmarked for allotment to housing societies.	Weightage could be given to the societies for whom land has not been allotted provided they convert themselves into Group housing societies. The Registrar, Cooperative Societies has been asked to inform the DDA about the societies that have become defunct, so that these societies could be struck off from the list.

However, the Secretary, Ministry of Works & Housing, stated during evidence that "We will have to wait till more land is available."

5.77. The position about land allotted to Cooperative Societies and the reasons for its slow development/allotment, as given by the Ministry of Works & Housing, is as under:—

"Lands have been allotted to various cooperative societies under the scheme of 'Large-Scale' Acquisition, Development and Disposal of land in Delhi', in which about 23,000 plots have been carved out by 127 Cooperative House Building Societies. Most of the Societies are in advanced stage of development and about 9,000 sub-leases have been executed in favour of individual members. Slow progress in the past can be attributed to the following reasons:—

- (i) Litigation arising out of acquisition and stay orders of court.
- (ii) Disputes amongst the societies regarding their inter-tenancy for allotment of land in particular areas.
- (iii) Delay in the preparation of layout plans by the societies.
- (iv) Disputes regarding the provision of civic services.
- (v) Lack of zonal development plans by D.D.A. defining specific land use.
- (vi) Shortage of building material and funds.

5.78. It is stated in Baveja Committee Report that the Cooperative House-Building Societies have so far developed 1500 acres of land and another 2000 acres of land is under development.



5.79. The Committee also desired to know whether the slow development of by the Cooperative Societies was due to delay on the part of the D.D.A. in approving the layout plans and/or provision of peripheral facilities, etc. The Ministry of Works & Housing have stated:—

“DDA is concerned with the scrutiny and approval of the layout plan and set-back-cum-demarcation plan of the Cooperative Societies. The responsibility of development of land allotted to the Societies by Delhi Admn. DDA rests with the Societies. After the development of land is completed by the Societies and the set-back-cum-demarcation plan is released to the Society, the Society make allotment to its Members. It has been noticed that the delay occurs only during the development of land by the Societies. There are various factors which account for delay in development of land for the Cooperative Societies as enumerated below:—

- (i) The trunk services in various localities/areas were not available for making connections of the peripheral services. Basically it is the primary responsibility of the civic body or the M.C.D. in this case to provide trunk services where peripheral services are required to be connected by various developing agencies.
- (ii) There had been delay as well in approval of the peripheral services scheme in the MCD Planning Wing, mainly because of non-availability of trunk services where the peripheral services had been proposed to be connected finally.”

The Ministry of Works and Housing added in this connection:

“There are 15 layout plans relating to Cooperative Societies pending with the Authority. These relate to the period as shown below:

Year	No. of Societies
1970	1
1973	1
1974	2
1975	1
1976	1
1977	4
1978	5
	modified in 1977
<b>TOTAL</b>	<b>15</b>

5.80. The Committee also wanted to know whether any interest was paid to those Societies who were allotted land after 2 to 10 years after depositing the money, the representative of the Delhi Administration stated during evidence:—

“No, Sir, because there is no stipulation to pay interest in the agreement entered into with them.”

5.81. The legal position, as intimated by the Ministry of Works & Housing, in this regard is as under:—

“Delhi Administration/D.D.A. do not pay any interest to any cooperative society for the amounts deposited for the land. If there is any time lag between the date of deposit and the actual handing over of land this is due to the fact that the delay is inherent in acquisition proceedings. If a particular person has been paid compensation for his land and not being satisfied with the award of the Land Acquisition Collector, he moves the District Judge or the High Court or he challenges the acquisition itself, delay is bound to occur in finally passing on the possession to him. As a matter of fact, Govt. has to pay interest to the expropriated owners from the date of acquisition till the issue is decided by the Court. Neither under the scheme circulated vide Govt. of India letter dated 2.5.61 nor under the agreement/lease deed to be executed with the society any provision has been made for payment of interest to the society. They have to deposit money and take chances regarding the date on which possession is actually delivered to them. Moreover, in the case of Group IV Societies delay occurred for another reason for which administration cannot be blamed. The layout plans prepared by the Town Planners indicating the various sectors for the concerned societies were not acceptable to them for some reason or the other.

The Town Planner had, therefore, to do the exercise again and again till the layout was prepared which was acceptable to the societies. There are cases where societies deposited the money but refused to accept land in the area where it was offered to them. Their insistence for allotment in an area where department is not in a position to make any land available is bound to delay the process of allotment and for that none but the society itself is responsible.”

5.82. Enquired whether it is a fact that the land of many cooperative societies was acquired by Govt. at a cheaper rate and allotted to those

very societies at a higher rate, the representative of the Ministry of Works & Housing stated:

“I have got a list of societies whose land was acquired by Delhi Administration, and who were subsequently given land either at the same place or at different places. But about the rates charged, we don't have figures from Delhi Administration. So, I don't know whether those rates were higher than the acquired rates.”

The representative of the Delhi Administration, however, added in this connection:

“The rates are higher, because after acquisition there is a pool rate which is made applicable to such societies also.”

5.83. The Vice-Chairman, DDA, also stated during evidence that ‘the land was, generally speaking, village land which was acquired and a levy of Rs. 1/- a square yard was made on that land.’ The Secretary, Ministry of Works & Housing stated: ‘I am not aware of this. This is a Delhi Administration problem. This for the first time I have heard about it.’

5.84. Enquired about the basis or justification for charging this levy on the land acquired from and released to the same cooperative societies, the Ministry of Works and Housing have, in a written note, stated:—

“Delhi Administration have been charging Re. 0.50 per square yard for village re-development, Rs. 0.50 per square yard for zonal road contribution and Rs. 1/- per square yard for beautification charges. About beautification charges, it can be said that the same was levied under the orders of the Lt. Governor who is given full financial powers for the implementation of the Scheme. These powers were delegated to the Administrator, Delhi, vide circular letter No. F. 1/7/61-Delhi, dated 21st March, 1961 by the Ministry of Home Affairs.”

5.85. In reply to Starred Question No. 419 on ban on the registration of Group-Housing Societies in Delhi, the Ministry of Works & Housing stated on 21 March, 1979 in Rajya Sabha as under:—

Question	Answer
(a) Under what provisions of law Government have banned the registration of new group-housing societies in Delhi from 1973.	Under Section 9 of the Delhi Co-operative Societies Act, 1972, the Registrar of Cooperative Societies is competent to refuse registration.

Question	Answer
(b) Whether it is a fact that the ban is a deterrent factor in floating new group-housing Societies.	Yes, Sir.
(c) Whether it is not a fact that this ban is against the concept of group-housing movement in Delhi in the overall context of the role of the cooperative sector in the national reconstruction programme; and	Allowing registration of group-housing Societies, without any prospect of allotment of land in near future would be more detrimental to the interests of Cooperative movement.
(d) whether Government propose to lift the ban on the registration of new cooperative group-housing societies. ?	Owing to the limited availability of allotable land in Delhi, the DDA is not in a position to offer land for new Societies. Hence the purpose of registering new societies will not be achieved.

**5.86. The Committee note that 403 Cooperative Societies, 142 plot holders Cooperative Societies and 161 Group Housing Cooperative Societies were registered with the Registrar, Cooperative Societies in Delhi since 1947 and out of these Societies 355 Cooperative Societies applied for land. The representative of the Ministry of Works & Housing had stated during evidence that land to Cooperative Societies is given on the recommendation of the Land Allotment Advisory Committee and out of the applications which were given to that Committee, it recommended only 127 cases in which land was to be allotted by the Delhi Administration. The Committee have been informed that out of these 127 Cooperative Societies, 125 have been allotted land so far. 93 of these Societies have already developed the land and 82 out of these have allotted plots to their members. Out of the other 161 Group Housing Cooperative Societies, the DDA had found 89 cases to be eligible for allotment of land. The Vice-Chairman had informed the Committee that the DDA had allotted land in 54 cases out of these 89 cases and that the remaining cases were under consideration. The Committee would like to know the details of all those Societies which were not found eligible for allotment of land and the reasons for their requests having been turned down by the Delhi Administration or D.D.A.**

5.87. Another depolrable feature which has come to the notice of the Committee is that lay-out plans in respect of 15 Cooperative Societies submitted to the D.D.A. during the years 1970-78 are pending with it. The Committee would like to know the reasons for which these layout plans could not be finalised and stress that these plans may be finalised expeditiously.

5.88. From the information furnished by the Ministry of Works & Housing, the Committee find that there is a three year time limit for development of land from the date of possession of allotted land or date of extension of agreement with the Cooperative Societies and that no time limit is prescribed for allotment of land to its members. However, permission for allotment of plots is given only when its demarcation-cum-layout plan is approved or released by the Competent authority and the membership of the members is cleared by the Registrar Co-operative Societies. The Committee are gravely concerned to note in this connection that only 27 Cooperative Societies out of the 125 societies had been able to complete the development within this period of 3 years.

5.89. The Committee also observe that the Cooperative Societies who were allotted 3557.18 acres of land upto 31 July could develop only 1500 acres of land so far and another 2000 acres of land are under development. Slow progress in this regard had been attributed to the litigation arising out of acquisition of land, disputes amongst the societies regarding their inter se seniority for allotment of land in particular areas, delay in preparation of layout plans, disputes regarding the provision of civic services, lack of zonal development plans by D.D.A. and shortage of building material and funds. The Committee would like to know as to why the land under dispute was allotted to these societies and stress the need for settling all matters regarding inter se seniority of societies and provision of civic services expeditiously. The Committee are also of the view that the time limit for development of land should be adhered to and that time-limit should also be fixed for allotment of plots after the development of land so that housing activity in Delhi may be geared up.

5.90. The Committee note that the Minister of Works and Housing had, in reply to a question on ban on the registration of group-housing societies, inter alia stated in Rajya Sabha on 21 March, 1979 that 'owing to the limited availability of allotable land in Delhi, the DDA is not in a position to offer land for new societies' and 'hence the purpose of registering new societies will not be achieved'. In this connection the Committee observe that the total land frozen under Section 4 of the Land Acquisition Act 1894 since 1957 was 74372.36 acres of which 67790.84 acres had been

notified under Section 6 and 38137.66 acres acquired upto July, 1977. The total land developed by the various agencies has been 18730 acres. As the development of land in Delhi has been very slow during the last 22 years, the Committee are of the view that ban on registration of group housing societies and other house building co-operative societies would, apart from causing set-back to the cooperative movement, hamper further development of land and housing activities in Delhi. The Committee, therefore, recommend that the ban on registration of new group societies and other house building cooperative societies should be lifted.

P. V. NARASIMHA RAO,  
*Chairman,*  
*Public Accounts Committee.*

NEW DELHI;

*April 30, 1979*

*Vaisakha 10, 1901 (S)*

## APPENDIX-I

(Para 1.11)

Copy of letter No. F. 37/16/60-Delhi (i) from the Ministry of Home Affairs

From

Shri A. V. Venkatasubban,  
Deputy Secretary to the Govt. of India.

To

The Chief Commissioner,  
DELHI.

SUBJECT:—Control on land values in the urban areas of Delhi-Acquisition, development and disposal of land in.

