

CHAPTER – III

Land Acquisition

Land being a key resource in timely establishment of CAPF formations, an attempt was made in audit to ascertain the adequacy of land availability, constraints in land acquisition, time taken in acquisition and utilisation of land.

Whenever requirement of land arises for construction of a new unit, approval of Key Location Plan (KLP) of the unit is to be obtained from MHA. KLP is the location where a new field formation can be established and is a strategic decision. Thereafter, a site selection committee is constituted by CAPF which identifies and assesses the specific site. After the approval of MHA, the CAPF has to acquire land through state governments as per the provisions of Land Acquisition Act, 1894 (Revised with effect from 1 January 2014) and Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act- 2013 (which came into force from 1 January 2014). MHA in March 2009 reduced the time to be taken from their earlier level of 2 ¼ years to 1 year 7 days in order to get the land acquisition process completed in a time bound manner.

Guidelines regarding acquisition of land by CAPFs issued by MHA in March 2009 envisaged that:

- Approval of Key Location Plan (KLP) of the unit has to be obtained from MHA before land acquisition proceedings are initiated.
- Land should be acquired through the state government and not through direct negotiation with landowners.
- Land proposed for acquisition should be free from encroachment and there should be no dispute regarding ownership of land.
- No permanent construction should be undertaken unless the land has been acquired and a clear title has been obtained.
- The land documents viz. copy of gazette notification, stamped receipt, sale deed (for private land), and possession certificate of land should be obtained from the district collector or the concerned state government.
- Survey sketch of land showing Patta/Chithas with Dag No. /Plot No. of land duly amended in the name of the CAPFs and authenticated by land records/Revenue authorities should be obtained.
- Proper demarcation of land by erecting boundary pillars and fencing of land, where feasible, should be carried out.

- No High Tension (HT) power line should cross the proposed land and if HT line is unavoidable, then force should purchase extra land.
- Validity of the lease should be 99 years. If the initial lease period is less than 99 years, then, there must be clause for further extension in the lease deed. Further, provisions for claiming compensations for buildings and other assets created by the CAPF in the event of vacation of the land at any stage should also be included in the lease deed. The draft lease deed should be forwarded to Force Head Quarter for vetting/approval before execution.

3.1 DEVIATIONS IN LAND ACQUISITION

Audit scrutinised 132 cases of land acquisition involving 14,320 acres across CAPFs worth ₹ 415 crore. It was found that overall performance in land acquisition was not satisfactory. Land acquisition cases which showed aberrations are quantified in the table below and explained thereafter.

Table 3.1: Details of delay and deviation in acquisition of land by CAPFs

(₹ in crore)

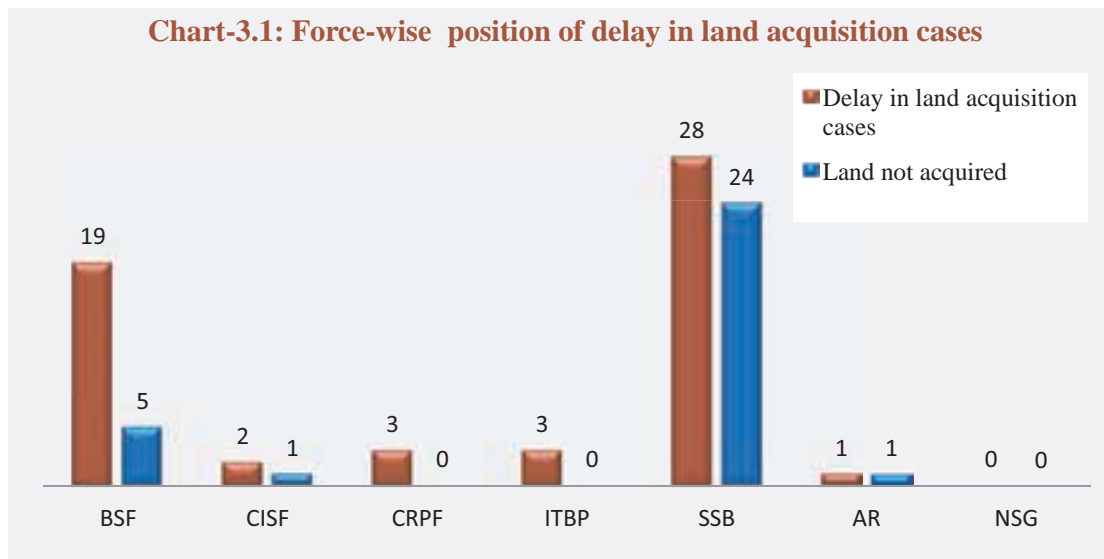
Cases of Deviation	No. of cases	Money value
Delay/Non acquisition of land (Annex-1.2)		
Delay in acquisition	56	236.05
Non- acquisition of land	31	147.85
Deviation in acquisition (Annex-3.4)		
- Excess acquisition	23	134.58 (29.21)*
- Short acquisition	44	

