

## CHAPTER-IV: Land Revenue

### 4.1 Results of Audit

Test check of land revenue records conducted in audit during the year 2003-2004 revealed under assessments and loss of revenue etc. amounting to Rs.347.98 crore in 4,243 cases which broadly fall under the following categories.

(Rupees in crore)

Sl. No.	Category	Numbers of cases	Amount
1.	Non-regularisation of cases of trespassers on Government land	2462	2.63
2.	Non-recovery of conversion charges from khatedars	195	0.62
3.	Non-recovery of premium and rent from Central/State Government Department/Undertakings	158	17.88
4.	Non-recovery of price of command/un-command/custodian ceiling land etc.	342	8.38
5.	Non/short recovery of cost of land	458	2.16
6.	Loss of revenue due to non-reallotment of land	55	3.52
7.	Other irregularity	572	26.70
8.	<b>Review: Receipts of Colonisation Department</b>	1	286.09
	<b>Total</b>	<b>4,243</b>	<b>347.98</b>

During the year 2003-04, the Department accepted underassessment etc. of Rs.5.92 crore involved in 431 cases of which 159 cases involving Rs.2.18 crore had been pointed out in audit during 2003-04 and rest in earlier years. Further, the Department recovered Rs.61.29 lakh in 183 cases during the year 2003-04 of which 53 cases involving Rs.41.48 lakh related to the year 2003-04 and rest to the earlier years.

An illustrative case and findings of the review on **Receipts of Colonisation Department** involving Rs.218.79 crore are given in the following paragraphs:

## 4.2 Review on Receipts of Colonisation Department

### *Highlights*

**Despite non-payment of instalment of Rs.20.53 crore representing cost of land, allotments in 1,684 cases were not cancelled.**

**(Paragraph 4.2.7)**

**Non-initiation of steps for eviction of 8,607 trespassers occupying land measuring 97,526 bigha resulted in blockage of Government revenue of Rs.44.74 crore.**

**(Paragraph 4.2.9)**

**Differential cost amounting to Rs.133.41 crore in respect of land measuring 78,965.20 bigha on conversion of land from un-command to command was not realised from cultivators.**

**(Paragraph 4.2.10)**

**Assessing agricultural land measuring 9,479.55 bigha at lower rates resulted in short recovery of Rs.8.89 crore.**

**(Paragraph 4.2.11)**

### *4.2.1 Introduction*

Colonisation Department in the State was created in May 1955 to ensure development, allotment, sale and proper administration of land falling under colonisation areas after the establishment of irrigation projects by the Irrigation Department. In Rajasthan, there are six major<sup>1</sup> irrigation projects spread over 10 districts<sup>2</sup>, 35 medium and 74 minor irrigation projects spread over 21 districts for providing irrigation facilities in un-command areas.

Receipts of Colonisation Department are regulated under the Rajasthan Colonisation Act, 1954, various allotment rules made thereunder and notifications and orders issued from time to time by the State Government. Application for allotment of Government land are invited by Allotting Authority (AA) by publication of notices. AA can allot upto 25 bigha Government land to a person.

### *4.2.2 Organisational set-up*

At the apex level the Principal Secretary to Government is incharge of the Colonisation Department. Colonisation Commissioner (CC) is the administrative head of the colonisation department looking after all

<sup>1</sup> Bhakra Project, Chambal Project, Gang Canal Project, Indira Gandhi Nahar Pariyojana (IGNP), Jawai Project and Mahi Project.

<sup>2</sup> Banswara, Bikaner, Bundi, Hanumangarh, Jaisalmer, Jalore, Jodhpur, Kota, Pali and Sriganganagar.

colonisation operations. He is assisted by three Additional Colonisation Commissioners<sup>3</sup>, three Deputy Colonisation Commissioners (DCC)<sup>4</sup> and five Assistant Colonisation Commissioners (ACC)<sup>5</sup>.

