

## CHAPTER IV : LAND REVENUE

### 4.1 Results of Audit

Test check of the records relating to land revenue conducted during the year 2007-08 revealed underassessment, short levy, loss of revenue etc., amounting to Rs. 382.20 crore in 320 cases, which fall under the following categories:

(Rupees in crore)

Sl. No.	Category	No. of cases	Amount
1.	<b>Recovery of dues treated as arrears of land revenue (A review)</b>	1	356.16
2.	Non/short levy of education cess etc.	61	11.56
3.	Non/short levy of occupancy price/rent etc.	71	8.90
4.	Non/short/incorrect levy of NAA, ZP/VP cess, conversion tax and royalty	118	2.28
5.	Short levy of measurement fees, sanad fees etc.	37	2.20
6.	Non/short/incorrect levy of increase of land revenue	32	1.10
<b>Total</b>		<b>320</b>	<b>382.20</b>

In response to the observations made in the local audit reports during the year 2007-08 as well as during earlier years, the department accepted underassessments and other deficiencies involving Rs. 14.76 crore in 307 cases, out of which 13 cases were pointed out during the year 2007-08 and rest during earlier years. During the year 2007-08, the department recovered Rs. 14.76 crore in these cases, out of which 13 cases involving Rs. 3.63 crore were pointed out during 2007-08.

A review of “**Recovery of dues treated as arrears of land revenue**” involving Rs. 356.16 crore and a few illustrative cases involving Rs. 9.53 crore are mentioned in the succeeding paragraphs.

## **4.2 Recovery of dues treated as arrears of land revenue**

### **Highlights**

- Demand notices were not issued in revenue recovery cases (RRCs) involving Rs. 7.80 crore and there was delay in issue of demand notices in RRC involving Rs. 33.32 crore besides missing RRCs involving Rs. 68.93 crore.  
**(Paragraph 4.2.7)**
- In the absence of a mechanism in respect of part recovery cases and sharing of information with other departments, dues of Rs. 244.07 crore could not be recovered.  
**(Paragraph 4.2.9)**
- Non-auctioning of attached properties for recovery based on revenue recovery certificates of Rs. 1.27 crore.  
**(Paragraph 4.2.10.2)**
- Non-recovery of service charges of Rs. 76.75 lakh.  
**(Paragraph 4.2.11)**

### **4.2.1 Introduction**

The mode of recovery of dues of the Government departments/undertakings and corporation, etc., is laid down in the relevant Act of the concerned Government department. However, if recovery cannot be effected and the dues become irrecoverable under the provisions of the relevant Act, the departmental officer responsible for administering the Act is required to send a revenue recovery certificate (RRC) in the prescribed form furnishing full details of recovery to be effected by the *Tahsildar* of the *taluka* in which the property of the defaulter is situated. The District Collector/*Tahsildar* has been delegated with powers for initiating the recovery proceedings by adopting any one or more of the processes prescribed under the Maharashtra Land Revenue Code (MLR Code), 1966 and the rules made thereunder and the Revenue Recovery Act, 1890 (RR Act). These Acts provide for attachment of the property, auction of the property and even confinement of the defaulters in jail, if they failed to respond to the demand notice issued to them.

In August 1974, the Government issued guidelines for maintenance of record and furnishing of return for monitoring the recoveries, which were reiterated in December 1979, May 1981 and June 2002.

It was decided by audit to review the mechanism, for ensuring prompt disposal of RRC cases. The review revealed a number of system and compliance deficiencies, which have been discussed in the subsequent paragraphs.

### **4.2.2 Organisational set up**

The administration of Land Revenue Department vests with the Principal Secretary, Revenue Department. For the purpose of administration, the State has been divided into six divisions and each division is headed by the

Divisional Commissioner who is assisted by district collector. There are 35 district collectors, 110 revenue sub divisions, 358 *talukas* headed by the *Tahsildar*. The Revenue Inspector and village officers (*talathi*) are responsible at the grass root level for collecting the land revenue and dues recoverable as arrears of land revenue.

### 4.2.3 Scope and methodology of audit

The review was conducted for the period from 2003-04 to 2007-08 of 12<sup>1</sup> district Collectorates and 33<sup>2</sup> *tahsils*. Six districts of six divisions and remaining six districts were selected by using random table stratified random sampling. The *tahsils* were selected out of 12 districts by stratified random sampling. During the review all the available 6,263 cases involving Rs. 1,181.21 crore were checked between January 2008 and May 2008.