*Excess expenditure on excess acquisition of land

The time period prescribed by MHA for acquisition of land was reduced from 2 ¼ years to 1 year and 7 days so that the utilization of land could be started at the earliest. Audit noticed that in 87 cases (66 per cent) out of 132 selected land acquisition cases, there was considerable delay ranging between 5 months and 9.7 years in acquiring land from date of approval of KLP till taking over of possession of the land (**Annex-1.2, S. No. 1 to 87**).

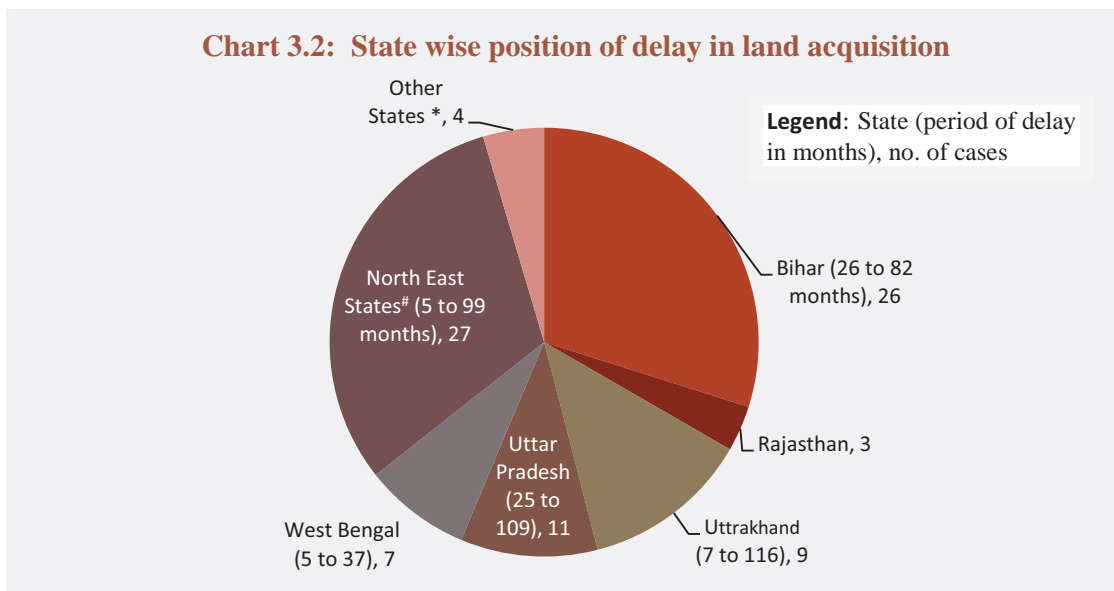
Out of these, in 31 cases (23 per cent) of land acquisition of 877.57 acre with a sanctioned cost of ₹ 147.85 crore, CAPFs could not acquire the land even after depositing the cost to the concerned state government till December 2014. In 23 cases, the CAPFs acquired land in excess of authorisation, due to which an additional expenditure of ₹ 29.21 crore was incurred. The main reasons for non-acquisition of land were lack of proper coordination with state government and efforts by the CAPFs to pursue the case at the appropriate level. Further, other reasons for delays were non-submission of requisite documents to State Land Acquisition Officers (SLAO), defective survey, delay in taking decision for purchase of land and exceptional time taken in obtaining estimation from SLAO. In many cases, protracted correspondence between CAPF, state and MHA took

