

# Standing Committee Report Summary

## Adarsh Co-operative Housing Society, Mumbai

- The Public Accounts Committee (Chairperson: Mr. Murli Manohar Joshi) submitted its 91st report on the Adarsh Co-operative Housing Society, Mumbai relating to the Ministry of Defence (MoD) on December 9, 2013.
- **Background:** Adarsh Co-operative Housing Society (ACHS) was floated as a residential building in February 2000, for the welfare of defence personnel, ex-servicemen, and widows, and was allotted land in Colaba, Mumbai. The Comptroller and Auditor General (CAG), while undertaking a performance audit of Defence Estate Management, noticed the case of ACHS. In its report submitted to Parliament, CAG highlighted that (i) land handed over to ACHS was under a dubious No Objection Certificate (NOC), (ii) various concessions were made by different ministries to ACHS, and (iii) public officials involved in the decision making process became members of ACHS and benefitted from the prime property. The Committee made the following observations and recommendations:
  - **With regards to the Ministry of Defence:**
    - (i) **Non-cooperation with CAG:** The Committee demanded explanations from MoD on why access to military records was initially denied to CAG.
    - (ii) **Mutation of Land:** The land given to ACHS was to be transferred to MoD by the state government under a 1958 agreement. While this land was under the physical occupation of the army, its ownership had not been *formally* transferred in favour of MoD. The Committee sought reasons for the same.
    - (iii) **Estate Management:** The Committee wished to be kept apprised of the outcome of MoD's remedial initiatives towards management of defence lands.
  - **With regards to the No Objection Certificate:**
    - (i) **NOC issued by Local Military Authority:** The Committee asked how MoD had issued a NOC in favour of ACHS when the land was in physical possession of the army. MoD admitted that the case involved criminality, and thus, an enquiry by the CBI had been ordered.
    - (ii) **Expansion of Adarsh membership:** The initial list of 40 ACHS members comprised only of defence personnel in the year 2000. However, of the 102 members in the year 2010, only 37 were defence personnel. The Committee asked the MoD to provide the list of add-on members in chronological order.
    - (iii) **Violation of terms of NOC:** Committee asked why the NOC was not rescinded when it was noted that the membership of the society continued to expand to accommodate non-defence personnel. MoD admitted that it was probably because all decision making functionaries were beneficiaries.
  - **With regards to other agencies:**
    - (i) **Modification of MMRDA plan:** Land reserved for road widening under Mumbai Metropolitan Region Development Authority (MMRDA) development plan was given to ACHS.
    - (ii) **Selective application of DCR:** The ACHS building falls within the Coastal Regulation Zone II, and thus, was to be governed by the Development Control Rules (DCR), 1967. However, ACHS was allowed to apply DCR, 1991 as height restrictions are not stipulated in DCR, 1991.
    - (iii) **Environment protection:** The Ministry of Environment and Forest (MoEF) failed to prevent the construction of a building in violation of height restriction. The Committee asked to be kept apprised of the action taken against officials who failed to detect gross violation in their jurisdiction, and asked MoEF to plug loopholes in their rules to ensure proper environment protection.
  - **Slow pace of CBI investigation:** The Committee noted the slow pace of investigation by CBI, and exhorted it to expedite the investigation.
  - **Security concerns ignored:** MoD admitted that there are security concerns due to the height of the building, and its proximity to Colaba Military Station. The Committee censured the disregard for such safety concerns during construction of the ACHS building.

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