Sir,

I am directed to invite a reference to your letter No. 782/ST/CC/59, dated the 6th June, 1959, forwarding the Report of the Committee which was set up to study the problem of introducing measures of control on land values and stabilising land prices in the urban areas of Delhi. The Government of India have considered the recommendations made in the Report of the Committee. They have also considered the proposals made in your note dated the 25th April, 1960, regarding acquisition, development and disposal of land. The following decisions have been taken by the Government of India:—

- (1) Private investment in housing in Delhi should be facilitated. Setting up of colonies which could be located elsewhere should be discouraged.
- (2) No institution should be given allotment of Government land in Delhi unless it subserves directly the interest of the population of Delhi or it is definite that the nature of the work to be carried out is such that it cannot with equal efficiency be carried out elsewhere than in Delhi.
- (3) The Size of residential plots to be leased out to individuals should not exceed 800 sq. yds. This ceiling would not apply to plots on which residential accommodation is constructed by Government. In the case of cooperative house-building societies, the ceiling may be extended to 1,200 sq. yds. except in the case of such cooperative societies as had either acquired land for development

under their own arrangement and had been dispossessed of that land in the acquisition proceedings by Government in 1957 or had deposited money with Government before the 31st December, 1959, for the acquisition of land for housing purposes or had themselves bought land (otherwise than through acquisition proceedings) prior to the 13th November, 1959, where the ceiling may be relaxed upto 2,000 sq. yds. Special care should be taken to see that no land was allotted to a body which was not a genuine cooperative society. Care should also be taken to ensure that the total quantity of land allotted to a co-operative society does not exceed its real needs for residential accommodation only of its members and that the co-operative societies which may be permitted to have a ceiling of 2,000 sq. yds. on individual plots are not allowed to apply for allotment of additional land merely on the ground that larger plots are required for some of their members.

2. Subject to the above mentioned general conditions, the scheme detailed below for the acquisition, development and disposal of land has been approved by Government of India:—

(1) About 8,000 acres of land should be acquired, in the first instance, under the provisions of the Land Acquisition Act, 1894. The land so acquired will be developed by the following authorities:—

- (i) The Central Public Works Department for housing of Government employees. . . 1,200 acres.
- (ii) The Delhi Development Authority for provisions of plots for—
  - (a) Private housing including plots for individuals whose land has been acquired under this scheme;
  - (b) industries and manufactures;
  - (c) shopping centres and business premises;
  - (d) Public and private institutions; and
  - (e) Public utilities and community facilities. . . . 4,000 acres.
- (iii) The Delhi Municipal Corporation for—
  - (a) Slum clearance projects and jhuggies and jhonpries scheme- 950 acres;
  - (b) industrial use for the relocation of industries to be shifted from city areas- 1000 acres. . . . 1,950 acres; and
  - (c) Co-operative societies for house-building and industrial co- . 850 acres.

**Total . . 8,000 acres**



The Delhi Municipal Corporation is being requested separately to take urgent steps to provide trunk municipal services in the areas to be developed under the scheme.

(2) The responsibility for the development and disposal of land allotted to the Central Public Works Department will be that of the Ministry of Works and Housing and Supply.

(3) The acquisition and development of Land should generally follow the time-schedule and targets indicated. The Central Public Works Department will provide adequate engineering and other necessary staff to work for the Delhi Development Authority, according to the existing procedure.

(4) Normally, developed land should be provided for—

- (a) public and private institutions and for public utilities and community facilities like open spaces parks, playgrounds, etc.
- (b) industrial and commercial use; and
- (c) housing plots for individuals including those whose land has been acquired by Government under this scheme.

However, in the case of house-building co-operative societies, and co-operative societies of industrialists and manufacturers, undeveloped land may be allotted if such societies need land for *bona fide* purposes and have the necessary resources and organisation to develop such land. In all cases where undeveloped land is allotted, it should be stipulated that development should be completed within a period of three years, failing which land should be resumed and the premium originally paid refunded to the society concerned, after deducting 10 per cent thereof as penalty for not carrying out the development within the stipulated period.

(5) Out of 8,000 acres of land proposed to be developed, in the first instance, about 2,500 acres of land, which had already been declared as 'development area', should be acquired expeditiously and placed at the disposal of the Delhi Development Authority for development and disposal under this scheme. Proposals for declaring more areas as 'development areas' may in due course, be submitted to Government in consultation with the Delhi Municipal Corporation.

(6) All Land acquired under the scheme will be nazul land and will vest in the President and will be given out in his name only on lease hold basis to local bodies and private parties, including co-operative societies, industrialists, individuals, institutions, etc.

(7) An additional charge, over and above the cost of acquisition and development, which should be merged in the price of land, should be charged at the following rates:—

Developed residential plot of—

the first	200 sq. yds. or part thereof	. Rs. 3 per sq. yd.
the next	200 sq. yds. or part thereof	. Rs. 4 per sq. yd.
the next	200 sq. yds. or part thereof	. Rs. 5 per sq. yd.
the next	200 sq. yds. or part thereof	. Rs. 6 per sq. yd.
the next	200 sq. yds. or part thereof	. Rs. 7 per sq. yd.
thereafter at	. . . . .	. Rs. 8 per sq. yd.

(8) As a general policy, disposal of developed land should be made by auction and the premium should be determined by the highest bid, except in the following cases, where land may be allotted at pre-determined rates, namely, the cost of acquisition and development *plus* the additional charge mentioned in sub-paragraph (7) above:—

- (i) to individuals whose land has been acquired as a result of the Chief Commissioner's notification dated the 7th March, 1957, the 3rd September, 1957, the 13th November, 1959, and the 10th November, 1960, or other such subsequent notifications, provided that this concession will not be available in the case of individuals affected by the notifications dated the 7th March, 1957, and the 3rd September, 1957, if the acquisition proceedings have been completed and payment made or deposited in court by the 1st January, 1961. In these cases—
  - (a) if a residential plot is to be allotted, the size of such plot, subject to the ceilings prescribed, may be determined by the Chief Commissioner, taking into consideration the area and the value of the land acquired from the individual and the location and value of the plot to be allotted; and
  - (b) if an industrial plot is to be allotted, its size may be determined with reference to the requirement of the industry to be set up, provided that the setting up of such an industry is in accordance with the Master Plan and the industrialist concerned has the capacity to establish and run such industry and provided further that the extent of land allotted at predetermined rates should not exceed the area acquired from the industrialist concerned. In making such allotments for industrialists, the Chief Commissioner will be advised by an advisory Committee to be nominated by him.
- (ii) to industrialists who are being asked to remove their factories from their present locations. Such allotments will be subject to the condition that the location of the industry concerned

within the urban area is in accordance with the Master Plan. The Advisory Committee referred to in the previous sub-paragraph should be consulted in making such allotments.

- (iii) to individuals in the low income group. These allotments will be made by drawing of lots under the supervision of an Advisory Committee to be nominated by the Chief Commissioner. A suitable percentage of the area developed for private housing by the Delhi Development Authority may be reserved for this purpose.
- (iv) to co-operative house-building societies and co-operative societies of industrialists and manufacturers.

(9) Ground rent should be charged at the nominal rate of Re. 1/- per annum per plot for the first five years in the case of such allotments, whether by auction or at pre-determined rates. Therefore, the annual ground rent shall be payable at 2½ per cent of the premium originally paid. The rate of ground rent will be subject to revision after every 30 years.

(10) The following conditions shall govern the allotment of land whether by auction or otherwise to individuals (including those whose land has been acquired:—

- (a) No plot should be allotted to any person, who or whose wife/husband or any of his/her dependent relations including unmarried children owns a house or residential plot of land in Delhi, New Delhi or Cantonment. The question of making an exception in the case of persons living in a congested locality or whose families has outgrown should be considered after some experience has been gained of the working of the scheme.
- (b) The allottee of a plot should be required to construct the house in accordance with the sanctioned plans within two years of the date of allotment, failing which the land would be liable to be resumed.
- (c) The allottee of a plot shall not sell or transfer his rights in the plot or part thereof for a period of 10 years from the date of allotment except with the previous approval of the Chief Commissioner which will be given only in exceptional circumstances. Thereafter, the permission to sell will be given by the Chief Commissioner. In both the cases 50 per cent of the unearned increase in the value of the plot will be paid to Government before the transfer is permitted.
- (d) Lease deeds may be simplified and may contain the following conditions:—
  - (i) due observance of municipal bye-laws;
  - (ii) use of the land for the purpose for which it is allotted;

- (iii) construction within the stipulated time;
- (iv) requiring permission before transferring any interest in the land;
- (v) sharing with the Government fifty per cent of unearned increase on transfer of the land;
- (vi) obligation to pay ground rent regularly; and
- (vii) re-entry and forfeiture of premium in part or in full if any of the above conditions is not fulfilled.

(11) It has been decided that, in the case of co-operative hous-building societies, the following concessions will be given:

- (a) The additional charge over and above the cost of acquisition should be recovered at half the rates mentioned in sub-paragraph (7).
- (b) The ground rent should be recovered at Re. 1/- per annum per plot for a period of 10 years and thereafter at the rate of 2½ per cent of the premium originally paid. The ground rent will be subject to revision after every 30 years.

In view of the concessions referred to above, only undeveloped land should be allotted to these co-operative house-building societies, subject to the conditions prescribed in sub-paragraph (4). Where, however, the co-operative house building society is not in a position to develop the land, developed land will be allotted to the society as mentioned in sub-paragraph (8).

In the case of other cooperative house-building societies, whose requests for acquisition of land had been received prior to November 13, 1959, including those for which a preliminary notification under section 4 of the Land Acquisition Act, 1894, has been issued, land will be allotted as mentioned in sub-paragraph (8).

The following other conditions, in addition to the conditions mentioned in sub-paragraph (10), should be applicable to co-operative house building societies:—

- (i) The society will be required to offer to every person, who owned land on the date of the initial notification in the area proposed to be acquired, membership of the society and allot him land on the same terms and conditions as in the case of the original members of the society.
- (ii) No land allotted or sold to a member of a co-operative society should be sold by him in any form, 'benami' or otherwise to a person who is not member of that society.
- (iii) No member of any co-operative house-building society shall have the right to transfer or sell his plot to any other member of the

society except with the permission of and in accordance with the rules that may be framed by Government in this behalf.

(12) The allotment of land to and the rates of premia and ground-rent recoverable from—

- (i) schools, hospitals, social, cultural and other charitable institutions;
- (ii) religious, political and semi-political organisations; and
- (iii) local bodies for remunerative, semi-remunerative and unremunerative purposes will continue to be governed by the existing orders of the Government of India.

(13) In order that private investment in housing in Delhi is encouraged and to provide houses for those who prefer to live in rental accommodation, certain number of residential plots should be leased out regularly by unrestricted public auction, i.e., the condition that one should not own any other plot or house in Delhi, New Delhi or the Cantonment being waived in such cases, after providing for the requirements referred to in the previous sub-paragraphs. The auction price in such cases, will be the premium and ground rent shall be charged at 2½ per cent of such price from the date of allotment of the plot subject to revision after every 30 years. Other conditions of allotment mentioned in sub-paragraph (10) (b), (c) and (d) should apply.

(14) It has been decided that the entire responsibility for the acquisition, development and disposal of land under the scheme should be that of the Chief Commissioner, Delhi.

3. It is understood that steps have been taken to acquire about 300 acres of land and to make available about 2,000 plots for disposal by auction by October, 1961. Necessary auction should be taken expeditiously in this regard.

In demarcating areas for acquisition, care should be taken to demarcate such areas where water supply and power could be made available soon. In preparation of layout plans for the various areas to be acquired, the Town Planning Organisation under the Ministry of Health may be utilised.

Yours faithfully,

(A. V. VENKATASUBBAN)

*Deputy Secretary to the Government of India*

Dated 2nd May, 1961

No. 37/16/60-Delhi (i)

Copy forwarded to:

All Ministries etc. etc

## APPENDIX II

A Statement showing the details of the (Para 4-46)

## 13 ZONAL DEVELOPMENT PLANS SUBMITTED TO THE GOVERNMENT FOR APPROVAL

Planning Division	Zone No.	Date of preparation	D.D.A.'s Resolution	Date of sending to Govt.	Latest Position
A	A-7 (Motia Khan)	. . . 1966	55 dt. 12-3-69	28-6-72	Certain Master Plan changes for Zone A-7 are being processed in the DDA. After these changes are finally notified the same will be incorporated in the plan and the modified plan submitted to the Government.
B	B-2 (Karol Bagh)	. . . Revised Nov. 1968	227 dt. 24-12-69	30-12-75	Certain Master Plan changes for this zone are being processed in the DDA. After these are finally notified, the same will be incorporated in the zonal dev. plan. The modified plan will then be submitted to the Central Govt. for approval.
D	D-7 (Purana Quila)	. . . 29-3-1966	65 dt. 29-4-69	24-9-69	Plan re-submitted to the Central Government for approval on 19-9-78, after incorporating a necessary modifications. The matter is under examination in consultation with town & Country Planning Organisation.
	D-8 (India Gate) D-9 (Central Sectt.)	. . . Dec., 66	61 dt. 21-2-70	16-11-71	The Zonal Dev. plan for Zone-D-8 and D-9 was submitted to the Central Government for final approval. However these Zones were also to be reviewed by the NDRAC/Design Group which has been transferred to the D.D.A. The revised zonal dev. plan for these two zones, keeping in view the concept followed for the other zonal dev. plans by the Design Group/ NDRAC, are being prepared for resubmission to the Central Government.

