

CHAPTER IV : Land Revenue

4.1 Results of audit

Test check of records of land revenue conducted during the year 2003-2004 revealed under-assessment, short levy, loss of revenue *etc.* amounting to Rs 40.72 crore in 215 cases which broadly fall under the following categories:

Sl. No.	Category	No. of cases	Amount (in crore of rupees)
1	Non-levy/short levy/incorrect levy of NAA, ZP/VP cess, conversion tax and royalty	129	37.02
2	Non-levy/short levy/incorrect levy of increase of land revenue	21	0.76
3	Non-levy/short levy of occupancy price <i>etc.</i>	61	2.91
4	Short levy of measurement fees, sanad fees <i>etc.</i>	4	0.03
Total		215	40.72

During the course of the year 2003-2004, the Department accepted under-assessment of Rs 1.42 crore in 146 cases which had been pointed out in earlier years and recovered the same.

A few illustrative cases noticed during 2003-2004 and earlier years involving Rs 1.62 crore are mentioned in the following paragraphs:

4.2 Short levy due to non-application of revised rates for non-agricultural assessment

Under the Maharashtra Land Revenue (MLR) Code, 1966 and the rules made there under the non- agricultural assessment (NAA) fixed on the basis of standard rate remains in force during the guarantee period and on expiry is liable to be revised. Such revised assessment shall become leviable with effect from the commencement of the next guarantee period. Further, increase of land revenue (ILR), Zilla Parishad (ZP)/Village Panchayat (VP) cess and conversion tax are also leviable at prescribed rates under the provisions of MLR Code.

4.2.1 Land measuring 1,70,676 sq.mts. being used for non-agricultural purpose by two¹ Agricultural Produce Marketing Committees (APMCs) in five villages was assessed for NAA before 1979. The Government of Maharashtra revised the standard rates for NAA for these villages in which the above mentioned APMCs were situated from 1 August 1991 and again from 1 August 2001. However, the Tahsildars² of the villages concerned continued recovery at the pre-revised rates without revising the assessment based on revised standard rates. This resulted in short levy of NAA, ILR and cess amounting to Rs 21.70 lakh for the period from 1 August 1998 to 31 July 2003.

After this was pointed out in May 2002 and March 2003, the Department accepted the short recovery in November 2003 and March 2004. Report on recovery has not been received (February 2005).

The matter was reported to Government in June 2004; their reply has not been received (February 2005).

4.2.2 Scrutiny of records in Pune and Thane Tahsil during July and August 2003 revealed that the Government had revised the standard rate from 1 August 2001. However, the NAA and conversion tax in nine cases in Pune Tahsil and 14 cases in Thane Tahsil were continued to be recovered at the pre-revised rates resulting in short levy of NAA and conversion tax amounting to Rs 15.63 lakh pertaining to the period from August 2001 to July 2003.

After this was pointed out, the Tahsildars concerned, stated in January and March 2004 that revised orders from the Collectors were awaited. The Collectors stated (December 2003) that revised orders would be issued soon for effecting necessary recovery from the landholders.

The matter was reported to Government in June 2004; their reply has not been received (February 2005).

¹ APMC Kurduwadi (Solapur) and APMC Manchar (Pune)

² Tahsildar Madha (Solapur) and Tahsildar Ambegaon (Pune)

4.3 Short levy of conversion tax and non-agricultural assessment

Under the MLR Code, land revenue is assessed with reference to the use of land such as agricultural, residential, industrial, commercial or any other purpose. Land revenue is levied according to the standard rates of NAA notified in the gazette from time to time. Further, in cases where such land is situated in the area of Municipal Corporation and Municipal Councils (A and B class cities only) or any peripheral area thereof, conversion tax equal to five times of NAA is also levied while granting permission for change in use of such land.

As a result of incorporation of seven villages³ in the limits of Municipal Corporation in Ahmednagar Tahsil in July 1999, the NAA was to be fixed based on the rates of urban area. However, while issuing the NAA orders the Collector applied the rates applicable to rural areas which resulted in short levy of NAA and conversion tax amounting to Rs 5.66 lakh.

After this was pointed out in January 2002, the Department accepted in November 2003 the short levy and agreed to effect recovery. Report on recovery has not been received (February 2005).

The matter was reported to Government in June 2004; their reply has not been received (February 2005).

4.4 Non-recovery of occupancy price

The MLR Code, and the Maharashtra Land Revenue (Disposal of Government Land) Rules, 1971 framed there under govern the grant and disposal of Government land for commercial, industrial and other non-agricultural purposes. The grantee has to pay occupancy price as fixed by the Government along with interest chargeable from the date of taking over the possession of the land till the date of final payment of occupancy price.

Government land measuring 5,150 sq.mt. in village Umele and 7,500 sq.mt. in village Supara in Vasai Tahsil, District Thane was allotted by the Collector to the Maharashtra State Road Transport Corporation (MSRTC) and Maharashtra State Electricity Board (MSEB) in April 1995 and March 1997 respectively. The Town Planning Department fixed the occupancy price for the land in the above two villages during July 2001 and August 2002 at Rs 400 per sq. mtr. for MSRTC and Rs 440 per sq. mtr. for MSEB. But, neither the MSRTC/MSEB paid the occupancy price nor were any efforts made for recovery by the Department. This resulted in non-realisation of Government revenue amounting to Rs 1.08 crore including interest.

After this was pointed out in August 2002, the Collector while admitting the non-recovery, stated in June 2004 that Tahasildar Vasai has been instructed to effect recovery from the grantees even by adopting coercive measures under the provisions of MLR Code. Report on recovery has not been received (February 2005).

³ Bistabad, Chaurana Bk, Chaurana Kh, Kedgaon, Maliwada, Nalegaon and Sawadi.

The matter was reported to Government in June 2004; their reply has not been received (February 2005).

4.5 Non/short levy of non-agricultural assessment, increase of land revenue and cess

Under the MLR Code, land revenue is assessed with reference to the use of land such as agricultural, residential, industrial, commercial or any other purpose. NAA is fixed in accordance with the standard rate notified in the gazette from time to time. Further, ILR under the Maharashtra Increase of Land Revenue and Special Assessment Act, 1974 and cess at the prescribed rates under the Maharashtra Zilla Parishad and Panchayat Samiti Act, 1961 are also leviable.

In four Tahsils⁴, land measuring 3,14,700 sq.mts. was put to non-agricultural use but NAA, ILR and cess was either not levied or levied short. This resulted in non/short levy of revenue amounting to Rs 11.07 lakh for the period from August 1998 to July 2003.

After this was pointed out between October 2000 and March 2003, the respective Tahsildars accepted the omission. Report on recovery has not been received (February 2005).

The matter was referred to Government in June 2004; their reply has not been received (February 2005).

⁴ Ambegaon (Pune), Chandur Bazar (Amravati), Malshiras (Solapur) and Sangola (Solapur)