

Chapter II

Audit Framework

2.1 Audit Objectives

The objectives of the Performance Audit were to assess whether:

- i) Inventory of Government land available for grant/lease is available and the transfer of Government land for private/public purpose by way of lease/grant is carried out through a clear, transparent and judicious process;
- ii) System of pricing for transfer of land is adequate;
- iii) Effective monitoring exists to ensure the usage of the land for the intended purposes; and
- iv) System for timely detection and eviction of encroached Government land and the process of regularisation of unauthorised occupation of Government land is effective.

2.2 Audit Criteria

The main sources of criteria for the Performance Audit were:

- Karnataka Land Revenue (KLR) Act, 1964;
- Karnataka Land Revenue Rules, 1966;
- Karnataka Land Grant (KLG) Rules, 1969;
- Karnataka Land Reforms Act, 1961;
- Karnataka Land Revenue (Regularisation of Unauthorised Occupation of Lands) Rules, 1970;
- Karnataka Grant of Land in case of construction of dwelling houses in occupied land Rules, 1999;
- Karnataka Government (Transaction of Business) Rules, 1977;
- Relevant notifications issued by the Government from time to time; and
- Relevant Court Judgements.

2.3 Scope

Cases of grant, lease, encroachment and eviction thereof and regularisation of unauthorised occupation of Government lands coming under the jurisdiction of the Revenue Department during the period from 2012-13 to 2016-17 were examined. Cases of grants/leases/regularisation granted prior to 2012-13 were also verified to check the compliance of conditions, on which such lands were granted/leased. This Performance Audit excludes lands assigned/transferred/reserved by Revenue Department in favour of other Government Departments.

Audit verified all files of grant/lease across all Districts of the State as made available by the Revenue Department and selected 11 Districts using the

simple random technique to verify the internal controls and procedures at field level. The 11 Districts⁴ representing 35 per cent of the total 30 Districts in the State and 30 Taluks representing 40 per cent of 74 Taluks under the selected Districts were also selected using random sampling method. In addition, records in the Revenue Department and Karnataka Public Land Corporation (KPLC) were also examined.



⁴ Ballari, Bengaluru (Urban), Bengaluru (Rural), Belagavi, Chikkaballapura, Chikkamagaluru, Dharwad, Kalaburgi, Mysuru, Ramanagara and Tumakuru.

2.4 Methodology

The Revenue Department did not maintain a database of lands granted/leased. Hence, records as available with the Government⁵, 11 Deputy Commissioners, and selected Tahsildars, were reviewed. Cases of grants/leases prior to 2012-13, were also selected from the old records and individual files as made available by the Revenue Department, Offices of the DCs and Tahsildars, to verify monitoring of compliance of conditions of grant/lease.

In respect of encroachment of Government land, data was obtained from the KPLC (established specifically to deal with encroachment of Government lands as mentioned earlier in para 1.3) to review the status of encroachment and eviction thereof in selected cases. Cases of regularisation of unauthorised occupation of Government land for agriculture and dwelling purpose were collected from the respective Tahsildar Offices and test-checked.

Joint inspections in 277 cases were conducted along with officials of the Revenue Department. Out of these, 150 cases (90 grants and 60 leases) were for verification of the usage of land granted/leased, 84 cases were those regularised in favour of the occupant and 43 cases to verify reported eviction of encroachments. Photographs taken during the joint inspections are included in the relevant paragraphs.

2.5 Acknowledgement

We acknowledge the co-operation extended by the Revenue Department. An Entry Conference was held with the Principal Secretary, Revenue Department in April 2017, wherein the Audit Objectives, scope of audit and methodology including sampling were explained to the Department. The draft Performance Audit Report was forwarded to the Government in August 2017 and discussed in the Exit Conference held in September 2017 with the Principal Secretary to Government, Revenue Department. The views of the Government and replies of the field Offices received during the Exit Conference are suitably included. Audit findings are discussed in the following chapters.

⁵ All grants/leases sanctioned across the State by Government during the audit period.