D-11 (Khan Mkt.) D-12 (Akbar Rd.)	27-5-68	148 dt. 26-7-71	18-12-72	The NDRAG also prepared the detailed scheme for part of area covered under these two zones mainly privately leased bungalow area. The proposals initially prepared were later on revised by NDRAG. Keeping in view the provisions of Urban Land (Ceiling & Regulation) Act, 1971. The composite zonal dev. plan scheme is being finalised by the DDA for submission to the Central Government.
D-13 (Chankayapuri) D-14 (Safdarjung Tomb) D-21 (Sarojini Nagar)	28-12-66	256 dt. 16-10-70	18-3-72	The Zonal dev. plan was resubmitted to the Central Government on 31-1-79 after making necessary modifications as desired by Min. Matter is under examination in the Ministry in consultation with Town & Country Planning Organisation.
F F-6 (Motibagh)	1963	77	7-1-77	The plan is being modified by the DDA for resubmission to the Central Govt.
F F-15 (Mahrauli)	22-11-68	79 dt. 8-8-75	20-6-77	Resubmitted to the Govt. for approval on 3-1-79. The matter is under examination in the Ministry in consultation with TCPO.
G G-10 (Madipur)	20-9-65	523 dt. 30-9-65	31-5-77	Modified plan resubmitted to the Central Govt. on 30-8-78 for approval. The DDA was asked on 27-12-78 to look into the points revised by T.C.P.O.

## B. Statement showing the details of the 11 Zonal Development Plans under finalisation/modification

Planning Division	Zone	Date of preparation of the plan.	Date of approval of the draft Development Plan	Remarks
A	A-6 (Quadam Sharif)	1965	10-7-1965	Approved by the Delhi Development Authority vide Res. No. 263 dated 25/2/67 and revised vide Res. No. 24 dated 24/1/69, pending modification.
G	C-2 (Civil Line Area Redevelopment Plan)			Recommendations of the Screening Board were approved by the DDA vide Res. No. 168 dated 27/6/77. Being modified again.
C	C-16 (Vijaya Nagar) C-17 (Ramna Pratap Bagh)	1965		Recommendations of the Screening Board were approved by the Authority vide resolution No. 238 dated 28-5/66. The composite plan is again being modified in the Planning Cell of the Authority.
D	D-10 (Budha Jayanti Park)	1968	14-6-1968	Recommendations of the Screening Board were approved by the DDA vide Res. No. 167 dated 27-6-77. Being modified in the Planning Cell of the Authority.
E	E-2 (Shumali Chiragah)	1966	30-8-1966	Recommendations of the Screening Board were approved by the DDA vide Res. No. 66 Dated 29-4-69. Modification is held up due to unauthorised constructions.
	E-6 (Dilshad Garden) E-16 (Kachi Pura)	1965	1969	



Planning Division	Zone	Date of preparation of the plan	1964	Date of approval of the draft Development Plan	15-3-1965	Remarks
F	F-11 (Munirka) F-12 (Basant Nagar)		1964		15-3-1965	Recommendations of the Screening Board on this composite draft zonal dev. plan were approved by the Authority vide its Res. No. 362 dated 2-8-66. It was submitted to the Govt. on 25-8-67. It has again been modified and is ready for submission to the Central Government.
G	G-8 (Rajouri Garden)		1964		8-2-1965	DDA approved the plan for submission to the Govt. vide resolution No. 109 dated 28-6-69. The plan being modified in the Planning Cell of the Authority.

## C. Statement showing the latest position of all the 49 Zones Description under Plans under preparation of different stages of Action.

Planning Division	Zone No.	Date of preparation of the Plan	Date of approval of the Draft Dev. Plan	Remarks	
A	A-1 (Paharganj)	1969	14-12-1970		
	A-2 (Paharganj)	1970	14-5-1970		
	A-3 (Aram Bagh)	1970	4-9-1970		
	A-4 (Jhandewalan)	1968			
	A-8 (Jhandewalan)	1968	16-12-1969		
	A-13 (Kucha Fati Ram)	1969	16-12-1969		
	A-14 (Suiwala Area)	1968	31-10-1970		
	A-15 (Old Darya Ganj)	1968	30-10-1970		
	A-16 (Lal Darwaja)	1968	31-10-1970		
	A-17 (Farash Khana)	1969	12-1-1970		
	A-18 (Naya Bans)	1970	14-5-1970		
	A-19 (Phatak Habash Khan)	1969	14-5-1970		
	A-23 (Mali Wara)	1970	31-10-1970		
	A-24 (Katra Neel)	1969	31-10-1970		
	A-24 (Katra Neel)	1969	2-11-1970		
	A-25 (Chandni Chowk)	1969	14-5-1970		
	B	B-1 (Kishan Ganj)	1970	5-9-1970	
		B-4 (Sarai Rohilla)	1964	11-5-1964	
		B-5 (Ramjas Hills Area)	1969	13-7-1969	
	C	C-6 (Malka Ganj)	1970	31-10-1970	
C-9 (Shakti Nagar)		1969	13-7-1969		
C-10 (Kamala Nagar)		1969	14-5-1970		
C-13 (University Area)		1969	19-12-1969		
A C-20 (Adarsh Nagar)		1971	18-4-1971		

Planning Division	Zone No.	Date of preparation of the plan	Date of approval of the Draft Dev. plan	Remarks.
D	D-6 (Upper Ridge Area)	1966	2-1-1970	
E	E-1 (Krishan Nagar)	1966	25-2-1967	
	E-3 (Roh'ash Nagar)	1966	18-4-1967	
	E-4 (Shahdara)	1966	13-6-1969	
	E-5 (Sakar'arpur)	1966	18-4-1967	
	E-8 (K'buraji Khas)	1968	26-6-1968	
	E-9 (Shahdara Commercial)	1969	13-6-1969	
	E-10 (Karkar Duman West)	1969	13-6-1969	
	E-11 (Karkar Duman East)	1969	13-6-1969	
	E-12 (Shakdar Pur Khas)	1968	26-6-1968	
	E-13 (Shahdara Industrial Area)	1968	24-9-69	
	E-14 (Gonda Village Area)	1966	3-1-1967	
	E-15 (Loni Road Area)	1957	8-7-1967	
F	F-5 (R.K. Puram)	1967	18-4-1967	
	F-9 (Kalkaji)	1967	11-9-1967	
	F-17 (Madangir)	1967	11-9-1967	
	F-18 (Tughlabad)	1967	6-1-1968	
	F-19 (Badarpur)	1968	10-12-1968	
G	G-1 (Najaf Garh Rd. Indl. area)	1967	22-1-1968	
	G-3 (Moti Nagar)	1967	28-9-1967	
	G-4 (Nangal Sub Station)	1967	22-1-1968	

Planning Division	Zone No.	Date of Preparation of the Plan	Date of approval of the Draft Dev. Plan	Remarks
	G-9 (Tatarpur)	1966	8-2-1979	
	G-13 (Jai Road Area)	1964	11-2-1969	
	G-14 (Tilak Nagar)	1967	28-9-1967	
	G-16 (Kesho Pur)	1967	28-9-1967	
I	I-2 (Najafgarh Town)	1973	21-2-1973	
TOTAL No. : 49.				
<i>Year wise break up</i>				
1964	1966	1967	1968	1969
2	6	10	9	14
				6
				1
				1
				1

## APPENDIX—III

(vide Para 5.45)

### *Details of land developed for various purposes*

#### LAND USE PLANNING AND ACHIEVEMENT MADE BY DDA IN CONFORMANCE TO THE LAND USE PLAN OF DELHI.

##### (1) LAND-USE BREAK-UP AS GIVEN IN THE MASTER PLAN

In Delhi, it was proposed to develop 12,000 Hects, additional land for residential use; 1900 Hects. additional land for industrial use; 760 Hects. additional land for commercial use; 9000 Hects. additional land for recreational use; 1536 Hects. additional land for public and semi-public facilities viz. educational and research institutions, cultural institutions, hospitals police head quarters and stations, fire stations, areas for public utilities like water works, sewerage treatment plants and electric power houses, cremation grounds; 4400 Hects. for circulation (including existing and proposed) roads, railways and transport facilities; and 175 Hects. for Govt. Office purposes.

##### (2) AGENCIES RESPONSIBLE FOR THE DEVELOPMENT OF DIFFERENT LAND USES :

Land-Wise	Name of Agency
(1) Residential	DDA, CHBS, CPWD
(2) Industrial	DDA, CHBS
(3) Commercial	DDA, M/W & H.
(4) Government Offices	M/W&H, & DDA (of a very small part).
(5) Residential	DDA, L & DO, MCD, NDMC
(6) Public & Semi-public facilities	DDA, L & DO, NDMC, MCD, Delhi Administration.

##### (3) Land Developed/Being developed by DDA for different uses :

###### (1) RESIDENTIAL USE

Quantity of land developed: Residential area already developed - 3000 Hects, with a break-up of 1702 Hects. in 19 residential colonies; 660

Hects. by Co-operative Societies Group-I, II & III and 598 Hects. by the development of 18 resettlement colonies, and about 100 Hacts. for the construction of slum tenements.

Residential area under development—3300 Hects. with a break-up of 1856 Hects. in 12 residential schemes, (including about 30 Hects. allotted to various Group Housing Societies) 812 Hacts. of land for Group-IV Co-operative House Building Societies and 634 Hacts. in the development of 22 new resettlement colonies (excluding resettlement colonies in agricultural green belt).

Under unauthorised colonies & extension of urban villages 3,000 Hects.  
No. of plots made available:

21,125 residential plots in 19 residential schemes, 15,000 plots in Group I, II, III co-operative House Building Societies and 52,864 plots in old resettlement colonies have been fully developed.

25,000 plots in 12 residential colonies, 1,50,000 plots in 27 resettlement colonies, and 24000 residential plots in various Group-IV Co-operative House Building Societies are being developed.

## (2) INDUSTRIAL USE :

Total area as per Master Plan :	2301 Hects.
(A) Quantity of area not concerned with the DDA.	561 HA.
(i) Area under existence at the time of preparation of Delhi Master Plan	268 HA.
(ii) Area allotted to Co-op. Industrial Societies	150 HA.
(iii) Area for extractive Industries at Mahipalpur	143 HA.
(B) Area could not be developed due to various reasons	186 H.A.
(i) Area under Flatted Factories & Works-cum-Industrial Centres	145 HA.
(ii) Area for special Industries	41 HA.
(C) Balance area which can be developed by DDA.	1554 HA.
(i) Area already by DDA	787 HA.
(ii) Area under planning stage	767 HA.
(iii) Number of plots developed by DDA	7616 HA.

(3) **COMMERCIAL USE** : Seven types of commercial centres were proposed in the Master Plan covering total area of 858 Hects. as detailed given under:-

Type of Centre	No. of Centres	Total area in Hects
(1) Central Business Distt.	5	152
(2) Sub Central Business Distt.	2	80
(3) District Centre	15	196
(4) Sub District Centres	13	72
(5) Other commercial areas	7	34
(6) Wholesale Market	9	52
(7) Storage and Ware-housing	3	272
<b>TOTAL</b>	<b>54</b>	<b>858</b>

It is a fact that decentralisation of commercial activities and progress of development of various commercial centres is ~~very slow~~ and not according to the projections envisaged in the Delhi ~~Master Plan~~. Details of different centres are given below:-

#### (1) CENTRAL BUSINESS DISTRICT:

Five Centres in a total area of 152 Hects. are proposed in the Master Plan with a break-up of the biggest one at Old Delhi, one at Asaf Ali Road, one at Connaught Place Extension, one at Parliament Street, one at I.P. Estate. Connaught Place & Extension is being dealt by I&DO NDMC. DDA is not concerned with any of the centres.