long time to materialise the land acquisition case. Force-wise delay and non-acquisition of land cases is shown below:



CAPFs admitted the delay and attributed the same to the delay on the part of State Governments.

Audit further analysed the state-wise delays in land acquisition, the position was shown in diagram below:



*Includes one case each from Telangana, Gujarat, Goa, Maharashtra

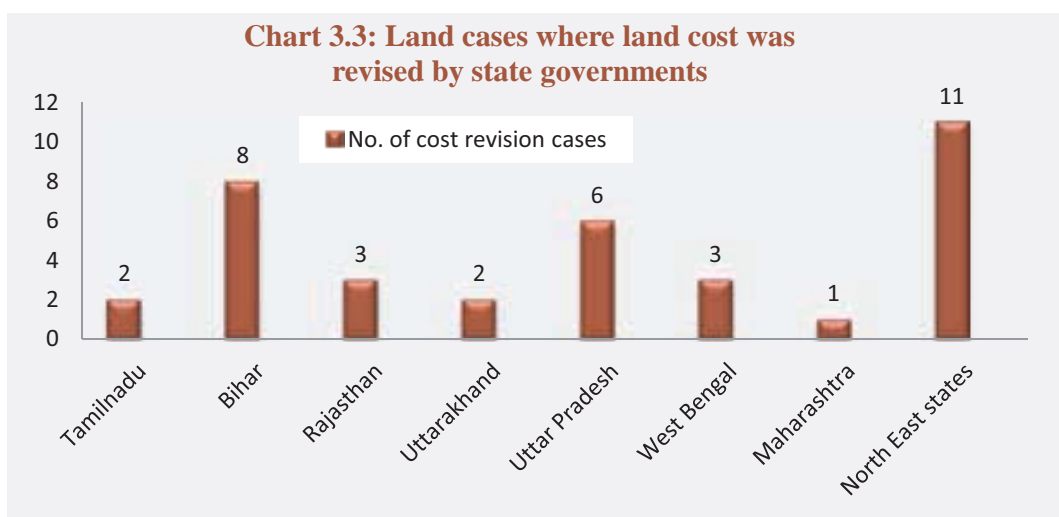
includes Assam-11, Arunachal Pradesh-1, Mizoram-2, Sikkim-3, Tripura-8, Meghalaya-2

It was noticed that position of land acquisition cases was worst in Bihar where 26 cases were delayed ranging between 26 to 82 months and out of which 17 cases were still pending as of December 2014.

MHA, in its reply accepted (July 2015) the observations/recommendations by stating that they have issued a comprehensive guidelines to all CAPFs on the basis of audit observations in June 2015 in the matter of acquisition of land and execution of work. MHA further stated that on the basis of request made by CAPFs, whenever any case of substantial delay/problem faced in land acquisition is reported by CAPFs it has always been taken up with the concerned State Government by MHA at higher level to sort out the issues causing delay in acquisition of land. Reply was not acceptable as substantial delays in land acquisition cases on the part of state governments indicates that intervention by MHA was not at appropriate level due to which issues relating to land acquisition between CAPFs and state governments were not timely sorted out.

