

## **Chapter 7**

# **Conclusion and Recommendations**

### **7.1 Conclusion**

The Board's functioning, especially in regard to selection of locations for industrial areas, was not effective in removing the regional imbalances. There was no prior consultation by the Board with the Planning Authorities to ensure that land earmarked for non-industrial use was not notified for industrial areas. The de-notifications by Government of acquired land reflected serious loopholes in rules and disregard for landmark judgments given by courts. Grave irregularities in payment of compensation included in the report reflected consistent subversion of acts and rules by the SLAOs concerned in the absence of any checks and balances over their functioning.

### **7.2 Recommendations**

- In order to ensure orderly establishment, growth and development of industries in the State, Government needs to ensure that the Board acquires land for setting up industrial areas after prior consultation with the jurisdictional Planning Authorities.
- Government needs to ensure that land taken possession of by the Board is not de-notified by subjugating public interest to private interest.
- Government needs to address the issue of fixation of compensation on the basis of mutual consent by framing guidelines prescribing the benchmarks which the PAC is to follow. This is essential to guard against disproportionately high compensation being fixed by PAC in the guise of mutual agreement.
- The irregularities highlighted in the report are only illustrative and reveal glaring examples of dereliction of duty and severe lack of accountability which need to be investigated. All payments of compensation made by the SLAOs for Government land acquired during 2006-11 need to be examined to assess the impact of irregularities committed.

- **An effective internal control mechanism needs to be put in place to ensure that land acquisition is consistent with Government instructions and payment of compensation for land acquired by the Board is made after due observance of the procedures prescribed.**
- **The Board needs to frame appropriate guidelines to ensure that there is transparency in allotment of civic amenity sites in the industrial areas developed by it.**

**BANGALORE  
THE**

**(D. J. BHADRA)  
Principal Accountant General  
(Civil and Commercial Audit)**

**COUNTERSIGNED**

**NEW DELHI  
THE**

**(VINOD RAI)  
Comptroller and Auditor General of India**