#### (2) SUB CENTRAL BUSINESS DISTRICT:

These are two in no., one at Karol Bagh and other in Shahdara in total area of 80 Hects. Concept of Karol Bagh Sub Central Business District as given in the Master Plan is being changed. Development of Sub CBD at Shahdara would be taken by DDA in due course of time.

#### (3) DISTRICT CENTRES:

There are 15 in nos. in a total area of 196 Hects. Three Centres—Nehru Place, Rajendra Place, and at the crossing of Ring Road & Najafgarh Road have been partly developed. Total area of these three centres is about 70 Hects. Out of balance 12 centres, some would be developed by I&DO, and the others by DDA.

#### (4) SUB DISTRICT CENTRES:

Out of 13 sites in an area of 72 Hects., 7 were in existence before the commencement of Delhi Master Plan. One has been developed by L&DO and the balance 5 are being taken up by DDA.

#### (5) COMMERCIAL AREAS NEAR RAILWAY STATIONS:

There 5 sites are proposed in a total area of 34 Hects. Site at Jaipur Road, Azadpur has been squatted upon. New Delhi State and Panchkula

Road are concerned with NDMC and the Centre at Rohtak Road would be developed by DDA.

(6) WHOLESALE MARKETS:

- (i) *Fruit & Vegetable Market*: Against 3 sites in a total area of 14 Hects. proposed in the Master Plan, DDA have developed one big Subzi Mandi at Azadpur in an area of 16 Hects. Another Subzi Mandi in an area of 8 Hects. is being developed by DDA at Okhla. An additional site of 40 Hects. has been marked near Badarpur in the Zonal Plan. Besides these main Mandis, few mini Subzi Mandis have also been developed by DDA. Locations are at Safdarjang Enclave, Janakpuri, Lawrence Road & Tilak Nagar.
- (ii) *Food-grain Market*: No action has been taken for Food-grain Market in an area of 6 Hects., Fodder Market in an area of 2.4 Hects., Cloth Market in an area of 4 Hects., Dry Fruit Market in an area of 0.8 Hects., Hosiery & General Market in an area of 24 Hects.
- ((iii) *Bicycle Market*: Part of Bicycle Market has been shifted to Jhandewalan.
- (vi) *Oil Storage Depot*: Site at Nangloi & near Palam Station has been squatted upon and at Patparganj in an area of 36 Hects. would be developed after getting demand. Already there are many Oil Depots near Shakur Basti.

(4) GOVERNMENT OFFICES: 11 New sites in a total area of 175 Hects. were proposed in the Delhi Master Plan for Government Offices besides offices in existence, in an area of 190 Hects. Details of the locations are given below:—

Location	Hects.
(1) Loni Road (Two sites)	56.4
(2) West of Medical Enclave near Safdarjang Hospital	13.6
(3) Ring Road Distt. Centre (100 ac. project)	4.0
(4) Kalkaji Distt. Centre	4.0
(5) North Shahdara	10.0
(6) South Shahdara	38.0
(7) West Delhi Distt. Centre (Ring Road/Najafgarh Road)	6.0
(8) North-West Delhi Distt. Centre (Ring Road)	10.0
(9) New Civic Centre on Circular Road	6.0
(10) State Govt. Offices in Chanakypuri	3.2
(11) Site near Shalimar Gardens	23.2
<b>TOTAL</b>	<b>174.4</b>



**(5) RECREATIONAL: (Distt. Parks, Playgrounds & Open Spaces):**

Out of a total additional area of 9,000 Hects., DDA have already developed district parks, playgrounds and open spaces in an area of about 3,000 Hects., besides, development of many local parks in various residential, industrial and resettlement colonies. A major portion has to be developed by the L&DO/Ministry of Works & Housing also.

**(6) PUBLIC & SEMI-PUBLIC FACILITIES:** It includes educational institutions (Colleges, University Campus, Research Institutions), Social & Cultural Institutions, Community Facilities (Hospital, Police Stations, Post & Telegraph Offices, Fire Stations), Public Utilities (Water, Sewerage & Power), Radio Transmission, Historical Monuments, Cremation Grounds & Cemeteries. A total area of 3543 Hects. is proposed for all such facilities in the Delhi Master Plan including 2007 Hects. area under existing use before the commencement of the plan. As such, only 1536 Hects additional land was proposed for public and semi-public facilities. Break-up of the total proposed facilities is given below:-

- (1) Educational Institutions in a total area of 1844 Hects (existing & proposed) with a break-up of 251 Hects. for colleges, 307 Hects. for University Centre, 1118 Hects. for research institutions, 128 Hects. for some important schools. DDA is mainly concerned with the allotment of land to colleges. So far, land has been allotted to about 20 colleges after getting demands from Delhi Administration or Delhi University. Delhi is lying vacant, and can be allotted after getting demand from the concerned authority. However, allotment for South Delhi campus is being made by L and DO.
- (2) Social & Cultural Institutions in an area of 153 Hects. DDA has developed complexes - one at South of IIT, near Jamia Millia Islamia University, near Siri Area, and in Janakpuri. Most of the land has been allotted to concerned institutions.
- (3) Community facilities—in a total area of 495 Hects. with a break-up of 377 Hects. for Hospitals, 104 Hects. for Police Deptt., 11 Hects. for P&T Deptt., and 3 Hects. for Fire Station. DDA has developed and allotted many plots to Police Department, P&T Deptt. & Firestation. For Hospitals, one plot of 20 Hects. has been allotted in Shahdara Area, and some plots to ESI. Few developed plots marked for Hospitals are lying vacant and can be allotted as and when demanded by Health Deptt., Delhi Administration or Ministry.
- (4) Public Utilities in total area of 548 Hects. with a break-up of 89 Hects. for Water Works, 435 Hects. for Sewerage Treat-

ment Plants and 24 Hects., for Power Stations. DDA is not concerned with this activity. Allotment of land is directly being done by the Secretary (I&B).

- (5) Radio Transmission Stations in an area of 162 Hects is not concerned with DDA.
- (6) Historical Monuments in an area of 27 Hect. Many of the monuments have been land-scapped and are being maintained by DDA.
- (7) Cremation Grounds in an area of 68 Hects. Land is allotted to MCD as and when required by them.

Sd/-

(R. G. GUPTA)

*Architect Town Planner II*  
*Delhi Development Authority 7-12-77*

**APPENDIX IV**  
(Vide Para 5.52))

Details of the revision of pre-determined rates in 1968, 1969, 1970  
1975 and 1977.

Statement showing the prices in various Residential Scheme in 1968.

Name of the scheme	Reserve Rate	Rate for LIG	Rate for MIG	Alternative allotment
	Rs.	Rs.	Rs.	
1. Naraina	43.20		..	38.40 to 40.80
2. Wazirpur Ph. I	45.60	28.80	45.60	45.60 to 47.40
3. Jhilmil Tahirpur	34.80	34.80		34.80 to 36.80
4. Jhilmil Tahirpur Ph. II	31.80			
5. Malviya Nagar			..	
6. Pankha Road	38.40	24.00	33.40	28.27 to 30.77
7. Safdarjung	46.80	46.80		46.80 to 49.20
8. Friends Colony	57.60			57.60 to 50.40
9. East of Kailash	52.90			52.80 to 55.20
10. Masjid Moth	45.60	21.20	49.20	45.60 to 47.40
11. Tagore Garden	39.60		..	
12. Punjabi Bagh				
13. Shalimar Bagh				
14. Rajouri Garden (Group Housing chunk)				
15. Paschimpuri				..
16. Bodela				
17. Gonda	..	..	..	..

## Statement showing the prices in various Residential Schemes in 1969.

Name of the Scheme	Reserve Rate	Rate for LIG	Rate for MIG	Alternative allotment
Naraina	55.20			55.20 to 57.00
Wazirpur Ph. I	57.60	28.80	45.60	57.60 to 59.40
Jhilmil Tahirpur Ph. I	46.80	40.00	46.80	46.80 to 48.60
Jhilmil Tahirpur Ph. II	52.80			
Malviya Nagar	72.00	48.00	72.00	72.00 to 73.80
Pankha Road	55.20	36.00	43.00	55.20 to 57.00
Safdarjung	68.40	46.80		68.40 to 70.20
Friends Colony	76.80		..	76.80 to 78.60
East of Kailash	66.00			66.00 to 67.80
Masjid Moth	68.40	31.20	49.20	68.40 to 70.20
Tagore Garden	45.60	40.00	50.00	
Punjabi Bagh	60.00	42.00	60.00	
Shalimar Bagh				
Rajouri Garden (group housing chunk)			..	
Paschimpuri			..	
Bodla				
Gonda				

*Statement showing the prices in various residential schemes during the year  
1970*

(Rates in per sq. metre)

S. No.	Name of the scheme	Reserve rate	Rate for L.I.G.	Rate for M.I.G.	Alternative allotment
1	2	3	4	5	6
1.	Naraina	55.20	41.00	55.20	55.20 to 57.00
2.	Wazirpur Ph. I.	57.60	50.00	57.60	57.60 to 59.40
3.	Jhilmil Tahirpur Ph. I.	46.80	40.00	46.80	46.80 to 48.60
4.	Jhilmil Tahirpur Ph. II.	52.80	43.00	52.80	62.80 to 54.60
5.	Malviya Nagar	72.00	48.00	72.00	72.00 to 73.80
6.	Pankha Road	55.20	36.00	55.20	55.20 to 57.00
7.	Safdarjung	68.40	50.00	68.40	68.40 to 70.20
8.	Friends Colony	76.80	..	..	76.80 to 78.60
9.	East of Kailash	66.00	55.00	66.00	66.00 to 67.80
10.	Majsid Moth	68.40	50.00	78.40	68.40 to 70.20
11.	Tagore Garden	53.00	42.00	53.00	..
12.	Punjabi Bagh	60.00	42.00	60.00	60.00 to 61.80
13.	Shalimar Bagh	56.00	36.00	56.00	56.00 to 57.80
14.	Rajouri Garden (Group Housing Chunk)	60.00	..	60.00	60.00 to 61.80
15.	Paschimpuri	60.00	42.00	60.00	60.00 to 61.80
16.	Boddela	..	..	..	..
17.	Gonda	..	..	..	..

**DELHI ADMINISTRATION: DELHI LAND & BUILDING DEPTT.**  
(Finance & Accounts Branch)

L.S.O. (R) D.D.A. may kindly refer to her U.O. No. FI(97)/74-LSB(R) dated 27-11-74 forwarding therewith a copy of L.G's orders dated 26.11.74 regarding increase of reserve rates for L.I.G. & M.I.G. People.

Due to increase in the cost of development, L.G. has also decided vide his orders dated 22.4.75 to increase.

- (i) Reserve rates for alternative allotments.
- (ii) reserve rates for auction of plots in all the residential schemes and;

(iii) Pre-determined rates and commercial rates of Industrial Schemes.

The revised rates in all the Residential Schemes and Industrial Schemes are given in Annexure I & II respectively.

S/-(M.L. VIRMANI)

Accounts Officer.

L.S.O.(R), DDA

F.20(1)(A)/L&H|Fin|Part. File dated the May 1, 1975

Copy forwarded for information and necessary action to:-

1. Vice-Chairman, DDA, New Delhi.
2. Finance Member, DDA, New Delhi.
3. Deputy Commissioner (Impl), DDA, New Delhi.
4. Deputy Secretary (L&B) (alongwith a copy of U.O. Note No. FI (97)/74-LSB (H) dated 27-11-74 and its enclosures received from L.S.O. (R).
5. L.S.O. (I), DDA, New Delhi.
6. A.O. (H), DDA, New Delhi.
7. A.O. (F&E), DDA New Delhi.
8. All residential and Industrial files of Finance & Accounts branch.