3.1.1 Revision of cost in land acquisition cases

As the state governments were to decide the cost of land to be paid by CAPFs, it was noticed that from time to time they kept on increasing the cost of the land. In 36 cases out of 132 selected cases, audit noticed that the cost of the land was revised by the states from ₹ 105.10 crore to ₹ 223.57 crore (**Annex-3.1**). The state-wise revision of cost is detailed in Chart-3.3.



In seven cases, the revision of cost took place more than once. In two cases, it was noticed that the increase was more than 1000 *per cent* from the original cost of the land.

RECOMMENDATION:

MHA may facilitate CAPFs in acquiring land on timely basis by resolving administrative issues with states, by putting in place a structured mechanism of regular interactions at appropriate levels.



Some case studies in land acquisition are detailed below:

Case Study – 3.1

One Battalion of AR in Shangshak, Ukhrul, Manipur was holding 445.23 acres of land since 1991. In addition, they were occupying an adjacent private land measuring 13.051 acres. In October 1996, the Manipur State Government fixed a value of ₹7.00 lakh for acquisition of this private land. This was not done by AR. Later in 2003, land owner approached the Imphal Bench of Guwahati High Court which directed the AR to pay compensation. Accordingly, AR in August 2012 paid compensation of ₹ 30.54 lakh. Despite being a Central Government organisation, AR kept private land since 1991. Moreover, they did not legally acquire the land at a cost of ₹ 7.00 lakh when it was offered by the state in 1996. Thus, they not only violated the law but had to also pay extra compensation of ₹ 23.54 lakh.

Assam Rifles accepted the audit findings and stated that the land acquired in excess of MHA's authorisation would be utilised in future. They further agreed to strictly adhere to the norms as fixed by MHA/Government of India, in future.

Case Study – 3.2

AR in November 2008 against authorization of 80 acres, requested Assam State Government to acquire 150 acres belonging to a private land owner to set up a Battalion Headquarter at Jorhat, Assam. Though AR was aware of encroachment on the land, it deposited the cost of land amounting to ₹7.09 crore with the State Government in September 2011 without ensuring that the land was made free from encroachment by the state government. Due to this, the encroachment free land measuring 149 acres only could be taken over in December 2013 i.e. after more than 2 years from the date of deposit of money with State Government. Moreover, due to acquisition of land in excess of authorization norms, excess expenditure of ₹ 3.28 crore was incurred.

Case Study – 3.3

MHA (November 2004) approved KLP for setting up of a unit of BSF in Guwahati, Assam. As per BSF board proceedings, 125 acres of land was needed. But BSF in May 2006 approached the Assam Government for acquisition of private land measuring 85 acres at Piyabari, Assam. They subsequently (September 2006) made a requisition for another piece of land measuring 40 acres. The MHA in August 2007 accorded approval for ₹ 5.77 crore towards the cost of 85 acres of land. Owing to the general public unrest in the state, the Assam Government after 6 years (June 2013) handed over a piece of land measuring 33.05 acres (cost ₹ 3.76 crore) at another location called Panbari. Audit found that the land had not been put to use. Thus, the setting up of unit envisaged in November 2004 was yet to materialize at the intended location. Moreover, the balance amount of ₹ 2.01 crore was lying with the State Government since August 2007.

DG, BSF, admitted the observation by stating that acquisition of land depended upon the availability and strategic/security requirements. Hence, in some cases, the area of the land may be excess or less than the authorization.

Case Study- 3.4

Two BSF Battalions and a Sector Headquarters were functioning from a location at Roshanbagh, West Bengal. The area of the campus (75.52 acres) was even less than the area stipulated by MHA (77.19 acres) for a single Battalion. BSF in 2003 asked West Bengal State Government to acquire a nearby land measuring 43.53 acres for shifting one of these Battalions. Accordingly, the State Government in July 2003 asked BSF to deposit ₹ 77.86 lakh. In August 2003 they also cautioned the BSF that the estimate would become invalid in case of failure to deposit money by 11 December 2003. Despite this, the BSF deposited the amount only after the due date, on 22 December 2003 though MHA had accorded approval on 5 December 2003. Subsequently in October 2004, the State Government asked BSF to deposit additional ₹ 41.10 lakh since earlier land acquisition proceeding had lapsed due to revision of cost. The land could not be acquired subsequently as land owners did not accept the compensation amount forcing the State Government to revise the compensation amounting to ₹ 5.22 crore which was not accepted by BSF.