Colonisation operations were closed partially in December 1984 in 16 tehsils<sup>6</sup> in Indira Gandhi Nahar Pariyojana (IGNP) area and remaining work was transferred between December 1984 and September 1998 to Revenue tehsils, the control and supervision of which was exercised by the Board of Revenue.

#### **4.2.3 Audit objectives**

The review was conducted to ascertain:

- whether the cost of land was assessed correctly and recovery made as per prescribed rules;
- whether realisation of auction proceeds, other colonisation receipts and regularisation of land in various projects from the allottees was proper and timely;
- whether adequate steps for eviction of unauthorised trespassers of Government land were taken;
- effectiveness of internal control mechanism for realisation of the dues.

#### **4.2.4 Scope of audit**

Detailed analysis of records of 18 tehsils<sup>7</sup> out of 54, under five major projects<sup>8</sup> (in eight districts)<sup>9</sup>, two DCCs<sup>10</sup> out of three, three<sup>11</sup> out of five ACCs, three<sup>12</sup> out of six Superintending Engineers (SEs) in three projects<sup>13</sup> in Irrigation Department, six District Collectors<sup>14</sup> out of 10 and Colonisation Commissioner covering the period 1998-99 to 2002-03 was conducted between June 2003 and March 2004.

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<sup>3</sup> Two at Bikaner and one at Jaisalmer.

<sup>4</sup> Bikaner, Nachna and Jaisalmer.

<sup>5</sup> Bikaner, Chatargarh, Kolayat, Mohangarh-A and Mohangarh-B.

<sup>6</sup> Hanumangarh, Norangdesar, Rawatsar, Suratgarh-I, Suratgarh-II, Suratgarh-III, Raisinghnagar, Srivijainagar, Anupgarh, Gharsana, Chatargarh½ (area of Sriganganagar district), Bikaner, Loonkaransar, Chatargarh-I, Chatargarh-II (area of Bikaner district), and Nohar Sahawa.

<sup>7</sup> Anupgarh, Banswara, Bikaner, Bundi, Gharsana, Karanpur, Khajuwala, Kolayat-I, Ladpura (Kota), Loonkaransar, Mohangarh-I, Nohar, Padampur, Pilibanga, Sadulsher, Sangria, Sriganganagar and Suratgarh.

<sup>8</sup> IGNP, Bhakra, Gang canal, Mahi and Chambal project.

<sup>9</sup> Bikaner, Hanumangarh, Sriganganagar, Jaisalmer, Kota, Bundi, Banswara and Jodhpur.

<sup>10</sup> Jaisalmer and Nachna.

<sup>11</sup> Kolayat Chatargarh and Mohangarh-A.

<sup>12</sup> Hanumangarh, Sriganganagar and Srivijainagar.

<sup>13</sup> Bhakra, Gang Canal and IGNP.

<sup>14</sup> Bikaner, Banswara, Bundi, Hanumangarh, Kota and Sriganganagar.

#### 4.2.5 Trend of revenue

A comparison of Budget estimates (BE) and actual receipts in respect of sale proceeds of land in IGNP, as furnished by the Government was as under: -

(Rupees in crore)

Sl. No.	Year	Budget estimate	Revised estimates	Actual receipts	Percentage of excess/shortfall with reference to original estimates
1.	1998-1999	21.00	24.00	29.48	(+) 40
2.	1999-2000	227.35	125.00	119.35	(-) 48
3.	2000-2001	150.00	50.00	40.80	(-) 72
4.	2001-2002	100.00	25.00	25.49	(-) 75
5.	2002-2003	65.00	26.00	28.54	(-) 56

The above table indicates that the target of revenue realisation with reference to original budget estimate was not achieved during the years 1999-2000 to 2002-03. The shortfall ranged between (-) 48 and (-) 75 per cent.

The details in the table would further reveal that except during 1998-99 the original BE projected by the Department was considerably reduced in the revised estimates (RE).