Sd./- (M. L. VIRMANI)

Accounts Officer (F&E)

## Statement showing the revised land rates in various residential schemes in 1978

Sl. Name of the scheme	L.I.G.	M.I.G.	Reserve Rate	Alternative allotment	Auction rate
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Naraina	47	65	65	65 to 66.90	72.00
2. Wazirpur Ph. I, II & III	55	70	70	70 to 71.80	80.00
3. Jhilmil Tahirpur Ph. I	45	63	63	63 to 64.80	70.00
4. Do. Ph. II	48	63	63	63 to 64.80	70.00
5. Malviya Nagar	53	82	82	82 to 83.80	90.00
6. Pankha Raod	46	65	65	65 to 66.80	72.00
7. Safdarjung	60	78	78	78 to 79.80	86.00
8. Fiends Colony	..	..	87	87 to 88.80	125.00
9. East of Kailash	60	76	76	76 to 77.80	125.00
10. Masjid Moth	60	78	78	78 to 79.80	125.00
11. Tagore Garden	47	63	63	63 to 64.80	70.00
12. Punjabi Bagh/Paschimpuri	47	70	70	70 to 71.80	77.00
13. Shalimar Bagh	..	66	66	66 to 67.80	73.00
14. Rajouri Garden	..	..	70	70 to 71.80	77.00
15. Bodela	54	66	66	66 to 67.80	73.00
16. Gonda	..	..	75	75 to 76.80	83.00

	Industrial scheme		Rate per sq. meter	
	Predetermined rates	Commercial rates		
1. Naraina Ph. I			54.00	82.00
2. Naraina Ph. II			54.00	82.00
3. Rewari Ph. I			53.00	80.00
4. Rewari Ph. II			53.00	80.00
5. Okhla Ph. I			54.00	82.00
6. Okhla Phase II			54.00	82.00
7. Rampura (Lawrence Road)			54.00	82.00
8. G. T. Karnal Road			57.00	86.00
9. Wazirpur			58.00	87.00
10. Jhilmil Tahirpur			47.00	71.00
11. Kirti Nagar			58.00	87.00

(above rates are rounded to nearest rupee).

**DELHI ADMINISTRATION DELHI LAND & BUILDING DEPARTMENT**

**Subject:—Revision of rates of Residential/Industrial Schemes of DDA**

In supersession of the order contained in this Branch U.O. No. F. 20 (1) (A)/L&B Fin|part file dt. 2-5-75, L. G. has decided due to increase in the cost of development *vide* his orders dt. 26-2-77 to increase.

- (i) reserve rates for alternative allotments,
- (ii) reserve rates for auction of plots in all the residential schemes, and,
- (iii) pre-determined rates and commercial rates of Industrial schemes.

The revised rates in all the Residential Schemes and Industrial Schemes are given in Annexure I & II respectively.

Sd/-  
(O. P. AGGARWAL)  
*Accounts Officer*

L.S.O. (R), DDA

F. 20(1) (e) L&H/Fin 3

Dt. the March 77.

Copy forwarded for information and necessary action to:-

1. Vice-Chairman DDA New Delhi.
2. Finance Member DDA New Delhi.
3. Deputy Commissioner (Impl) DDA New Delhi.
4. Deputy Secretary (L&B).
5. L.S.O(I) DDA New Delhi.
6. A.O. (H) DDA New Delhi.
7. A.O. (F&E) DDA, New Delhi.
8. All residential and Industrial files of Finance & Accounts Branch.

Sd/-  
(O. P. AGGARWAL)  
*Accounts Officer*



## Statement showing the revised land rates in various Residential Scheme in 1977.

Sl.	Name of Scheme	LIG	MIG	Reserve	Alternative	Auction
		Rs.	Rs.	rate	allotment	on rate
				Rs.	Rs.	Rs.
1.	Naraina	52	75	75	75 to 76.80	85.00
2.	Wazirpur Ph. I, II & III	60	80	80	80 to 81.80	90.00
3.	Jhilmil Tahirpur Ph. I	50	73	73	73 to 74.80	83.00
4.	Jhilmil Tahirpur Ph. II.	53	73	73	73 to 74.80	83.00
5.	Malviya Nagar	58	92	92	92 to 93.80	102.00
6.	Pankha Road	51	75	75	75 to 76.80	85.00
7.	Safdarjung	65	88	88	88 to 89.80	200.00
8.	Friends Colony	..	97	97	97 to 98.80	200.00
9.	East of Kailash	65	86	86	86 to 87.80	200.00
10.	Masjid Moth	65	88	88	88 to 89.80	200.00
11.	Tagore Garden	52	73	73	73 to 74.80	83.00
12.	Punjabi Bagh/ Paschimpuri	52	80	80	80 to 81.80	90.00
13.	Shalimar Bagh	..	76	76	76 to 77.80	86.00
14.	Rajouri Garden	..	80	80	80 to 81.80	90.00
15.	Bodela	59	76	76	76 to 77.80	86.00
16.	Ghonda	..	85	85	85 to 86.80	95.00
17.	Pritam Pura	52	80	80	80 to 81.80	90.00

## Rates in 1977

	Industrial Scheme		Rates per sq. mtrs	
	Predetermined Rates		Commercial Rates	
1. Naraina Ph. I	64.00	96.00		
2. Naraina Ph. II	64.00	96.00		
3. Rewari Ph. I	63.00	95.00		
4. Rewari Ph. II	63.00	95.00		
5. Okhla Ph. I	64.00	96.00		
6. Okhla Ph. II	64.00	96.00		
7. Rampura (Lawrence Road)	64.00	96.00		
8. G.T. Karnal Road	67.00	101.00		
9. Wazirpur	63.00	102.00		
10. Jhilmil Tahirpur	57.00	86.00		
11. Kirti Nagar	68.00	102.00		

## APPENDIX V

(vide para 5.52)

*Extract of para-4 of the note dated 10th August, 1975 which had been recorded by the then V.C., DDA and which had been approved of both by the LG and the Financial Adviser, DDA regarding the revision of rates of allotment of land.*

“On the pattern of the special scheme for allotment of plots to the allottees of New Subzimandi (Flag ‘C’) the price of plots in the Shalimar Garden, Pritampura, Paschimpuri etc. may be fixed as under:-

(i) 40 sq. yds.	. . . .	Rs. 60 per sq. yd.
(ii) 80 sq. yds.	. . . .	Rs. 70 per sq. yd.
(iii) 100 sq. yds.	. . . .	Rs. 80 per sq. yd.
(iv) 150 sq. yds.	. . . .	Rs. 100 per sq. yd.
(v) 200 sq. yds.	. . . .	Rs. 125 per sq. yd.
(vi) 250 sq. yds.	. . . .	Rs. 150 per sq. yd.
(vii) 400 sq. yds.	. . . .	Rs. 175 per sq. yd.

\* \* \* \* \*

The rates relating to allottees of New Subzimandi, Azadpur had been discussed in the note dated 22-7-75 of the then VC which had been approved of by the LG on 22-7-75, the relevant extract is given below:-

(a) Plots of 40 sq. yds. and 80 sq. yds. numbering about 200 to 300, may be carved out in a few group housing pockets of the Shalimar Bagh area. The Delhi Development Authority has already provided about 380 plots of about 100 sq. yds. in Block A of the said scheme. All these plots may be offered for allotment, on usual terms and conditions, to the Low Income Group allottees of New Subzimandi at fixed rates. This rate may be Rs. 50/- per sq. yd. in the case of 40 sq. yds. and 80 sq. yds. plots and Rs. 60/- per sq. yd. in the case of 100 sq. yds. plots.

(b) The Middle Income Group Subzimandi allottees may be offered plots of 150 sq. yds. and 200 sq. yds. at fixed rate of Rs. 70/- per sq. yd.\* The Delhi Development Authority has already got a provision for 112 plots of 150 sq. yds. and 63 plots of 200 sq. yds.

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This has been discussed further. The price for 150 sq. yds. and 200 sq. yds. should be Rs. 100/- per sq. yd., instead of Rs. 70/- per sq. yd.

Sd.\$- JAGMOHAN:

## APPENDIX VI

## Statement of Observations/Recommendations

S. No.	Para No.	Ministry/Department concerned	Observation/Recommendations
1	1	3	4
1	1-23	Ministry of Works and Housing	<p>The Committee note that the constructions and disposal of houses by DDA under its group housing schemes is undertaken by the Delhi Development Authority as one of its objectives under Section 6 of the Delhi Development Act 1957. The Vice-Chairman, Delhi Development Authority stated during evidence that "in fact Section 6 is omnibus and the word 'Building' as defined in Section 2 of the above Act includes any structure or erection or part of a structure or erection which is intended to be made for residential, industrial, commercial or other purposes, whether in actual use or not". While the Committee admit that the massive house-building programme is essential 'for those who do not have sufficient money to build their own houses', they are of the view that Section 6 of the Act is not omnibus and the words 'Building' &amp; 'Engineering' as defined in the Act have been interpreted to mean that house building was the chief function of the DDA. A reasonable interpretation of these words should have been that whatever the DDA is required to build, it should be conducive to the main object of development of Delhi. The Committee, feel that in order to leave no scope for doubt Section 6 of the Act needs to be revised suitably in consultation with the Ministry of Law, if necessary, so that the functions of the DDA are clearly spelt out.</p>

1.24 Ministry of Works  
and Housing

The Committee regret to note from the reply of the Ministry of Works and Housing that no precise targets or schedule of work were prescribed by the Delhi Development Authority for achieving their main objectives namely development of land for residential purposes, development of district and community centres etc. even though "the DDA being a high powered statutory body was required to set goals and targets for itself within frame work of the DDA Act 1957". In the absence of any prescribed targets to achieve the basic objectives, coupled with the failure of the Government on their part to exercise their control to ensure that the DDA was going in the right direction, the Authority has been functioning in an unbridled manner far away from fulfilling the objectives for which it was set up.

The Committee are concerned to note that the Delhi Development Authority has since diversified its activities by taking up works such as Removal of Jhuggies and Jhompries Scheme, maintenance of Inter-State Bus Terminus and running of a lottery etc. In addition to these, a number of other special works such as Junk Market at Mayapuri, Subzimidaries at Azadpur and Janakpuri, flated factories at Okhla, factory sheds at various locations, cycle market at Jhandewalan, Jama Masjid Redevelopment Scheme etc. were also taken up by DDA from time to time. Occasionally, the Authority was also called upon to attend to misc. functions/minor duties such as Watch and Ward and maintenance of unutilised lands of various Ministries and Department of Government of India as a field agency of the Government of India.

While it can be said that such schemes have helped marginally in the development of Delhi the fact remains that this diversification in the activities has not only tended to detract the DDA from its main functions such as development of land for residential purpose, development of district and community centres for residential purpose, development of district and community centres in public housing schemes, but has also diverted its resources which otherwise could have been spent more appropriately on important tasks before it to ameliorate the living condition of the people of Delhi. The Chairman of the Committee of Experts on the Working of Delhi Development Authority (1978) has rightly pointed out in his letter dated 6-6-1978 to the Secretary, Ministry of Works and Housing that "the Authority should get itself rid of these ancillary functions and concentrate on its main task of plan preparation, land development and disposal and implementation of housing programmes on a large scale in Delhi." The Committee hope that Government would examine the above recommendation seriously and act expeditiously in the matter.

According to the information furnished to Estimates Committee in 1975, as many as 16 States and 3 Union Territories had set up Housing Boards for undertaking housing programmes in their respective States and Union Territories. In the case of Delhi, the Committee have been informed that the proposal of setting up a Housing Board is under the consideration of the Delhi Administration and Government of India. As the demand for houses/flats in relation to the growing population of Delhi still exceeds the available number of dwelling units, the Committee strongly recommend that an early decision may be taken in the matter.