### 4.2.4 Audit objectives

The review was conducted with a view to:

- ascertain the efficiency and effectiveness of revenue recovery machinery with reference to revenue collection, and
- assess the effectiveness of internal control mechanism installed by the department to ensure timely action and proper accounting of revenue collected in RRC cases.

### 4.2.5 Acknowledgement

Indian Audit and Accounts Department acknowledges the co-operation of the Revenue Department and their subordinate offices in providing necessary information and records for audit. The draft review was forwarded to the Department and the Government in June 2008. No entry and exit conference could be held as department did not give any response to audit requests for the conference (February 2008 and December 2008).

### 4.2.6 Trend of recovery of RRCs

The year wise consolidated position of number of RRCs received, disposed of, outstanding and amount involved at the end of each year was not available at the Government level. However, on the basis of information collected from all six divisional offices, the position is mentioned below :

<sup>1</sup> Amravati, Aurangabad, Chandrapur, Dhule, Kolhapur, Mumbai (City), Nagpur, Nashik, Parbhani, Pune, Ratnagiri, Yavatmal

<sup>2</sup> Amravati, Anjangaon, Aurangabad, Bramhapuri, Chandrapur, Chiplun, Daund, Dhule, Digras, Dindori, Gangapur, Hatkangle, Haveli, Hingna, Khed, Kolhapur (Karvir), Malegaon, Manwat, Morshi, Nagpur, Nashik, Paithan, Parbhani, Pathari, Pune (city), Ramtek, Ratnagiri, Shirpur, Sindhkhed, Shirol, Wani, Warora, Yavatmal.

(Rupees in crore)

Year	Opening balance	Addition	Total	Recovered	Balance	Percentage of recovery
2003-04	28.17	90.40	118.57	23.40	95.17	19.73
2004-05	95.17	153.76	248.93	36.92	212.01	14.83
2005-06	212.01	101.98	313.99	41.88	272.11	13.33
2006-07	272.11	256.68	528.79	45.92	482.87	8.68
2007-08	482.87	435.21	918.08	301.91	616.17	32.88

The data regarding returned and pending RRC cases were not available with the Government.

The age wise pendency of recovery of RRCs was not available with the department/Government. However, the position as compiled in audit in respect of 33 *Tahsils* is mentioned below :

(Rupees in crore)

Pendency Since	No. of cases	Amount
1 year	1,448	66.39
1 to 2 years	746	39.44
2 to 3 years	553	4.37
3 to 4 years	82	13.72
4 to 5 years	171	1.95
Above 5 years	153	1.08
<b>Total</b>	<b>3,153</b>	<b>126.95</b>

### System deficiencies

#### 4.2.7 Non-maintenance of revenue recovery register and non-reconciliation of cases

The Revenue Department issued instruction in December 1979, May 1981 and June 2002 about the procedure to be followed for maintenance of register in the offices of the Collector/*Tahsildar*. According to these instructions, on receipt of the requisition from requisitioning authority, the concerned Collector shall first get it entered in his Revenue Recovery Register before transmitting it to the concerned *Tahsildar*. The *Tahsildar* in turn is required to enter immediately the Revenue Recovery Certificate in their Revenue Recovery Register and thereafter the demand notice is required to be issued to the defaulter within 20 days in Greater Bombay/10 days in other areas. The Revenue Recovery Register shall be reviewed periodically by a responsible officer and expeditious action taken for recovery of dues. An acknowledgment of having received the Revenue Recovery Certificate is required to be sent to the issuing authority.

However, the Government did not prescribe any periodic return for reconciliation of RRC cases at different levels and a mechanism to ensure compliance of the instructions issued on the subject from time to time.

Test check of the records of 12 district Collectorates and 33 *tahsildars* revealed the following:

- The Revenue Recovery Registers were not maintained in nine<sup>3</sup> district collectorates and 23<sup>4</sup> *tahsils*. Due to non-maintenance of register, the progress made in recovery of dues and pendency thereof could not be verified by the recovery officers.
- In 55 cases involving Rs. 7.80 crore referred between 2005 and 2007 the demand notices were not issued. Further, in 12 cases involving Rs. 33.32 crore the demand notices were issued late and the delay ranged between one month and 60 months. As a result Rs. 41.12 crore remained unrecovered.
- In five<sup>5</sup> collectorates and nine<sup>6</sup> *tahsils*, the acknowledgements were not issued to the requisitioning authorities.
- In five<sup>7</sup> *tahsils*, RRC register were not reviewed by the *tahsildars* concerned.
- Reconciliation of RRC cases shown in the register of district collectorates and *tahsils* was not carried out at any point of time. Detailed scrutiny of cases referred to *tahsil* offices revealed the following:
- Out of 648 RRCs involving Rs. 74.57 crore sent by 10 Collectors to 14 *Tahsildars* between 1995 and 2007, 438 cases involving Rs. 68.93 crore were not traceable in the offices of the *Tahsildars* as mentioned below:

