

Chapter VII

Monitoring the usage of land

Why is monitoring necessary?

Land is the driving factor behind the socio-economic progress of a State. Monitoring of lands granted/leased is important in ensuring the correct and efficient utilisation of the scarce land resource. It is also necessary to check compliance to the conditions laid down during grant/lease regarding its usage, payment of lease rent/interest, prohibition from sub-letting, etc. Maintenance of relevant records in respect of such grants/leases and periodical inspections, duly recorded, are key to achieving this objective.

What are the conditions laid down?

Conditions in the grant/lease order stipulate that the land shall be put to use for the intended purpose within two years from the date of lease/grant order or else the lease/grant is liable to be cancelled.

Grantees of land for non-agricultural purposes are to execute an agreement in Form-VI, which stipulates that the grantee or the representatives or heirs shall not, at any time, by partition, inheritance, lease, mortgage or otherwise, transfer the land or allow any portion of it to be cultivated, used or occupied by any other person so as to divide it.

7.1 Mechanism to monitor compliance to the conditions

Was there a mechanism to monitor the usage of land?

There was no institutional mechanism to monitor compliance to the conditions of lease/grant. The Village Accountant, who is the primary level functionary at the Village level, was not carrying out the task of monitoring. There were no information/reports consolidated at the Tahsildar's office. In the absence of a database as already mentioned in paragraph 3.2, there was no mechanism for timely alerts regarding the expiry of two year period after grant/lease.

Audit noticed, that the usage of the land was verified only in case of public complaints regarding non-use, sub-lease or other diversions. Even in such cases, prompt action was not initiated to resume the land back to the Government. Details of some test-checked cases are given below:

7.1.1 Implications of non-monitoring

Lease of 12 Acres in Sy.No.57, Chikkabanavara, Bengaluru (North) Taluk, to Kanteerava Pragathi Vidya Samsthe (November 2007) and Srinivasa Education and Charitable Trust (April 2003).	The lessees pledged (August 2008/May 2010) the lands to financial institutions to avail loans, in contravention to the conditions of lease. In these cases, the Government also issued NOCs for the same.
Eight cases ⁵³ of grant/lease between August 2003 and Janaury 2012 involving 50.21 A-G in Bengaluru (Urban) and Ramanagara Districts.	The land was either used partially or not used for period ranging from 5 to 14 years. The Department is yet to initiate action to resume these lands worth ₹ 101.40 crore, even after being aware of the non/partial use.
5 acres granted in 1991 for the purpose of Cancer Research Institute ⁵⁴ .	The land was sub-let to be used for another Hospital ⁵⁵ . The land was not resumed back, despite a Government Order (2015).
9-18 A-G granted in 1959 to Leprosy Hospital ⁵⁶ .	The land was diverted for building a School. On receipt of a public complaint (June 2013) regarding the diversion, the land was resumed back (April 2015).
18 guntas granted in December 2009 to a temple.	The land was diverted for building a commercial complex which was also reported (December 2010) by the jurisdictional Tahsildar. The land is yet to be resumed.
124 acres of tank bed land leased (May 1980) for 30 years to Tourism Department was sub-let to Golf Club, Bengaluru.	The lease expired in 2010, but the Department has still not resumed the land, despite a direction (2011) from the Hon'ble High Court of Karnataka to vacate the land. Meanwhile the Tourism Department renewed (October 2013) the lease for a further period of 30 years without concurrence from the Revenue Department.

⁵³ M/s. Mythic Society (January 2012), M/s. Gowtham Medical Education and Technologies (March 2004), M/s. Deccan Education Society (March 2004), Lions Service Foundation Organisation Education Society (March 2004), New Cambridge Education Trust (May 2004), M/s. Machidevaguru Peeta Samithi Trust (March 2004), M/s. Adichunchanagiri Shikshana Trust (August 2003), M/s. Vidya Manasa Education Trust (February 2004).