2.15 Ministry of Works  
and Housing

The Committee note that Delhi Development Authority (Maintenance of Current Account) Rules 1959 and Delhi Development Authority (Preparation of Budget) Rules 1960 were framed under Section 25 of the Delhi Development Act 1957. The representative of the Ministry of Works and Housing had admitted during evidence that 'the present state of the DDA Budget is too inadequate in a variety of ways in the sense that keeping of accounts under the system is not activity-wise' and that "these rules do contain a variety of inadequacies and that the clear cut powers of re-appropriation are not there." The Committee are constrained to point out that no serious effort was ever made in the DDA to streamline the budgetary procedure during the last two decades and even the revised draft rules (i.e. DDA) (Budget and Accounts) Rules have been pending approval for the last more than one year. The Committee have been informed in this regard that the draft rules have been shown to the Controller General of Civil Accounts and that an exercise is currently being done in consultation with the Comptroller and Auditor General of India. The Committee have been assured during evidence in October, 1973 that the Government would streamline the budgetary procedure within six months.

2.16 —do—

While formulating the revised rules, the Committee hope that care would be taken to provide that the accounts in the DDA are kept activity-wise and the Annual Accounts exhibit the financial results of each of the activity separately. The Committee therefore recommended that the DDA should be subject to same discipline as any other statutory Corporation set up by Government of India as far as form of accounts, time required

for compilation and auditing of annual accounts, presentation of accounts and the Audit Report thereon are concerned.

The Committee are concerned to note that 549 Audit Objections during the period 1968-69 to 1971-72 were still pending with the DDA for settlement. The Finance Member had assured the Committee during evidence in October 1978 that "by about January he expected to clear all the relatively older objections." The Committee appreciate this and hope that this assurance must have been fulfilled by now but at the same time they would like that responsibility be fixed for past lapses and procedure for dealing with audit objectives promptly streamlined.

Section 26 of the Delhi Development Act, 1957 provides that 'the Authority shall prepare for every year a report of its activities during the year and submit the report to the Central Government in such form and on or before such date as may be prescribed by rules, and that Government shall cause a copy of the Report to be laid before both Houses of Parliament.' It has been provided under Rule 5 of the Delhi Development Authority (Misc.) Rules, 1959 that 'after the close of each financial year the Authority shall prepare and submit to the Central Government not later than 31 October next following a report of its activities during each year.' The Committee are perturbed to find that in spite of the provisions in the Delhi Development Act and the rules made thereunder, there had been delays ranging from 2½ months to 7 months in submission of the Annual Administrative Report to the Government. The Committee would like the Government to investigate the matter thoroughly so as to identify the reasons for these delays, not only for fixing responsibility for dereliction of duty on the officers concerned but also to take remedial

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action to plug the loopholes in the functioning of the accounts Department of the Delhi Development Authority. Since the Committee have been assured that the annual Reports of the DDA would be finalised and submitted to Government in time in future. They would watch this commitment from the Papers laid before Parliament.

### 10 2.19 Ministry of Works and Housing

The Committee are constrained to point out that they see no logic in deferring the implementation of the recommendations of the Committee of Experts set up in May 1974, particularly when it was the first committee set up to evaluate the functioning of DDA since its inception in 1957. That the Government had not taken up seriously the recommendations of that committee is evident from the fact that instead of examining and implementing its recommendations expeditiously, Government appointed an Empowered Committee and that too after 7 months of the receipt of the report of the Export Committee. While the implementation of the decision of the Empowered Committee was still under consideration, Government hastened to appoint another committee of Experts in October, 1977, i.e. 17 months after the receipt of the report of Empowered the Committee in May 1976. The reasons as to why the recommendations of the Empowered Committee though accepted in entirety could not be implemented expeditiously after receipt of its report are best known to Government. The Committee are however, not satisfied with the explanation of the Government that the implementation was deferred due to enlarged activities of DDA during the period following 1974 which implies that either the study of the expert committee was



not in depth or the performance of the DDA was insignificant upto 1973-74 as compared to the work done during the 2 years following 1974. The Committee deplore that by keeping the decision of the Expert Committee in abeyance the work done by that committee as well as by the Empowered Committee had become infructuous. They feel that main and important recommendations of that Committee, such as early preparation of Zonal Development Plans for the built-up areas and walled city, expeditious policy decision regarding unauthorised colonies, reservation of 50 per cent plots for Low Income Group and Economically Weaker Sections and 30 per cent for Middle Income Group, construction of flats for Janta, Community Service Personnel and Low Income Group on priority basis, reduction of departmental and administrative charges necessity of a proper and well equipped planning and Architectural Organisation etc. could and should have been implemented without waiting for the recommendations of the new Committee which submitted its report only in June 1978. The Committee would, however, like to know in specific terms as to how the recommendations made by the Committee of Experts is an improvement over the recommendations made by the earlier Committee.

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Section 24 of the Delhi Development Act 1957 requires that the Delhi Development Authority shall prepare its annual budget of estimated receipts expenditure in such form and at such time every year as may be prescribed by rules, and forward it to the Central Government. The prescribed rules are contained in Delhi Development Authority (Preparation of Budget) Rules 1960. According to Rule 8 of these Rules, the Budget Estimate is required to be placed before the Authority by 5 October each year and after approval by the Authority, is to be

submitted to the Government by 15 October every year. The Committee are distressed to note that these provisions were flagrantly violated as they find that against the due dates, the Budget Estimates for the year 1974-75 were placed before the Authority and Government as late as 9 July, 1974 and 3 August, 1974 respectively. Similarly, the Budget Estimates for the year 1975-76 were submitted on 3 March, 1975 and 26th March, 1975 and for the year 1976-77 on 20 April, 1976 and 4 June, 1976 respectively. Thus the delays involved in submission of the Estimates to the Government ranged between 5 to 9½ months. But what the Committee are surprised to learn from the Ministry of Works & Housing is that the Budget of the Authority is required to be placed before the Authority by 15 December each year for approval as envisaged under para 27 of the Draft Budget and Accounts Rules, which are still at draft stage. It is incomprehensible that the Ministry should explain the delay for the previous years under these draft rules by basing 15 December as the date for submission of Budget Estimates to the Authority. Whatever corrective measures are taken for future, the Committee hope that for the mistakes and omissions in the past Government would take note of them seriously and as promised by the Secretary Ministry of Works and Housing during evidence action will be taken urgently to "ask the DDA to fix responsibility in cases in which DDA is the appointing authority of the officers and where Government is the appointing authority, I shall recommend to Government that responsibility should be fixed".

The Committee note that the Committee of Experts on the working of DDA (Baveja Committee) have also criticised the Authority for non-adherence to the time schedule, as laid down in the Rules for the submission of the Budget Estimates to Government for the Budget of the authority. To be realistic, that Committee have recommended that "the authority should submit the Budget Estimates to the Ministry of Works and Housing by 31st December latest, whereas major schemes and programmes costing Rs. 25 lakhs should be forwarded to the Ministry well in advance, say by 1st December each year." The Committee have been informed that on the basis of the recommendations of the Baveja Committee "it has been decided by Government that the Authority should finalise and forward the Budget Estimates to the Ministry of Works & Housing as required under Section 24 of the Delhi Development Act, 1957 latest by the 31st January of each year and the DDA have been directed to act accordingly." Whatever the new working arrangements are made, the Committee hope that Government would learn lesson from the past mistakes and omissions and ensure that Budget Estimates of the Authority are finalised and submitted to the Ministry of Works and Housing well in time so that these are properly scrutinised in detail with reference to the investment programmes, the availability of resources etc. The Committee do not agree with the contention of the Ministry that "since the DDA is an autonomous body and the Authority is its own budget sanctioning authority except to keep a watch on the receipt of the budget as required under rule 8 of the DDA (Preparation of Budget) Rules 1960 no further action was necessary". Sections 23(4), 41 and 42 of the Delhi Development Act vest in Government adequate powers to issue directions to the Delhi Development Authority for the efficient adminis-

tration of the Act and to determine the terms and conditions for release of Government funds. In the circumstances, the Committee expect that the Government would exercise the powers vested in them under these sections and take adequate action hereafter. The Committee feel that nothing in the rules should inhibit the Government to advise the authority of modifications/corrections in the Budget estimates if the Ministry are satisfied that the Estimates prepared show lack of direction, adequate planning and that there is no co-relation between the outlays provided with physical progress to be achieved and targets fixed.

Ministry of Works  
and Housing

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The Committee are distressed to note that the DDA's budget and revised estimates of receipts and expenditure when compared with the actuals for the years 1973-74 to 1975-76 showed wide variations. It indicates that the Budget estimates were prepared by the DDA in the beginning of the year unrealistically and without proper planning and care. They feel that since the revised estimates were submitted to the Authority long after the close of the year, such substantial distortions could and should have been avoided. The Committee must express their grave displeasure that there was no procedure in vogue in DDA to examine the variations from the budget/revised estimates for appropriate remedial measures. The Committee have been informed in this regard

that Baveja Committee, which went into the working of the DDA have recommended that the system of preparation of a final appropriation account should be adopted by the DDA after the close of the financial year indicating the budget estimates, the revised estimates, the actuals under each activity and the variations and the reasons for the same. This recommendation has been accepted by Government and DDA has been asked to implement it.

14           2 42   **Ministry of Works and Housing**  
 The Committee hope that with the new procedure adopted in the DDA, the variations in budget/revised estimates and the actuals would be reduced to the minimum, if not totally eliminated.

15           2 43           -do-  
 The Committee regret that there have been delays in closing the accounts of the DDA as they find that as against the due date of 31 October, the actual dates of closing the accounts for the years 1974-75, 1975-76, 1976-77 have been 3-12-1975, 18-2-1978 and 2-3-1978 respectively. The Committee note that the Government have taken some remedial measures such as making good the shortage of staff, printing of Bills on Brehma machines, reconciliation of the monthly accounts currently with the figures recorded in the revenue branches, and as a result thereof there is stated to be considerable improvement. The Committee hope that the accounts for the year 1977-78 and thereafter are closed by the due date.

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 The Committee also find from the reasons advanced for the delay ranging from 4 to 9 months in submission of budget estimates and revised estimates to the Authority that the Chief Engineer or the divisions under

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him had been responsible for the delay in furnishing the requisite material for budget in most of these cases. The Committee would like to know the action taken against the Chief Engineer.

17 3 28 Ministry of Works & Housing The Committee note that for financing the acquisition and development of land, Government set up a revolving fund in 1961-62 with an initial contribution of Rs. 1.25 crores (subsequently raised to Rs. 12.31 crores by 1969-70) out of the Consolidated Fund of India and placed it at the disposal of the Delhi Administration. The Rules governing the operation of the revolving fund are contained in the Ministry of Finance letter No. F1 (23)-B/61 dated 30 June, 1961. According to these rules sums out of the revolving fund were to be advanced to the DDA for meeting expenditure on the development of land and receipts from the disposal of land were to be paid back into it for financing further expenditure on acquisition and development of land. All amounts required for development purposes were to be specifically drawn from this revolving fund by means of a cheque signed by two officers of the Land & Housing Department of the Delhi Administration authorised by the Chief Commissioner in this behalf. The Committee are distressed to note that whereas the Delhi Administration in February 1966 allowed the DDA to utilise the amount of receipts connected with the scheme of large scale acquisition, development and disposal of land for direct utilisation by it against its development expenditure, it sought the approval of the Ministry of Home Affairs for the same in April 1973 after a lapse of 7 years. It is

interesting to find that whereas upto the year 1971-72 all the surplus receipts from the disposal of land under Nazul Account II were being passed on to the revolving fund it was only from the year 1973-74 that all receipts were not made over to the Delhi Administration. What has perturbed the Committee most is the fact that this practice was adopted despite the fact that the Ministry of Home Affairs did not agree to the changed procedure in April 1973. The Committee take a serious view of the decision of the Delhi Administration in allowing the DDA to utilize the amount of receipts directly in clear violation of the rules governing the regulation of the provision of the Revolving fund as also without prior approval of the Central Government. The Committee urge that a thorough investigation into this ill-advised procedure allowed by the Delhi Administration and executed by the DDA should be held with a view to fixing responsibility. The Ministry of Works and Housing also owe an explanation to the Committee for not taking timely action to restrain the DDA from adopting wrong procedure.