(Rupees in crore)

Sl. No.	Name of the District	Name of the <i>tahsil</i>	No. of cases sent to <i>Tahsildar</i> as per collectorates record		No. of cases received in <i>tahsil</i>		Untraceable cases	
			Cases	Amount	Cases	Amount	Cases	Amount
1	Ratnagiri	All <i>tahsils</i>	28	44.09	17	1.04	11	43.05
2	Amravati	All <i>tahsils</i>	231	6.97	169	0.92	62	6.05
3	Nagpur	Nagpur (city)	249	5.09	--	--	249	5.09
4	Pune	Daund	2	3.19	1	0.01	1	3.18

<sup>3</sup> Amravati, Chandrapur, Dhule, Kolhapur, Nashik, Parbhani, Pune, Ratnagiri, Yavatmal.

<sup>4</sup> Amravati, Anjangaon, Bramhapuri, Chandrapur, Dhule, Digras, Hatkangle, Hingna, Khalapur, Malegaon, Manvat, Morshi, Nagpur city, Nagpur rural, Parbhani, Paithan, Pathri, Pune city, Shirol, Shripur, Wani, Warora, Yavatmal.

<sup>5</sup> Aurangabad, Chandrapur, Dhule, Mumbai (MSD), Yavatmal.

<sup>6</sup> Aurangabad, Dhule, Gangapur, Manvat, Paithan, Parbhani, Pathri, Shirpur, Sindhkheda.

<sup>7</sup> Anjangaon surji, Manvat, Morshi, Parbhani, Warud.

5	Aurangabad	Gangapur	2	3.18	1	0.02	1	3.16
6	Kolhapur	Hatkangle	27	2.77	--	--	27	2.77
7	Raigad	Khalapur	13	3.58	11	1.87	2	1.71
8	Nashik	Nashik	62	3.42	11	1.78	51	1.64
9	Mumbai	Borivali	1	1.17	--	--	1	1.17
10	Nashik	Malegaon	5	0.63	--	--	5	0.63
11	Kolhapur	Karveer	12	0.38	--	--	12	0.38
12	Kolhapur	Shirol	4	0.05	--	--	4	0.05
13	Dhule	Sindhkheda	12	0.05	--	---	12	0.05
<b>Total</b>			<b>648</b>	<b>74.57</b>	<b>210</b>	<b>5.64</b>	<b>438</b>	<b>68.93</b>

As reconciliation was not carried out, the difference between the cases referred by the Collectorates to the *tahsils* and those received and mentioned at *tahsil* level could not come to the notice of the higher authority. After the omission was pointed out, the *Tahsildars* stated that the cases would be traced out. Further report has not been received (November 2008).

The Government may consider prescribing periodic reconciliation of the RRC cases received at Collectorates, referred and recorded at *tahsil* offices and ensuring that the instructions of December 1979, May 1981 and June 2002 are followed as the missing cases may result in loss of Government revenue.

#### 4.2.8 Internal audit

Internal audit is conducted to examine and evaluate the level of compliance with the departmental rules and procedure so as to provide a reasonable assurance on the adequacy of the internal control. As per Government resolution of 1977 internal audit of collectorate and *tahsil* offices is required to be conducted annually for revenue and receipts.

It was however, seen that out of 660 units (at the rate of 132 *tahsils* per year) under 11 Collectorates, internal audit was conducted in respect of 312 units leaving 348 units in arrears during 2003-08.

Out of 11<sup>8</sup> Collectorates, internal audit was conducted in eight collectorates for 2003-04 and 2004-05 and internal audit was pending for three collectorates for the period of 2003-04 and 2004-05. No internal audit was conducted in all the collectorates for the period 2005-06 to 2007-08 except Nagpur collectorate for 2005-06.

The internal audit pointed out only the pendencies of RRCs. Thus, internal audit was found to be ineffective either due to non-conducting of the audit every year or detailed audit of RRC cases.

Reasons for shortfall was attributed to shortage of staff.