After this was pointed out in April 2004 the Government stated in August and October 2004 that owing to drought conditions in the State and shortage of water in canals in last four years, the recovery could not be effected as per the original BE, leading to its reduction in the revised estimates.

#### 4.2.6 Arrear pending collection

The year-wise position of arrear pending collection as furnished by the Department was as under:

(Rupees in crore)

Category of allotment	Position upto 31.3.1998	1998-99	1999-00	2000-01	2001-02	2002-03	Total
General allotment	1.03	1.36	2.72	8.39	9.59	12.15	35.24
Special allotment	0.87	0.51	0.99	5.97	8.16	13.91	30.42
Allotment through auction	-	-	-	0.18	0.66	0.59	1.42
<b>Total</b>	<b>1.90</b>	<b>1.87</b>	<b>3.71</b>	<b>14.54</b>	<b>18.41</b>	<b>26.65</b>	<b>67.08</b>

The Department attributed the arrears in July 2004 to drought conditions in the State in the last four years.

The reply was not tenable as the Government did not issue instructions for postponement of recovery during the period of drought.

#### 4.2.7 Non-cancellation of allotment orders

Under the provision of IGNU Rules, 1975, if an allottee, in case of general allotment fails to deposit any two consecutive instalment fixed by the allotting authority, the allotment of land is liable to be cancelled at the discretion of allotting authority. Further, in case of special allotment of land, the allotment is to be cancelled if the allottee fails to pay any instalment. A register called "Allotment of land cancelled in form No.22" is required to be maintained for watching the cancellation of allotment of land by the allotting authority.

Test check of the records of the five offices<sup>15</sup> of the allotting authority revealed that this register was not being maintained. Consequently no watch could be exercised for cancellation of the allotments wherever instalments were not paid by the allottees. Non-cancellation of allotments in 1,684 cases resulted in non-realisation of Rs.20.53 crore. Details are given as under:-

Sl. No.	Category of allotment	No. of allottees	Area in bigha		Nature of objection	Cost of land remained realise on re-allotment (Rs. In crore)
			Command	Uncommand		
1.	General allotment (in 16 tehsils) <sup>16</sup>	1,581	22,487	9,934	Non-payment of two consecutive installments of the cost of land	15.82
<p><b>Remark:</b> After this was pointed out between October 2003 and March 2004, Department stated in August 2004 that the cancellation of allotment order by AA was discretionary and not mandatory. Further it was stated that the cancellation of allotment of land was also not made owing to drought conditions in the State. Besides cancellation of allotments could also cause litigations. Departmental reply was not tenable as the discretionary powers were not exercised by the AA at all. The proposal for cancellation of allotment of land in cases of default were not processed by the Tehsildar concerned for onward consideration of the AA.</p>						
2.	Special allotment (in five tehsils) <sup>17</sup>	103	2,107	238	Non-payment of installment of the cost of land	4.71
<p><b>Remarks:</b> The matter was reported to the Department in July 2004; final reply has not been received.</p>						

#### 4.2.8 Targets and achievements of allotment of land and plots

Total land available for allotment under five major Projects was 3.49 lakh hectares as on 31 March 2003. Targets and achievements for allotment of land

<sup>15</sup> DCC Nachna, DCC Jaisalmer, ACC Mohangarh 'A', ACC Kolayat and ACC Chatargarh (Headquarter Bikaner).

<sup>16</sup> Anupgarh, Chatargarh, Hanumangarh, Jaisalmer-I, Kolayat-I, Kolayat-II, Khajuwala, Loonkaransar, Mohangarh-I, Nachana-I, Nachana-II, Pilibanga, Pugal, Ramgarh-I, Ramgarh-II and Tibbi.