⁵⁴ M/s. Imperial Cancer Hospital and Research Centre.

⁵⁵ Apollo Hospitals, Bengaluru South Taluk.

⁵⁶ Navajeevana Nilaya.

7.2 Joint Physical Verifications to ascertain usage of land

What Audit did in the absence of a mechanism to monitor?

To assess the extent of non-adherence to the conditions of the grant/lease and to ascertain the usage of land, Audit conducted joint physical verifications of granted/leased lands with the Revenue Department officials.

90 land grants, 60 land leases and 84 cases of lands granted on regularisation of unauthorised occupation in 30 Taluks were checked. Joint inspection revealed that land to the extent of 726-29 A-G was not used/partially used for the intended purposes and diverted for other purposes due to lack of monitoring by the Department. The details of joint physical verification are consolidated in **Table 7.1**.

Table 7.1
Deviations in usage of land

Sl. No.	Usage	No. of cases			Extent (A-G)
		Grants	Leases	Regularisation of unauthorised occupation	
1	Not put to use	29	21	16	633-38
2	Partly used	4	6	--	89-05
3	Diverted for other purposes	4	-	1	3-26
	Total	37	27	17	726-29

From the above, it can be seen that out of the total joint physical verification cases, 32 per cent of the lands granted and 58 per cent of the land leased remained unused.

Locking up of land resource

Out of the cases mentioned in the Table 7.1, an extent of 361-23 A-G of land granted to 29 institutions remained locked up with the beneficiary institutions without being put to use for periods ranging from 3 to 18 years. The estimated present value of the lands locked up was ₹ 256.35 crore.

It is also pointed out that there is no deterrent provision in the Act/Rules such as levy of penalty or disqualification from applying for future grant/lease in cases of not utilising the granted/leased land within the stipulated period, except cancellation of grant/lease and resuming the land.

A few of the cases noticed during joint physical verification are shown below:

Exhibit 1



5 Acres (Sy.No.115, Channasandra village, Bengaluru East Taluk) was leased to Rajarajeshwari Education Trust for educational purposes which was not put to use even after 13 years (2nd June 2017).

Exhibit 2



1-15 A-G (Sy.No.74, Urukere Majare Bovipalya (Siddaramanagara) village, Kasaba Hobali, Tumakuru Taluk) was granted to M/s. Mallikarjuna Swamy Vidya Samsthe for religious/ education / social activities, which was used partially leaving large extents of granted land vacant even after 5 years (1st March 2017).

Exhibit 3



2 acres (Maralur village, Tumakuru Taluk) was granted to Arya Ediga Sangha for construction of school hostel, which was diverted for commercial purposes (1st March 2017).

7.3 Non-demand of lease rent

As per conditions stipulated in the lease deed, lease rent is to be paid on prescribed dates, in advance. A Demand, Collection and Balance (DCB) Register with relevant details such as name of lessee, area, lease rent fixed, due for the year, balance if any, etc. is an effective monitoring tool which helps in collection of lease rent. Default in payment of lease rent renders the lease liable to be cancelled.

Whether lease rents were demanded and paid in a timely manner?

There were 46 cases out of 103 leases where lease rent amounting to ₹ 7.33 crore was not demanded and collected for the period from 1979-80 to 2017-18. Out of these, ₹ 5.02 crore pertained to one lease⁵⁷ alone in Bengaluru (North) Taluk. Details in *Annexure-IX*.

Audit noticed that the Tahsildars concerned did not maintain Demand, Collection and Balance (DCB) Registers and therefore did not notice defaults in payment of lease rent and raise demands promptly.

Recommendation 6 – The Government may consider closer monitoring of usage of land and collection of revenue due from the grantees/lessees at periodic intervals, preferably through periodic reminders from the electronic database suggested in Recommendation 1.

The Government accepted the audit findings and agreed to institute a mechanism for periodic follow-up.

⁵⁷ Rajatha Complex, Bengaluru North Taluk.