<sup>8</sup> Amravati, Aurangabad, Chandrapur, Dhule, Kolhapur, Nagpur, Nashik, Parbhani, Pune, Ratnagiri, Yavatmal.

## 4.2.9 Non-pursuance of recovery

### 4.2.9.1 Non-pursuance of part recovery cases

As per instructions of December 1979, as soon as the RRC is received, the necessary note should be taken in the register and a demand notice should be issued to the defaulter to make the payment of outstanding dues. If the amount is paid by the defaulter, it should be remitted into the Government treasury and RRC should be returned to the issuing officer. The Government did not prescribe any procedure to return RRC cases to issuing authority where part recovery was made and no further recovery was possible. The Government also did not prescribe any mechanism to consult other departments of the State Government as well as those of Central Government like Sales Tax, Industries, Police, and Income Tax Department etc., to ascertain the availability of properties of defaulter to effect the recovery of dues as arrears of land revenue.

It was noticed that in four cases pertaining to the year 2005, the defaulters have made part payments of Rs. 52.26 lakh against the total dues of Rs. 1.37 crore. However, the *Collectorates/tahsil* offices did not initiate any action either to effect the recovery of balance amount of Rs. 85.03 lakh or return the RRC after part recovery till date. This resulted in non-realisation of balance amount of Rs. 85.03 lakh as mentioned below:

(Rupees in lakh)

Sl. No.	Name of the defaulter	Name of issuing authority	Name of receiving authority	Amount recoverable	Amount recovered	Balance
1.	Shri. Vijaykumar Madan, Nashik	Managing Director, Maharashtra Film, Goregaon	Tahsil Nashik	69.25	9.00	60.25
2.	Annapurna Cinema, Aurangabad	Maharashtra State Culture Corporation, Mumbai	Collector Aurangabad	66.74	42.80	23.94
3.	Shri. Uttam R.Kolimare, Nashik	Maharashtra Handloom Corporation, Mumbai	Tahsil Nashik	0.94	0.24	0.70
4.	Shri. B.P. Sapkale, Sillod	Maharashtra Handloom Corporation, Mumbai	Tahsil Nashik	0.36	0.22	0.14
<b>Total</b>				<b>137.29</b>	<b>52.26</b>	<b>85.03</b>

### 4.2.9.2 Return of RRC cases

Under Rule 17 of the Maharashtra Realisation of Land Revenue Rules, if the complete particulars of the items have not been furnished by the issuing office

in the RRC and if the addresses or the particulars furnished therein are incomplete, the RRC should immediately be returned to the issuing office by the *Tahsildar*.

It was noticed that four cases involving Rs. 243.22 crore were incorrectly returned to requisitioning authorities though the requisite details and the addresses of the defaulters were available on record as mentioned below :

(Rupees in crore)

Sl. No.	Name of the defaulter	Name of the requisitioning authority/ revenue authority	Month of issue of RRC/ Amount	Remarks
1.	Nav Maharashtra Chakan Oil Mill, Pune	Directorate of Enforcement Mumbai/ Tahsildar, Pune	April 2007/ 242.00	The case was returned as the defaulter was not found at the given address. However, the defaulter was having other property in the same jurisdiction as ascertained from the Sales Tax Department.
2.	Shri. Kantilal Mishrilal Bafna, Dhule	Collector, Indore Madhya Pradesh/ Collector, Dhule	September 2003/ 1.05	The property was in existence. The case was returned on the basis of incorrect report of non-existence of property of the <i>Tahsildar</i> .
3.	Shri. Navin Tolia	Collector, Indore (MP)/Collector, Mumbai	August 2007/ 0.12	The case was returned without enquiring the position of another property mentioned in the RRC.
4.	Shri. Bansraj. R. Jaiswal and Shri Irrappa Nagappa	Labour Commissioner, Mumbai/ Collector, Mumbai (MSD)	April 2007/ 0.05	Where about of the co-defaulter mentioned in the RRC was not verified.
<b>Total</b>			<b>243.22</b>	

The Government may, therefore, consider prescribing a mechanism to ensure full recovery of dues in a time bound manner and returning of RRC to the department immediately in such cases where part recovery have been made and full recovery is not possible. The Government may also consider introducing a system of sharing of information with other department to ensure prompt recovery of dues particularly in such cases where particular of address and property are either incorrect or incomplete.