18 3-29 Ministry of Works and Housing

The Committee have reasons to believe that the above changed procedure must have resulted in accounting irregularities apart from the serious financial repercussions on the other activities of the DDA as the modified procedure of permitting the DDA not to remit the net, proceeds to the revolving fund gave an opportunity to it to keep large sums with it which it utilised on its housing and other commercial programmes without any governmental check either on the utilisation of this fund or on the wisdom of such investments. The Committee's apprehensions regarding accounting discrepancies gather strength from the fact that at one stage the Ministry of Works and Housing had informed the

Committee that DDA owed a sum of Rs. 10.87 crores to the revolving fund as on 31 March, 1978 but in their subsequent note this figure was amended to Rs. 9.80 crores. This wide disparity in the figures furnished by the same source viz. Ministry of Works and Housing is a sad commentary on the maintenance of the accounts of the DDA. The Ministry felt complete helplessness in this regard. The Committee desire that the deposits to and withdrawals from the revolving fund from 1973-74 onwards may be gone into carefully with a view to identify the irregularities for suitable remedial action.

19 3.30 Ministry of Works & Housing

The Committee regret to note that the DDA had diverted its surpluses from the sale of land to the construction activity and Jhuggi and jhompris schemes. The Vice-Chairman, DDA had admitted during evidence that the DDA got into difficulties because (i) it had taken in hand a programme for construction of approximately 70,000 houses without making arrangements for the institutional financing of these houses and putting its surplus funds into these schemes and as these funds were inadequate, DDA could complete construction of 4000 houses only and the balance of houses remained at various stages of construction, blocking an enormous amount of capital which basically represents the revolving fund, (ii) a sum of Rs. 9.61 crores was diverted to Jhuggi and jhompris schemes. The Committee are of the view that the diversion of funds to the schemes taken up on ad hoc basis howsoever laudable those might be had in fact retarded the progress of acquisition, development and disposal



of land which are the basic and main activities of the DDA. This had also resulted in exorbitant rise in the land prices.

20 3.31 Ministry of Works and Housing Another chargeable feature which has come to the notice of the Committee is that a sum of Rs. 9.61 crores was spent on Jhuggi and jhonpries without the approval of the competent authority or the Government. The Vice-Chairman DDA stated during evidence that the then Vice-Chairman of the DDA was the 'only person responsible for diverting these funds in spite of the fact that he was not competent to do it.' He has further informed the Committee that 'there is no budgetary exercise done to look at the details of the particular schemes' and in this context he referred to the project taken up in Trilokpuri for putting up MIG and LIG houses at a cost of Rs. 3 crores without the administrative approval of and without sorting out the feasibility of the scheme. The Committee feel deeply concerned over such grave and revealing irregularities.

The Committee would recommend that the Government should undertake a thorough probe into these lapses and fix responsibility.

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From the information furnished by the Ministry of Works and Housing, the Committee find that against a demand of Rs. 715 lakhs to be deposited in the revolving fund in 1974-75, the DDA had deposited a sum of Rs. 185.62 lakhs during that year and Rs. 75 lakhs in 1975-76. Again the DDA had deposited a sum of Rs. 469.50 lakhs in this fund in 1975-76 against a demand of Rs. 545 lakhs. It is distressing to note that a request

made by the Delhi Administration on 7 May 1975 for payment of Rs. 100 lakhs into the revolving fund out of the surpluses retained by the DDA had not been agreed to by the latter on 15 July, 1975 on the ground that no funds were available though fixed deposits of Rs. 200 lakhs had matured on 24 May, 1975 and had been reinvested on the same day for another three months. The Committee would like to be informed as to why the DDA had reinvested Rs. 200 lakhs for another three months instead of depositing these amounts in the revolving fund.

23 3-33 Ministry of Works & Housing

According to the Delhi Development Authority (Preparation of Budget) Rules, 1960 notified by Government of India, the Authority may sanction reappropriation of funds from one major head of account to another within any major head provided that no reappropriation shall be made from Nazul to non-Nazul accounts or vice-versa and from slum or Rehousing Accounts to General Development Accounts and vice-versa, without the prior approval of the Government. In spite of these provisions, the Committee are perturbed to note that during the years from 1972-73 to 1976-77 Rs. 112 lakhs and Rs. 915 lakhs were transferred from Nazul Account I and II respectively to General Development Account; Rs. 422 lakhs from General Development Account to Nazul Account II; Rs. 30 lakhs from Nazul Account I to II and Rs. 58 lakhs from Nazul Account II to I and Rs. 897 lakhs from Nazul Account II to III without the approval of the Government. What is surprising is the fact that the DDA had stated that it need not deposit the accretions to the fund from time to time.

whereas the Ministry of Works and Housing have admitted that the approval of the Delhi Administration was required for such transfers. The Finance Member, DDA stated during evidence that as the DDA is keeping a single cash book under the prescribed rules, it is very difficult to strike a balance in respect of each account unless the account of a particular month is closed. The Vice-Chairman also conceded that the diversion of funds is symptomatic—firstly of improper preparation of budget estimates. and secondly of not preparing proper cash flow projections at the time of preparation of budget. Another reason advanced by him was that 'the DDA never had a strong internal Audit organisation'. The Baweja Committee which went into the working of the DDA in depth also stated that diversion of funds from one account to another by the Authority was "unfortunate". The Committee are also surprised to note that during the year 1973-74 to 1977-78 when the expenditure provided for was more than the anticipated receipts in the respective accounts, the excess of expenditure used to be balanced by way of provisions under Debt, Deposits and Advances heads. In view of the above facts, the Committee recommend that the DDA should revise their Budget and Accounts rules in consultation with the Comptroller and Auditor General of India so that DDA may maintain their accounts on commercial basis and it should have a proper balance sheet of all its assets and liabilities, details of its block accounts and a profit and loss statement activity-wise. They are also of the view that the powers to appropriate and re-appropriate funds out of the sums allotted are required to be specifically delegated to the various authorities and it should introduce the system of performance budgeting.

23 3 34 Ministry of Works & Housing The Committee can only conclude from the above facts that hitherto there was no proper machinery available to control the activities of D.D.A.

which was committing one irregularity after another. What is more surprising is the fact that Government asked as a passive observer and did not exercise their right to intervene. The Committee hope that the authorities concerned would learn a lesson from their past irregularities and take concrete measures to obviate their recurrence.

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Section 8 of the Delhi Development Act, 1957 provides that "simultaneously with the preparation of the master plan or as soon as possible, thereafter, the Authority shall proceed with the preparation of a zonal development plan for each of the zones in which Delhi may be divided". The Committee find that the Master Plan drawn up for 20 years (1962—81), after its approval by the Government, came into force on 1 September, 1962. The Plan divided Delhi into 139 Zones providing for the manner in which land in each zone should be used. The Committee are distressed to note that out of the total 139 zonal plans to be prepared and notified, only 43 plans have so far been approved by Government and notified, 13 are under submission to Government for approval, 11 are under finalisation or modification, 49 are under preparation and 23 are yet to be prepared. The preparation and finalisation of the zonal plans for the last more than 16 years, since the inception of the Master Plan, shows utter lack of interest, drive and inept handling of the subject not only in the DDA but also in the Ministry of Works and Housing which were entrusted with the task of approval of the zonal plans.

When asked during evidence, the Vice-Chairman, DDA conceded that he was not satisfied with the progress. The unpardonable delay in the preparation of the zonal plans has retarded the planned development of Delhi by several years.

25                    4.38                    -do-  
 The Committee recommend that Government should institute a thorough probe to identify the reasons for delays in the preparation and finalisation of the zonal plans at various stages so as to fix responsibility at the appropriate levels.

26                    4.39                    -do-  
 The Committee have also been informed during evidence that the Master Plan itself has become due for revision and "it may well be that the preparation of these zonal plans may be redundant under the old master plan". The Committee can not accept these views of the Government as they feel that howsoever comprehensive the revised master plan may be, there have to be detailed zonal plans to feed the Master Plan. The Committee, therefore, desire that the work on the incomplete zonal plans should proceed apace so that these are finalised before the revision of the Master Plan is taken up.

27                    4.40                    -do-  
 With regard to the revision of the master plan the Committee recommended that a committee of senior technical officers drawn from various Ministries and Departments concerned, Delhi Administration and other agencies, such as Delhi Municipal Corporation, New Delhi Municipal Committee etc., who are directly or indirectly connected with the development schemes and provision of essential services in Delhi, may be constituted immediately to draw up a suitable framework for the new Master

**Plan.** This is considered essential for undertaking detailed studies and surveys for the formulation of the new plan to avoid pitfalls or large scale modifications at later stage.

The Committee note that one of the inbuilt provision of the master plan was that it will be reviewed after 5 years and revised after 10 years. The Committee are perturbed to note that the DDA had not made any such review of the master plan. This violation of the statutory provision is deplorable and calls for fixation of responsibility.

Section 11A(1) of the Delhi Development Act, 1957 provides for the DDA to make any modification to the master plan or the zonal Development plan as it thinks fit, being modifications which, in its option, do not affect important alterations in the character of the plan and which do not relate to the extent of land uses or the standards of population density'. It is distressing to note that in some cases certain schemes were taken up by the D.D.A. in anticipation of the necessary modification in the Master Plan and uses/regulations without the approval of Government. The Committee are surprised to note that besides the D.D.A. other Government and Semi-Government institutions such as N.D.M.C., D.M.C., and even CBI had also violated the prescribed land use. The Vice-Chairman, DDA had assured the Committee that "they had tried to space no one. Even CBI itself is being hauled up for violation". The Committee would like to know specifically within the next three months the action taken against the persons concerned in this regard.

Ministry of Works  
& Housing

28 4.41

29 4.42 -do-

The Committee note that the management of 14462 acres of land belonging to the Government was entrusted to the Delhi Development Authority in 1975 as it was the successor to the erstwhile Delhi Improvement Trust. Subsequently, Ministry of Home Affairs issued orders on 2 May 1961 approving the scheme for large scale Acquisition, Development and Disposal of land in Delhi. This scheme as stated by the Secretary, Ministry of Works and Housing during evidence, was thought of as a device to prevent speculation and to keep the prices of land down. The idea of the scheme was that land would be taken over, would be developed and put on the market for private development as well as for Governmental activity on a large scale. According to the scheme the land was to be frozen, notified and acquired under Land Acquisition Act, 1894. For the planned development of Delhi, the Delhi Development Authority with the help of the Town & Country Planning Organisation of the Central Government, drew up a draft Master Plan for development of Delhi up to 1981 which was approved by the Government in September 1962. The Master Plan identified the urbanisable area upto 1981 as 1,10,500 acres of which an area of 42,700 acres was already developed. The break up of the total area of 62000 acres of land to be acquired & developed was residential (30,000 acres), commercial (1900 acres), Industrial (4800 acres), Government (500 acres) and District & Regional Parks (25,000 acres). Against this, the Committee are constrained to note that the Government had upto the end of July 1977 acquired 38137.66 acres of land, the disposal and distribution of this acquired land being DDA (29596.25 acres), Government/semi-Government organisations (4952.28 acres), Cooperative societies (3557.18 acres), area in process to transfer to various agencies (29.59 acres) and other (1.66

acres). The Committee are shocked to note that out of the acquired land of 38137.66 acres the various agencies had been able to develop about 50 per cent of it, *i.e.* 18730 acres approximately, the details being DDA (14930.63 acres), cooperative societies (1500 acres) and other agencies (2300 acres). The Committee would, like to know the reasons for this slow pace of acquisition and development of land.