<sup>17</sup> Kolayat-I, Mohangarh-I, Mohangarh-II, Mohangarh-III and Ramgarh-I.

for these projects (except IGNP) were not fixed by the Department. The position of targets and achievements of land and residential plots under IGNP was as under:

Year	Target (IGNP)		Achievement (IGNP)		Percentage of achievement (IGNP)	
	Agricultural land (Hectares in lakh)	Residential plots* (In number)	Agricultural land (Hectares in lakh)	Residential plots (In number)	Agricultural land	Residential plots
1998-99	0.50	14,800	0.35	1,164	70	8
1999-00	0.50	-	0.88	1,280	176	-
2000-01	0.50	-	0.36	980	72	-
2001-02	0.50	-	0.29	388	58	-
2002-03	0.50	10,900	0.15	4,829	30	44

\* Note: For 1999-2000 to 2001-02 no targets were fixed for allotment of residential plots.

The above table shows that (i) during the last five years the target of allotment of agricultural land was not achieved except in year 1999-2000. The achievement of target of allotment of land during the remaining four years ranged between 30 and 72 per cent.

The Department stated in July 2004 that the main reason for non-achievement of targets in respect of residential plot was non-availability of basic facilities in the area.

#### 4.2.9 Encroachment of Government land

As per section 22 of the Rajasthan Colonisation Act, 1954 any person who occupies or continues to occupy any land in a colony to which he has no right or title or without lawful authority shall be regarded as a trespasser and may be summarily evicted therefrom by the Collector.

As per the information furnished by six district collectors and CC, 97,526 bigha land was under un-authorised occupation in 8,607 cases as on 31 March 2003. The project-wise break-up is given as under:

Name of project	Name of district	Number of cases	Area (In bigha)	
			Command	Un-command
IGNP	Sriganganagar	3,159	-	43,003.65
	Hanumangarh	592	7,233.60	-
	Colonisation Commissioner Bikaner	842	-	13,244.35
	Bikaner	238	75.00	4,206.80

Name of project	Name of district	Number of cases	Area (In bigha)	
			Command	Un-command
Chambal	Kota	1,583	1,210.30	13,746.10
	Bundi	1,750	-	10,868.00
Gang canal	Sriganganagar	102	-	1,133.65
Bhakra	Sriganganagar	45	-	398.95
	Hanumangarh	73	1,780.80	-
Mahi	Banswara	223	625	-
<b>Total</b>		<b>8,607</b>	<b>10,924.70</b>	<b>86,601.50</b>

A perusal of the records revealed that though the trespassers were being evicted from the land, the same land was being occupied again unauthorisedly. This resulted in blockage of realisation of cost of Rs.44.74 crore.

After this was pointed out in May 2004, the Government stated in October 2004 that 3,726 cases were disposed of and 1,305 cases were pending in various courts. Steps taken for sell/allotment of land evicted in 3,726 cases was not intimated. Action taken in remaining 3,576 cases is awaited (October 2004).

#### **4.2.10 Non-recovery of differential cost of land from un-command to command**

As per the provisions governing Bhakra, IGNP and Gang Canal Project rules, if land becomes command from un-command, the differential cost of land that becomes due on such declaration shall be recovered from the beneficiary cultivators.

As per information furnished by five tehsildars<sup>18</sup>, un-command<sup>19</sup> land measuring 32,561.70 bigha though irrigated since February 2002 was not declared as command as on 31 March 2003. There was nothing on record to indicate that the proposals were sent to the Government for declaring these areas as command, though the area was irrigated through canals by the Government. Lack of action on the part of the Department resulted in non-realisation of differential cost of Rs.40.93 crore.

After this was pointed out in March 2004 the CC stated in July 2004 that recovery amounting to Rs.7.72 lakh was made from cultivators in two tehsils<sup>20</sup>. Position of recovery of rest amount was not received till August 2004.

<sup>18</sup> Chatargarh, Kolayat-II, Lunkaransar, Poogal and Suratgarh.

<sup>19</sup> Command and un-command land respectively mean land shown as such by the Irrigation Department in its latest authenticated command and un-command statement with reference to any area of the Irrigation project.