### Compliance deficiencies

#### 4.2.10 Attachment/auction of properties

##### 4.2.10.1 Non-attachment of properties

If the defaulter fails to make the payment within the prescribed period, a warrant of attachment should be issued to the defaulter under section 182 of the MLR code.

It was noticed that in two cases the order of attachment of property were issued in December 2005 and January 2008. However, the property was not attached till the date (September 2008). This resulted in non-realisation of revenue of Rs. 17.30 lakh.

#### 4.2.10.2 Non-auctioning of property

As per section 180 of MLR code, after attachment of property, the property should be auctioned, a sale notification should be published in the official gazette as well as in local news papers so as to give publicity regarding auction of property.

It was noticed that in four cases, the properties were attached between October 2005 and December 2007. However, these cases were not put to auction as of April 2008. Thus, Rs. 1.27 crore could not be realised as mentioned below:

(Rupees in lakh)

Sl. No.	Name of the defaulter	Name of issuing authority/date of issue	Name of receiving authority/date of receipt	Amount	Date of order of attachment
1.	Datar Switchgear Nashik	Directorate Enforcement Mumbai/ 28 September 2004	Collector, Nashik/ 7 October 2004	117.28	13 February 2007
2.	Agrasen Nagari Pat Sanshtha Nashik	Consumer Forum Nashik/NA	Collector, Nashik/NA	7.30	29 December 2007
3.	Sayyed Wahab Aurangabad	Labour Court Aurangabad/ 29 June 2004	Collector, Aurangabad/ 2 July 2004	1.53	3 October 2005
4.	H. Abdul Majid & Sheikh Gulab Aurangabad	Jt. Director of Industries Mumbai/ NA	Collector, Aurangabad/ 4 July 2005	0.93	7 October 2005 and 7 November 2005
<b>Total</b>				<b>127.04</b>	

#### 4.2.11 Non-deduction of service charges

As per the Government order of November 1999, service charges at the rate of 10 *per cent* of the arrears dues shall be recovered for the services rendered to Central and other State Governments.

It was noticed that in six cases of three<sup>9</sup> districts, an amount of Rs. 7.67 crore was recovered. However, the service charges of Rs. 76.75 lakh was not deducted as mentioned below:

<sup>9</sup> Aurangabad, Mumbai(MSD), Nashik.

(Rupees in lakh)

Sl. No.	Name of the defaulter	Name of issuing authority	Name of receiving authority/date of RRC	Amount recovered	Service charges not deducted
1.	M/s. Kilburn Engineering Mumbai	Asstt. Commr. Sales Tax Vadodara Gujarat	Collector Mumbai (MSD)/ 24 September 2004	707.00	70.70
2.	Shri. Sanjay Khan Managing Director (MD) World Resort Ltd Mumbai	Director of Enforcement Mumbai	Collector Mumbai (MSD)/ 29 June 2004	37.50	3.75
3.	Rahul Mishrikotkar Aurangabad	Directorate of Enforcement Mumbai	Collector Aurangabad/ 27 June 2005	15.00	1.50
4.	Starlight Industries Aurangabad	Directorate of Enforcement Mumbai	Collector Aurangabad/ NA	5.40	0.54
5.	National Insurance co . Ltd. Nashik	Motor accident claim Tribunal Faizabad U. P.	Collector Nashik/ 30 May 2006	1.58	0.16
6.	M/s Sisodia Rubber Factory Aurangabad	District Collector Kotayyam Kerala	Collector Aurangabad/ 16 February 2006	0.99	0.10
<b>Total</b>				<b>767.47</b>	<b>76.75</b>

#### 4.2.12 Conclusion

Due to non-maintenance of revenue recovery register or not conducting the periodical review of register where it has been maintained, the department is not in a position to follow up the RRCs. Demand notices were not issued or issued late. Recoveries in RRCs were not made effectively. Service charges were not recovered promptly.

#### 4.2.13 Summary of recommendations

The Government may consider:

- prescribing periodic reconciliation of the RRC cases received at Collectorates, referred and recorded at *tahsil* offices and ensuring that the instructions of December 1979, May 1981 and June 2002 are followed as the missing cases may result in loss of Government revenue;
- prescribing a mechanism to ensure full recovery of dues in a time bound manner and returning of RRC to the department immediately in such cases where part recovery have been made and full recovery is not possible;
- introducing a system of sharing of information with other departments to ensure prompt recovery of dues particularly in such cases where particulars of address and properties are either incorrect or incomplete.