The State Government intimated (March 2013) to BSF about estimated cost of ₹ 22.41 crore for acquisition of another land measuring 75.72 acres at Balarampur, West Bengal. However, the same was yet to materialise as State Government in September 2013 decided to allot only 30 acres per battalion. Due to this, despite MHA's approval in June 2014, the land acquisition initiated prior to 2003 remained inconclusive and the 2 Battalions and the Sector Headquarters continued to function from the same location till date.

Audit did not come across any evidence of persuasion with the State Government at higher levels though the land acquisition case remained unresolved for the last 11 years.

BSF stated that land acquisition by State Government department could not finalize due to increase in demand of compensation by land owners and resulting in litigation. BSF took considerate decision for not paying high compensation. Reply was not acceptable as the position taken by BSF had not resolved the issue so far.

Case Study- 3.5

To set up a Battalion Headquarters for SSB at Khaprail, West Bengal, MHA in January 2007 approved the KLP. On requisition from SSB for acquisition of 74.49 acres of private land at Khaprail, West Bengal, State Government in July 2008 asked SSB to deposit tentative cost of the land amounting to ₹ 8.04 crore. With MHA's approval, (August 2009) SSB deposited (November 2009) the amount. The State Government again in November 2010, asked SSB to deposit the balance cost of land amounting to ₹ 8.07 crore as cost was ₹ 16.11 crore. Though MHA approved the balance amount in July 2011, SSB deposited the same with the State Government only in September 2011 despite knowing that the time limit of one year for deposit of cost of land was over on 19 August 2011. Consequently, SSB had to make a fresh requisition (December 2011) and the land proceeding had to be initiated afresh. In September 2013, State Government intimated its decision to allot only 30 acres of land for setting up of a Battalion. Though SSB without MHA's approval conveyed their acceptance, the land was yet to be allotted

and the Battalion continued to function from rented accommodation. SSB paid rent of ₹ 58.82 lakh from April 2008 to March 2014. Moreover, the proportionate excess cost of ₹ 9.62 crore paid by the SSB remained with the state government for 13 months (September 2013 to October 2014).

The SSB stated that after MHA's sanction in July 2011 the process of getting allotment of fund and the drawl of money took time. There was, however, no justification for 9 months taken in obtaining sanction of MHA, though the state government in November 2010, itself had communicated the time limit within which the amount had to be deposited.

Case Study – 3.6

Government of Tamil Nadu (GoTN) issued A1 notification¹ (February 2009) for 100 acres of land in Sivagangai District for CISF. It fixed the cost at ₹ 10.03 crore in April 2012 which was paid by CISF in February 2013. Audit noticed that the value as per revenue records in and around the area as on notification date was only ₹ 52,000/- per acre, which was endorsed by the Tahsildar, Karaikudi. Accordingly the land cost should have been ₹ 0.60 crore. CISF failed in pursuing the state government in fixing the price at prevailing rate at the time of issue of notification which resulted in excess payment of ₹ 9.43 crore. Despite payment, the title of the land was yet to be transferred by the state government.

CISF stated (October 2014) that the balance of ₹ 9.73 crore was paid after getting concurrence from Head Quarters as GoTN fixed the rate at ₹ 23 per square feet prevailing in 2010. The process of land transfer was pending as the value was yet to be finalized by the State Government. CISF further stated that Tahsildar, Karaikudi had mentioned the total cost of land as ₹ 0.60 crore without the knowledge of the District Collector and he was not authorized to fix land value since it was in the purview of Collector. The reply of the department was not tenable since CISF failed to pursue the state government in fixing the price at prevailing rate at the time of issue of notification.