<sup>20</sup> Kolayat-II and Poogal.

- In compliance of directions given by the Irrigation Minister in the meeting held on 28 March 2000, the Chief Engineer, Irrigation Department, Hanumangarh submitted to Government in April 2000, the details of cultivators of three projects<sup>21</sup> to whom temporary water supply was being provided for last 10 years or more period. Government decided in August 2000, to regularise water supply on permanent basis in such areas of these projects where water supply was provided continuously for last ten years, subject to the condition that the owners of such area shall pay the reserve price fixed by the Government before the un-command area is declared as command area by the Irrigation Department. A list of such beneficiaries liable to pay the differential cost was required to be forwarded to the concerned district collectors for recovery by tehsildars.

Project-wise number of beneficiaries, area irrigated and differential cost to be recovered from beneficiaries is given as under:

(Rupees in crore)

Sl. No.	Name of project	No. of cultivators	Area		Cost of land (per bigha)			Differential cost of land recoverable
			Acre	Bigha	Command	Un-command	Difference	
1.	Gang canal	1,333	6,558.44	10,493.50	0.32	0.06	0.26	27.28
2.	Bhakra	1,517	8,906.25	14,250.00	0.32	0.06	0.26	37.05
3.	IGNP	3,325	13,537.50	21,660.00	0.16	0.03	0.13	28.15
<b>Total</b>		<b>6,175</b>	<b>29,002.19</b>	<b>46,403.50</b>				<b>92.48</b>

During course of audit it was noticed that in Gang Canal Project, the Government issued orders in December 2002 for conversion of area from uncommand to command. Though the list was sent to the District Collector Sriganganagar, no recovery was made from beneficiaries resulting in non-realisation of Rs.27.28 crore. In respect of other two projects approval for declaring un-command area as command area had not been granted by the government resulting in blockage of Rs.65.21 crore.

After this was pointed out in May 2004 the Government intimated in October 2004 that differential costs between command and un-command land shall be recovered after scrutinising individual cases. However, action taken in other two projects had not been received (October 2004).

#### 4.2.11 Short levy of cost of land

- The price of land sold by special allotment under Rule 13-A in Suratgarh tehsil was more than the price of the land sold by the general allotment.

A test check of records of SDO/Tehsildar, Suratgarh revealed that 1,802.30 bigha land was sold to 83 allottees between March 2000 and July 2002 by special allotment. However, Tehsildar, Suratgarh recovered the cost of land at

<sup>21</sup> Bhakra, Gang Canal and IGNP.



the rates applicable to sale of land by general allotment. This resulted in short realisation of Rs.6.62 crore as detailed below:

(Rupees in crore)

No. of allottees	Area (In bigha)		Price recoverable	Price recovered	Amount short recovered
	Command	Un-command			
83	1,157.10	645.20	7.92	1.30	6.62

After this was pointed out in March 2004, the Government stated in October 2004 that land has been allotted under Rule 24 i.e. general allotment, as such lower rates have been applied. The reply is not tenable as the land was allotted under Rule 13-A, which specifies the sale of land by special allotment for which higher rates are applicable.

- As per Rule 11 of the Rajasthan Colonisation (Mahi Project Government Land Allotment and Sale) Rules, 1984, allotment of small patch<sup>22</sup> land is to be made at double the reserve price of the land of similar soil class in the neighbourhood.

In two tehsils<sup>23</sup> it was noticed that small patch land measuring 4,677 bigha consisting of 4,675 bigha command and two bigha uncommand were allotted between 2001-02 to 2002-03 to 2,495 farmers at the reserve price instead of double the reserve price of the land of similar class in the neighbourhood. The omission resulted in short realisation of Rs.1.51 crore towards cost of land, as detailed below:-

(Rupees in crore)

Sl. No.	Name of tehsil	No. of farmers	Area (In bigha)	Cost of land recoverable	Demand raised	Difference
1.	Banswara	499	939.95	0.68	0.34	0.34
2.	Ghatol	1,996	3,737.00	2.34	1.17	1.17
<b>Total</b>		<b>2,495</b>	<b>4,676.95</b>	<b>3.02</b>	<b>1.51</b>	<b>1.51</b>

After this was pointed out in January 2004, the Department stated between January 2004 and August 2004 that double the reserve price is recoverable from those farmers whose land is adjoining such small patches. The reply was not tenable as no such condition was provided in Rule 11.