### 4.3 Non-realisation of non-agricultural assessment tax and increase of land revenue due to non-raising of demand

Under the provision of the Maharashtra Land Revenue Code, 1966, (MLR Code) non-agricultural assessment (NAA) is levied with reference to the use of land. NAA is revised whenever the Government revises the rate from time to time subject to expiry of the guarantee period<sup>10</sup> mentioned in the respective NAA order. Further, increase of land revenue (ILR) under the Maharashtra ILR and Special Assessment Act, 1974, is also payable at 100 *per cent* of land revenue in case the land holding is 12 hectares or more. The Salt Commissioner, Government of India vide their letter of September 2002 informed the department of Revenue and Forest, Government of Maharashtra, that the salt industry was de-licensed in July 1996 and requested to take necessary action for recovery of NAA for salt marshy lands under Mundra Salt Works, Thane retrospectively.

In Thane and Kurla *tahsils* it was noticed in January 2006 and March 2008 that M/s. Mundra Salt and Chemicals held land admeasuring 6.51 lakh square meter (sq m) for non-agricultural purposes at village Kopari and Mulund since 1996. The *tahsildars* concerned had neither assessed nor levied NAA and increase of land revenue (ILR). This resulted in non-realisation of NAA and ILR of Rs. 6.21 crore (August 1996 to July 2008).

After the cases were pointed out, the *Tahsildars* concerned intimated (April 2008, May 2008) that the notice of demand of Rs. 4.59 crore (1996 to 2008) for non-levy of NAA and ILR has been issued. The *Tahsildar* Thane had recovered NAA of Rs. 1.60 crore (2001 to 2007), as intimated in January 2008. A report on balance recovery had not been received (November 2008).

The matter was reported to the Government in May 2008; their reply has not been received (November 2008).

### 4.4 Non/short levy of non-agricultural assessment

Under the provision of the MLR Code, NAA is levied with reference to the use of land. The NAA is revised whenever the Government revises the rates by issue of a gazette notification subject to expiry of the guarantee period mentioned in the respective NAA order. The NAA rates were revised (September 2001) by the Government with retrospective effect from 1 August 2001. Further as per the Maharashtra ILR and Special Assessment Act, ILR at the rate of 50 *per cent* and 100 *per cent* of land revenue is also payable by the land holders holding eight hectares or more but less than 12 hectares of land and those holding 12 hectares of land or more respectively.

<sup>10</sup> The standard rate of NAA remains in force for a period of five years which is called 'guarantee period'.

During test check of the records in *tahsil*, Haveli (Pune), it was noticed in December 2005 that the NAA from 1 August 2002 to 31 July 2006 was levied at the pre revised rates in 80 cases of seven villages<sup>11</sup> involving 52.89 lakh square meter (sq m) of land used for commercial, industrial and residential purposes. This resulted in short levy of NAA and ILR of Rs. 3.17 crore.

After the cases were pointed out in December 2005, the *Tahasildar*, while accepting the omission in November 2007 stated that, an amount of Rs. 2.01 crore has been recovered. A report on recovery of the balance amount had not been received (November 2008).

The matter was reported to the Government in April 2008; their reply has not been received (November 2008).

#### **4.5 Non-levy of conversion tax**

Under the provisions of the MLR Code, NAA is levied with reference to the use of land and if the land is situated within the areas of Municipal Corporations and A or B class Municipal Councils, conversion tax equal to five times of the NAA is also leviable when permission for non-agricultural use or change of use of the land is granted.

During test check of the records in two<sup>12</sup> *tahsils* it was noticed in December 2007 that in Panvel and Palghar municipal council of class A and B respectively, 47 land owners put 4.10 lakh sq m of land to non-agricultural use or changed the purpose of use of the land during August 2004 to September 2007. The department levied NAA of Rs. 3.01 lakh in above cases. However, conversion tax of Rs. 15.05 lakh though leviable was not levied. This resulted in non-levy of conversion tax of Rs. 15.05 lakh.

After the cases were pointed out, the *Tahsildar* concerned accepted the omission and agreed to effect the recovery in January 2008. *Tahsildar* Palghar recovered conversion tax of Rs. 2.10 lakh (January 2008). A report on recovery in remaining cases has not been received (November 2008).

The matter was reported to the Government in April 2008; their reply has not been received (November 2008).

---

<sup>11</sup> Akurdi, Chinchwad, Dhanakwadi, Hadapsar, Katraj, Pimpri and Wadgaon Sheri.

<sup>12</sup> Palghar and Panvel.