3.2 OTHER IRREGULARITIES IN LAND ACQUISITION

During examination of land acquisition cases, audit came across other irregularities viz. land acquisition without approval of KLP, without constitution of Site Selection Committee, improper survey before initiating the proposal, acquisition of encroached land etc. These irregularities are discussed in subsequent paragraphs.

¹ A1 notification: Whenever it appears to the appropriate Government that land in any locality is needed or likely to be needed for any public purpose, a notification to that effect, shall be published in the *Official Gazette* and in two daily newspapers and the Collector shall cause public notice of the substance of such notification thereupon and the giving of such public notice, being hereinafter referred to as the date of the publication of the notification) (Section 4(1) of Land Acquisition Act 1984 and 2013

3.2.1 Improper survey before initiating the proposal

- The Site Selection Committee (SSC) constituted by SSB in January 2005 for the land acquisition of 83.5 acre at Lakhimpur Kheri, Uttar Pradesh failed to notify the patches of non-acquired land within the site worth ₹ 938.42 lakh.

SSB in its reply (June 2015) stated that the discrepancy has been noticed at the time of physical possession. Since acquisition of interspaced patches is unavoidable, proposal for their acquisition has been initiated and has been sent to MHA for sanction.

- MHA sanctioned SSB ₹ 16.08 lakh in 2008 for acquiring land measuring 2.21 acres at Maharajganj (UP). It was subsequently found that the land was mortgaged to a bank in lieu of loan taken by the farmer and thus could not be acquired. It was evident that proper survey was not conducted by the SSB before initiating the proposal of acquisition of land.

SSB in its reply (June 2015) stated that the discrepancy could be noticed during acquisition process and presently fresh proposal for a new piece of land had been initiated.

- NSG took possession of 5 acre land for ₹ 29.75 lakh in January 2009 from Airport Authority of India (AAI) on lease basis at IGI Airport, Delhi, which was a low lying area and undertook preliminary work worth ₹ 12.25 lakh. However, NSG in February 2009 requested AAI to allot another piece of land in lieu of this land. AAI offered another piece of land of 5 acre in April 2009. Thus, initiation of land acquisition process without conducting the survey not only delayed the acquisition but also resulted in wasteful expenditure of ₹ 12.25 lakh. NSG (October 2014) replied that out of the expenditure of ₹ 12.25 lakh incurred on first piece of land, items worth ₹ 2.33 lakh were retrieved and used at other places. It was evident that rest of the expenditure amounting to ₹ 9.92 lakh became wasteful expenditure.

- SSB acquired 0.7 acre land in Mahipalpur, Delhi from DDA in April 2007 at a total cost of ₹ 57.59 lakh without survey of land. When DDA asked SSB to take possession of the land, SSB inspected the land and found that the said land was approximately more than 15 meter below the normal ground level and requested DDA to allot another piece of land. After long correspondence, DDA in December 2010 allotted alternate piece of land, resulting in delay of three years.

SSB stated that DDA allotted land as per their suitability and availability and when it was seen that the land offered was not suitable, an alternate land was allotted. The reply was not tenable as SSB was required to inspect the land before finalizing the acquisition. It is worth mentioning that in this case, a different land was acquired from what was finalized by the force initially.

- NSG acquired 23 acres of land for establishment of Regional Hub in Mumbai. It was noticed that there was not only encroachment but the acquired land also had a

high tension wire passing over it. NSG had to shift the high tension wire which would cost an additional amount of ₹ 3.74 crore.

MHA in its reply (July 2015) accepted the observation by stating that for establishment of NSG Regional hub at Mumbai, land was provided by the Government of Maharashtra free of cost.