- As per section 12 of the Rajasthan Colonisation Act, 1954, the Collector may allow any tenant to exchange the whole or any part of his tenancy for other land in the colony area. However, there is no provision for recovery of differential cost of land so exchanged.

<sup>22</sup> "Small patch" means a peace of land measuring upto two acres (five bigha) of irrigated land or four acres (10 bigha) of un-irrigated land.

<sup>23</sup> Banswara and Ghatol.

In two colonisation<sup>24</sup> offices land measuring 2,212 bigha command and 112 bigha un-command land was allotted to 114 farmers in well developed area between May 2000 and December 2002 in exchange of 1,481 bigha command and 1,434 bigha un-command land previously allotted to them in less developed area at their request, as detailed below:

(Rupees in lakh)

Name of office	No. of cases	Area initially allotted (In bigha)			Area allotted in exchange (In bigha)			Differential cost
		Command	Un-command	Cost of land	Command	Un-command	Cost of land	
DCC Nachna	97	1,445	903	29.04	1,925.55	49.85	77.42	48.38
ACC Chatargarh	17	36	531	1.85	286.50	61.90	11.95	10.10
<b>Total</b>	<b>114</b>	<b>1,481</b>	<b>1,434</b>	<b>30.89</b>	<b>2,212.05</b>	<b>111.75</b>	<b>89.37</b>	<b>58.48</b>

Absence of provision resulted in non-recovery of differential cost based on the prevailing rate in two areas on the date of subsequent allotment. This resulted in loss of Rs.58.48 lakh.

- As per the Government notification dated 5 January 1991, in case of special allotment the cost of land was recoverable at the prescribed rates. Thereafter an annual increase of 15 per cent was envisaged.

During course of audit, it was noticed that in four colonisation tehsils<sup>25</sup> land measuring 676.25 bigha in 29 cases was allotted between January 1998 and June 2002 under special allotment. In these cases the cost of land was recovered at lower rate, resulted in short realisation of Rs.16.87 lakh.

After this was pointed out between October 2003 and January 2004, two tehsils (Ramgarh-I and Mohangarh-III) accepted the observations in all cases while tehsil Mohangarh-II accepted short levy in seven cases. Reply in respect of the other cases has not been received (October 2004).

<sup>24</sup> DCC Nachna and ACC Chatargarh.

<sup>25</sup> Mohangarh-I, Mohangarh-II, Mohangarh-III and Ramgarh-I.

#### 4.2.12 Non-raising of demand

As per Government notification dated 15 July 1974, the Collector is empowered to allot the government land for "Abadi Vistar" to local bodies e.g. Urban Improvement Trusts (UIT), Municipal Corporations (MC), Municipal Board (MB) and Gram Panchayats (GP) in project areas on payment of cost of land prescribed at reserve price alongwith capitalised value in lieu of land revenue.

In three tehsils it was noticed that 2,588.33 bigha Government land valued at Rs.4.21 crore was allotted to UIT, Sriganganagar and Kota, MC Kota, MB Kaithon (Kota) and six *Gram Panchayats* (four in Sangaria and two in Kota) for "Abadi Vistar" between December 2001 and December 2002. The demand of cost of land was not raised from the concerned local bodies as detailed below:

(Rupees in crore)