### 31 5.58 Min. of Works & Housing

From the material furnished from by the Ministry of Works and Housing, the Committee are concerned to note that out of total of 74372.36 acres of land frozen under Section 4 of the Land Acquisition Act 1894 upto 31 July, 1977, the bulk of it *i.e.* 38878 acres were frozen during 1957 to 1960. It is painful to point out that Government could acquire only to the extent of 28137.66 acres till 31 July, 1977 *i.e.* after a lapse of 17 years whereas according to Government's own estimation the annual requirement of Delhi is 2500 acres. Even the Master Plan had identified the urbanisable requirement of Delhi for a population of 46 lacs upto 1981 as 62000 acres. The Committee are unable to understand as to why the Govt. had frozen the land beyond their capacity to acquire and develop. This has resulted in, apart from causing set back in development of certain areas in Delhi, sky rocketing prices of land, exorbitant increase in rents of residential premises beyond the reach of common man. Untold miseries of people of Delhi can be imagined who due to unplanned programme and activities of Delhi Administration have today to live in shanties even after 22 years of the DDA having come into being in 1957. The Committee, therefore, recommend that an independent inquiry should



be instituted in this whole affair to pin point the responsibility for these lapses and the result of the inquiry intimated to them.

The total land frozen under Section 4 of the Act *ibid* as on 31 July 1977 was 74372.36 acres of which 67790.84 acres had been notified under Section 6 upto 31 July, 1977. The Ministry of Works and Housing had informed the Committee that the remaining 6582 acres of land remained to be notified were frozen under Section 4 between 1957 to 1961 and in all those cases where notification under section 6 had not been issued after 1967, notification under Section 4 had lapsed. The Ministry had also stated that in future any of this land is again needed fresh notifications under Sections 4 and 6 of the Land Acquisition Act will be issued. The Committee also find that out of the 67790.84 acres of land for which notification under Section 6 was issued the Government had been able to acquire only 38137.66 acres of land upto 31 July, 1977. The reasons for not acquiring the remaining notified land of 28653.18 acres were stated to be the financial constraints in the revolving fund and non-finalisation of Zonal Development Plans by the DDA. The Committee therefore desire to know whether these facts were ever brought to the notice of the Government by the Delhi Administration and if so, what action was taken in the matter. They recommend that every effort should be made to acquire the land and to develop the so acquired land expeditiously and that monetary and other resources to undertake acquisition and development of land on this scale be made available to Delhi Administration and DDA.

Prior to 1967, there was no time limit for notifying the land under Section 6 after it was frozen under Section 4 of the Land Acquisition Act

1894. By the amendment of 1967, it has been provided that if notification under Section 6 is not issued within a period of 3 years from the date of freezing the land under Section 4, the latter notification under Section 4 lapses and in case where notification under Section 6 had been issued beyond the period of 3 years, interest at the rate of 6 per cent will be paid. There is no time limit for acquiring/utilizing the land. The Committee are surprised to learn that a sum of Rs. 3,71,73,350.32 was said as interest on account of late issuance of the notification under Section 6 and that this amount was counted towards the cost of land. The Committee are unable to understand as to why an innocent purchaser of land should pay for the delay on the part of Government. The Committee would therefore desire that a thorough investigation for identifying the reasons for delay in issuing the notification under Section 6 of the Act *ibid* should be held with a view to fix responsibility. The Committee are also of the view that a time limit should be fixed for acquiring the land after issuing the notification under Section 6 of the above Act and for developing it, thereafter so that all the agencies will be prompt in acquiring and developing the land.

The Committee find that out of the 38137.66 acres of land acquired by the Delhi Administration, 29596.95 acres were placed at the disposal of the DDA for development. The Committee are distressed to note that the DDA had been able to develop only 14930.63 acres upto 31 July 1977 *i.e.* during the last 22 years. The Secretary, Ministry of Works and Housing had admitted during evidence that 'the DDA was not able

to develop land fast enough to meet the demands from the market' and the result of this naturally was that prices began to rise which fascinated the DDA which then started releasing small areas of land for auction which was a totally misconceived policy." The Vice-Chairman of DDA had also admitted during evidence that the initial idea of trying to get hold of the land and to develop it through one single central authority was perhaps misconceived. He had also stated during evidence that to maintain status-quo in Delhi 2500 acres of land annually was required for housing purposes only. The Committee feel that the slow progress in development of land had led to acute scarcity of land with the attendant malpractices and profiteering in the disposal of land. The Committee are of the view that the DDA has not been able to pay its attention to this primary function of development of land due to its involvement in other activities. The Committee therefore recommend that in future highest priority should be given to the development of land and its immediate disposal thereafter.

35 5-62 Ministry of Works and Housing

The Committee have been informed in this regard that a special cell has been set up under the Commissioner (Lands) DDA to monitor the progress of development of land and that this cell is already seized of the problem and has taken up the preparation of regulations and completion of records of the lands transferred to DDA under Section 22(i) of the DDA Act 1957. The Committee would like to know the progress made in this regard and urge upon the Government to draw a time bound programme for development of the remaining portion of the land which has been acquired but has not yet been developed.

The Committee note that the Master Plan had identified the development of 30,000 acres of land for residential purposes upto 1981. Against this, the Committee are distressed to find that the total land developed upto 1977 for this purpose was 9510.98 acres, the details being DDA (5710.98 acres), Cooperative Societies (1500 acres) and other agencies (2300 acres). Slow progress in the development of land for residential purposes has resulted in the growth of a large number of unauthorised colonies as is evident from the fact that about 7500 acres of land are under occupation of people residing in such unauthorised colonies. The Committee have also been informed that about 8500 acres of land is under development for residential purposes with the various agencies. They, therefore, recommend that vigorous efforts be made to complete work on land under development so that it could be released for residential purposes expeditiously.

According to the initial scheme the work of development of land placed at the disposal of DDA was entrusted by it to the Central Public Works Department on agency basis but since 1968, the work was being executed by the DDA itself mainly through its four development divisions. The DDA had stated that the creation of an Engineering Wing can be said to have achieved the objective for which it was set up as it had been able to develop 14930.63 acres of land to construct 50,258 houses including 17603 in progress.

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The Committee are not fully convinced with this contention of the DDA as is evident from the fact that it could develop 14930.63 acres of land against 29596.95 acres allotted to it for development. Had the DDA continued to entrust the work of development of land to CPWD in addition to its own Engineering Wing, the development of land would have been much faster. The Committee would like the Government to re-examine the present arrangement and devise ways and means to speed up the programme of development of land.

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Works &amp; Housing

The Committee also note that the DDA had prescribed in 1971 a quarterly return showing progress of development of land, to be furnished to the main office of the DDA by its development division and that a scrutiny during audit had revealed that the prescribed returns had not been received regularly and where received these were not complete in all respects. The Committee are surprised as to how in the absence of these returns, the DDA reviewed the progress of development of land in Delhi. They would, therefore, recommend that DDA should ensure timely submission of these returns and monitor progress of development of land.

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According to the scheme of large scale acquisition, development and disposal of land and the orders issued by the Government on 2 May, 1961, land was to be allotted to certain categories at pre-determined rates, which did not involve an element of profit. The Committee are perturbed to note that the pre-determined rates had been revised five times in 1968, 1969, 1970, 1975 and 1977. It is most surprising that in 1975 the then

Vice-Chairman, DDA had obtained the approval of the then Lt. Governor and Financial Adviser, DDA directly without recording any reasons for revising the pre-determined rates. The Committee would like the matter to be examined in all its aspects with a view to fix responsibility.

Section 22(3) of the Delhi Development Act 1957 provides that after any Nazul land has been developed by or under the control and supervision of the Authority, it shall be dealt with by the Authority in accordance with rules made and directions given by the Central Government in this behalf. The Committee have been informed in this regard that 'no rules have been made or directions given specifically under the provisions of Section 22(3) of the Delhi Development Act, 1957 by the Central Government. Many other such instances have also come to the notice of the Committee where rules have not yet been framed by the Government under an Act as soon as possible after the commencement of the Act and on Subordinate Legislation had, in paragraph 34 of their 5th Report (Second Lok Sabha) recommended that ordinarily rules should be framed under an Act as soon as possible after the commencement of the Act and in no case this period should exceed six months. The Committee would, therefore, like to know the specific reasons for not formulating the rules under the various provisions of the Delhi Development Act 1957 so far. Also, the steps being taken to frame rules under the said Act, should be intimated to the Committee.

The Committee note that 403 Co-operative Societies, 142 plot holders Co-operative Societies and 161 group Housing Co-operative Societies were registered with the Registrar, Cooperative Societies in Delhi since 1947

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and out of these Societies 355 Cooperative Societies applied for land. The representative of the Ministry of Works & Housing had stated during evidence that land to Cooperative Societies is given on the recommendation of the Land Allotment Advisory Committee and out of the applications which were given to the Committee, it recommended only 127 cases in which land was to be allotted by the Delhi Administration. The Committee have been informed that out of these 127 Cooperative Societies, 125 have been allotted land so far 93 of these Societies have already developed the land and 82 out of these have allotted plots to their members. Out of the other 161 Group Housing Cooperative Societies, the DDA had found 89 cases to be eligible for allotment of land. The Vice-Chairman had informed the Committee that the DDA had allotted land in 54 cases out of these 89 cases and that the remaining cases were under consideration. The Committee would like to know the details of all those Societies which were not found eligible for allotment of land and the reasons for their requests having been turned down by the Delhi Administration or D.D.A.

Another deplorable feature which has come to the notice of the Committee is that lay-out plans in respect of 15 Cooperative Societies submitted to the D.D.A. during the years 1970-78 are pending with it. The Committee would like to know the reasons for which these layout plans could not be finalised and stress that these plans may be finalised expeditiously.

From the information furnished by the Ministry of Works & Housing, the Committee find that there is a three-year time limit for development of land from the date of possession of allotted land or date of extension of agreement with the Cooperative Societies and that no time limit is prescribed for allotment of land to its members. However, permission for allotment of plots is given only when its demarcation-cum-layout plan is approved or released by the competent authority and the membership of the members is cleared by the Registrar, Co-operative Societies. The Committee are gravely concerned to note in this connection that only 27 Cooperative Societies out of the 125 societies had been able to complete the development within this period of 3 years.

The Committee also observe that the Cooperative Societies who were allotted 3557.18 acres of land upto 31 July, 1977 could develop only 1500 acres of land so far and another 2000 acres of land are under development. Slow progress in this regard had been attributed to the litigation arising out of acquisition of land, disputes amongst the societies regarding their *inter se* seniority for allotment of land in particular areas, delay in preparation of layout plans, disputes regarding the provision of civic services, lack of zonal development plans by D.D.A. and shortage of building material and funds. The Committee would like to know as to why the land under dispute was allotted to these societies and stress the need for settling all matters regarding *inter se* seniority of societies and provision of civic services expeditiously. The Committee are also of the view that the time limit for development of land should be adhered to and that time-limit should also be fixed for allotment of plots after the development of land so that housing activity in Delhi may be geared up.



The Committee note that the Minister of Works and Housing had, in reply to a question on ban on the registration of group-housing societies, *inter alia* stated in Rajya Sabha on 21 March, 1979 that 'owing to the limited availability of allotable land in Delhi the DDA is not in a position to offer land for new societies' and 'hence the purpose of registering new societies will not be achieved'. In this connection the Committee observe that the total land frozen under Section 4 of the Land Acquisition Act, 1894 since 1957 was 74372.36 acres of which 67790.84 acres had been notified under Section 6 and 38137.66 acres acquired upto 31 July, 1977. The total land developed by the various agencies has been 18730 acres. As the development of land in Delhi has been very slow during the last 22 years, the Committee are of the view that ban on registration of group housing societies and other house building co-operative societies would, apart from causing set-back to the cooperative movement, hamper further development of land and housing activities in Delhi. The Committee, therefore, recommend that the ban on registration of new group societies and other house building cooperative societies should be lifted.