3.2.2 Improper lease deed

Analysis of five cases of BSF, ITBP and CRPF in respect of acquired land in Kerala on lease basis revealed that no clause was included in the lease deed for its extension after the expiry, which was in contravention of the guidelines issued by MHA. The details of land leased out by Kerala Government to BSF, ITBP and CRPF for establishing their units on lease rent basis were as detailed below:

Table 3.2: Details of land on lease rent basis in CAPFs

S. No	Land details	Force	Lease Rent	Lease Period	Date of lease deed	Status
1.	15 acres of land at Muttathara Village in Thirvananthapuram district for establishing a Sector Headquarters for BSF	BSF	₹1000 /acre/annum	30 years	20.9.2011	Land in possession of BSF
2.	55 acres of land in Chekkiad Village Vatakara Taluk in Kozhikkode District for establishing a BSF Battalion at Nadapuram	BSF	₹100 /acre/annum	30 years	5.1.2012	Land in possession of BSF
3.	60 acres of land at Kainoor in Thrissur District for establishing a BSF Battalion	BSF	₹100 /acre/annum	50 years	13.7.2010	Land in possession of BSF
4.	50 acres of land was allotted at Nooranad in Alappuzha District for establishing a ITBP Battalion	ITBP	₹100 /acre/annum	30 years	25.9.2013.	Land in possession of ITBP
5.	40 acres of land at Chakkittapara in Kozhikkode District for establishing a CRPF Battalion	CRPF	₹100 /acre/annum	30 years	10.7.2013	Land in possession of CRPF

Further, the lease deed was in the form of an ‘order of grant of State land for temporary occupation for non-cultural purposes’. The land granted by the Government of Kerala on lease to CAPFs was taken possession of by the forces and new construction worth crores of rupees was taking place on these lands. The conditions in the Lease Agreements were thus detrimental to the interest of the force.

MHA stated (July 2015) that in its earlier guideline validity of lease was 99 years. Various States have prescribed their own land lease agreements. As such a standard lease agreement cannot be prescribed for all the States. However, land lease agreement is being vetted by Ministry of Law & Justice before CAPF sign the same with concern State Governments so that interests of CAPFs are safeguarded. However audit noticed that the earlier lease deeds executed up to March 2014 were not vetted by Ministry of Law & Justice and MHA. MHA has only recently (July 2015) instructed all CAPFs that lease deeds should be executed after vetting from Ministry of Law & Justice and MHA.

3.2.3 Non-construction of boundary wall

It was noticed that in 15 land acquisition cases, boundary wall was not constructed, which was in contravention of guidelines of MHA. An interesting case of encroachment of CRPF land due to non-construction of boundary wall in violation of guidelines of MHA occurred in Bhilai has been discussed as case study below:

Case Study - 3.7

CRPF planned to set up a Group Centre at Bhilai in 1970 and ₹ 2.19 lakh was paid to the Bhilai Steel plant in February 1971 for the purchase of 250 acres of land, but against which only 232.02 acres of land was actually handed over to the CRPF in April 1972. Audit noticed that proper demarcation of land by erecting boundary pillars was not done by CRPF and the land was not transferred in the name of Group Centre, CRPF, Bhilai from Bhilai Steel Plant, in the revenue records. Later, CRPF withdrew its personnel over a period of time for anti-insurgency duties in the North East. Thereafter, CRPF left the unprotected land at the mercy of land encroachers. Later in October 2012, CRPF decided to establish Battalion camping site/Group centre at Bhilai to cater for the units deployed in Chhattisgarh. On physical survey, it was found that almost the entire land had been parcelled out into plots and sold by some agencies. Lack of proper demarcation of land by erecting boundary pillars, non-monitoring the possession of land since 1977 and non-construction of boundary wall resulted into massive encroachment and selling out of land by some agency. Thus, the irresponsible act of CRPF in contravention of guidelines of MHA had resulted in dispossession of valuable land.