Sl. No.	Name of tehsil	Name of local body	Number of cases	Period of allotment of land	Area (In bigha)	Rate per bigha	Cost of land
1.	Sriganganagar	UIT Sriganganagar	5	2/2002	85.10	0.32	0.27
2.	Sangaria	4 Gram Panchayats <sup>26</sup>	4	12/ 2001 to 1/2002	109.80	0.32	0.35
3.	Lad pura (Kota)	(i) UIT Kota (ii) MC Kota (iii) MB Kaithon (iv) Gram Panchayats <sup>27</sup>	10 2 1 3	9/ 2002 to 12/ 2002 11/2002 12/2002 11/2002 to 12/2002	1765.18 532.41 40.45 55.39	0.15 0.15 0.15 0.15	2.65 0.80 0.06 0.08
	<b>Total</b>		<b>25</b>		<b>2,588.33</b>		<b>4.21</b>

After this was pointed out between July 2003 and February 2004, the Department stated in respect of Sriganganagar and Sangria that the recovery of cost of land from local bodies will be made after obtaining the directions from District Collector concerned/Government. In respect of tehsil Ladpura (Kota) the Department stated in July 2004 that the area relating to Kota does not fall with in the jurisdiction of colonisation. The reply was not tenable as the villages included in the notifications were not excluded from the jurisdiction of Colonisation by any notification or order. Further report of recovery has not been received.

- It was noticed that land measuring 380.70 bigha was sold in Bundi for Rs.60.79 lakh to 130 persons between December 2000 and June 2002. Scrutiny of sale registers revealed that though the beneficiaries were given the possession of land, the cost of land was neither paid by allottees nor was any

<sup>26</sup> Kikarwali, Manaksar, Shahpeeni and Deengarh.

<sup>27</sup> Kasar and Dharampura.

action taken by the Department to recover the same. This resulted in non-realisation of Government revenue of Rs.60.79 lakh.

After this was pointed out, the Department stated that demand of cost of land has been raised. The reply of the Department was not tenable as the amount should have been recovered as arrears of land revenue.

#### **4.2.13 Recommendation**

The Government may consider the following:

- A strong mechanism need to be developed to prevent unauthorised occupation of land.
- Provision needs to be incorporated for levy and collection of differential cost of land from beneficiaries on account of exchange of land from undeveloped area to developed area.
- Effective steps need to be taken to ensure that cost of land is recovered in accordance with the rules and procedure and in case where the allotments are liable to be cancelled, action should be taken promptly.
- Internal controls to safeguard the Government revenue need to be strengthened.

### **4.3 Non-recovery of conversion charges**

As per Government order dated 2 March 1987, on allotment of Government agricultural land in rural areas to the Central Government Departments, Corporations and Undertakings, the prevailing market price of agricultural land together with capitalised value equal to 40 times of the annual land revenue and conversion charges were recoverable.

**4.3.1** In tehsil Dausa, it was noticed in June 2003 that 19.93 hectares Government land was allotted to Railways between October 2002 and March 2003. The land was allotted at a total consideration of Rs.67.50 lakh including conversion charges of Rs.31.89 lakh. The tehsildar handed over the land without the recovery of conversion charges. The omission resulted in non-recovery of Rs.31.89 lakh.

After this was pointed out in July 2003 the Department stated in June 2004 that demand has been raised further reply was awaited till September 2004.

The matter was reported in May 2004 to the Government which confirmed in July 2004 the reply of the Department.

**4.3.2** In three tehsils<sup>28</sup> it was noticed that Government land measuring 1,620.40 bigha and *khatedari* land 263.60 bigha was allotted in August 2002 to railways for laying "Kolayat-Phalodi" rail track on recovery of cost of land and capitalised value. However, conversion charges amounting to Rs.6.07 crore were not recovered from railways.

The Department in August 2004 admitted the audit observation in respect of Government land involving Rs.5.24 crore only and stated that the conversion charges were not leviable on the land acquired from the *Khatedars*. The reply was not tenable as the conversion charges are also payable on *Khatedari* land.

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<sup>28</sup> Bap, Kolayat-I and Phalodi.