CRPF stated (July 2014) that the State Government was being approached to carry out joint survey to establish the fact/fix responsibility to the agency who had parcelled out the land and to carry out an investigation to this effect. CRPF further stated (June 2015) that the documentary evidence has been called from concerned agencies and will be submitted on receipt.

3.2.4 Improper documentation

It was noticed in 18 cases (**Annex-3.2**), that the sale deed/mutation was not executed which was in contravention of MHA guidelines. All these land acquisitions were meant for further construction activities which were to be started only after the complete documentation and transfer of land and Improper documentation would hamper the construction activities. MHA did not offer their comments.

3.2.5 Non-possession of land

- During site visit in village Maujpur (Alwar), Rajsathan, audit noticed that in the allotted land, 11 Khasras² were not transferred to SSB while locations of these Khasras were within the site. This may create dispute in future and these Khasras should not be left out from acquisition due to security reason also as their location is within the acquired area.

SSB accepted (June 2015) that such discrepancy could not be noticed in initial stage of proposal when all detailed revenue records were not available at initial stage and hence this goes through entire acquisition process. Proposal for khasras left in earlier acquisition process is now processed.

MHA in its reply (July 2015) accepted the observations/recommendations by stating that they have issued a comprehensive guidelines to be followed by all CAPFs on the basis of audit observations in June 2015 in the above matter of acquisition of land.

3.3 NON-UTILISATION OF ACQUIRED LAND

As per General Financial Rules, the government money spent should fulfill the intended purpose for which the amount was sanctioned. Audit noticed that in 13 cases, land costing ₹ 49.11 crore was not put to use. (**Annex-3.3**). The land acquired by CAPFs in these cases was for construction of different types of establishments but the land was not utilized for the intended purposes till date. CAPFs stated (June 2015) that one of the reasons for not utilization is court cases and litigations.

3.4 EXCESS PAYMENT TO STATE AUTHORITIES

Audit noticed that in the following cases, CAPFs incurred an excess expenditure of ₹ 21.65 lakh in acquiring the land. The details are given in the table.

² Land identification number with specific ownership recorded in the land revenue record of the state government

Table 3.3: Details of excess payments for land paid to states by CAPFs

(₹ in lakh)

Force	Particulars of land acquired	Excess amount paid	Audit observation
SSB	Acquisition of land, Pithoragarh, Uttarakhand	12.65	SSB deposited ₹ 15.15 lakh for 3.17 acre of land to district authorities. The proposal was cancelled by the SSB and a fresh proposal for acquisition of 1.24 acre of land costing ₹ 2.50 lakh was approved in May 2014. The balance of ₹12.65 lakh was still lying with the state Government. SSB accepted the facts and stated that matter is being pursued with district/state authority.
BSF	Acquisition of 65.343 acre land in Lucknow	9.00	BSF deposited ₹ 2.99 crore with District Revenue Authorities. After payment of compensations, awards and adjustment of other dues, an amount of ₹ 9.00 lakh had been lying with the District Collector, since July 2012. No efforts have been made for refund of this amount. BSF in its reply (June 2015) stated that district Land Acquisition authority had been approached for refund.
Total		21.65	

3.5 CONCLUSION

It was seen that the state of acquisition of land in CAPFs was not satisfactory. Audit found neither in MHA nor in CAPFs any effective land acquisition monitoring system resulting in delay in acquisition/non-acquisition of land even after deposit of land cost with the state government. Further, there was absence of any structured interaction between higher authorities of CAPFs/MHA and state revenue departments, for sorting out issues causing delay in acquisition of land. Audit examination found that there were abnormal delays in 66 *per cent* land acquisition cases, in the worst case up to nine years. Besides, there were instances of violation of MHA guidelines/norms during land acquisition, inadequate survey before initiating the proposal, etc.

RECOMMENDATION:

MHA may revisit the time frame of One year and seven days fixed for land acquisition by CAPFs, as this was not met in any of the cases scrutinised by audit. CAPFs need to ensure during survey that land was free from all encumbrances.

