

Chapter 6 - Non-utilization of Land for Allotted Purpose

Apart from the specific cases detailed in the above paragraphs, there were several cases of land allotments during the period 2006-07 to 2010-11 and even earlier, where the purpose for which the land was allotted by the Government that included construction of school, hostel, office building, hospital, industry, SEZ etc has not been achieved. Illustrative cases are given below.

6.1 Allotment to Health City

For establishment of 'Health city' in Visakhapatnam, Government, during February 2006 alienated 111.01 acres (net usable area: 63.21 acres) in Chinnagadila village to APIIC. The Corporation demarcated 18 plots and allotted 10 plots (29.77 acres) to ten hospitals between July 2006 and January 2011 with a stipulation to (i) complete the projects within two years from the date of allotment, (ii) extend free treatment to 10 *per cent* of poor out-patients and to the students of Government residential schools. Of these, six entrepreneurs paid ₹ 40.38 crore as the land cost and took possession (July 2006 – September 2010). However, none of these entrepreneurs had established the intended hospitals as of July 2011.

Further, APIIC did not collect cost of land from these ten entrepreneurs at uniform rates which ranged from ₹ 2.45 crore to ₹ 4.40 crore per acre. Nor did it prescribe uniform time schedule for collection of land cost. While it fixed five yearly installments for one entrepreneur, the other entrepreneurs were asked to pay (i) within one week, (ii) sixty days and (iii) ninety days only. It offered a five *per cent* rebate in land cost to two entrepreneurs which was not extended to others. ***Thus, allotments and terms of payment of cost of land were determined in an arbitrary manner.***

6.2 Allotment to Hardware Park, Maheswaram

Government land to the extent of 615.43 acres were allotted, between June 2000 and June 2010, to 58 units in Hardware Park, Maheswaram, RR District. The allotted land was not to be diverted for any other purpose. Of this, 36 units, to which 329.32 acres of land had been allotted, had not implemented their projects even after the lapse of periods ranging from 1 to as long as 11 years¹⁷ after the date of allotment. No action was taken by APIIC for non-implementation of projects by the allottees. Further, 11.97 acres of land were allowed to be diverted to 5 units¹⁸ for commercial purposes such as hotels, petrol bunk and office.

¹⁷ Land allotted to 1 unit in 2000, 1 unit in 2004, 6 units in 2005, 14 units in 2006, 5 units in 2007, 5 units in 2008, 4 units in 2010

¹⁸ Shamshabad Airport Filling Station -1.12 acres; Taj G.V.K. Hotels – 1 acre; Sri Sessa Sai Hotels – 1.52 acres; Beas Projects Pvt. Ltd. – 6.83 acres; Raaga Infra Projects – 1.50 acres

Diversion of land for commercial use and non-implementation of projects for which land had been actually allotted, and failure of APIIC to take appropriate action to cancel or resume lands for violation of stipulated conditions, had vitiated the entire purpose of allotment of Government land in these cases.

6.3 Other cases of Non-utilisation

Some of the other cases involving non-utilisation of 5,520.28 acres of land allotted prior to 2010 for different purposes that came to light during the test check of records in the eleven sampled districts are tabulated below.

Table-8
Cases of Non-utilisation of land

Sl. No	Name of the Institution	Date of allotment	Extent of land	Purpose	Present status
1	APIIC, Rampur village, Warangal district	1985	Ac 72.14 Rampur village, Warangal district	Industrial development	Industries were not established
2	Bharat Salt Refineries Limited, Hyderabad	July 2001	Ac. 6505 in Polatippa village, Krishna district	Iodised salt manufacturing project	Out of Ac. 6505, Ac. 650 valued ₹ 16.25 crore was not utilized.
3	District Tribal Welfare Officer, Hyderabad	May 2002	Ac. 0.40 Ibrahimbagh, Golkonda(M)	For construction of Government hostel building	Building was not constructed, only compound wall was constructed
4	District Sports Authority, S.P.S.Nellore	2002	Ac 9.00 Kavali village, SPS Nellore district	Construction of Sports complex	Construction not taken up
5	APIIC Ananthapur	November 2002	Ac.286.99 Gollapur Village Ananthapur district	Development of Industrial Park	The land was not utilized by APIIC
6	M/s. Neuland Lab Hyderabad	December 2004	Ac. 5.00, Nanakramguda, RR district	To construct RD centre for drug discovery	The land was not utilized
7	Visual Soft Technologies Inc. Hyderabad	March 2005	Ac. 15.61, Nanakaramguda, RR district	IT Software	The land was not utilized
8	Deputy Inspector of Schools, Hyderabad	June 2005	Ac. 0.49, Kandikal village, Bandlaguda Mandal	Construction of office building	The land was not utilized
9	Hyderabad Metro Water Supply & Sewerage Board Hyderabad	June 2006	Ac. 4.00, Bandlaguda Village & Mandal	Construction of Reservoir	The land was not utilized by the Board so far
10	Oil & Natural Gas Corporation,Hyd	June 2006	Ac. 2.60, Nanakramguda, RR district	To construct oil and gas data Processing centre	The land was not utilized
11	Prakruthi Infrastructure Development Co. Hyderabad	June 2006	Ac. 1.57, Nanakramguda, RR district	To provide common facilities	The land was not utilized (case is in the court)

Sl. No	Name of the Institution	Date of allotment	Extent of land	Purpose	Present status
12	Amazon IT Services (India) Pvt. Ltd. Hyderabad	December 2006	Ac. 10.57, Nanakramguda, RR district	To construct IT Software park	The land was not utilized (case is in the court)
13	APIIC Visakhapatnam (SEZ)	April 2007	Ac.5595.47, Achutapuram & Rambili mandals	Provision of infrastructure like roads, water, power etc.,	Ac.3132.11 was kept vacant as of June 2011
14	Andhra Pradesh Housing Board, Hyderabad	October 2007	Ac. 79.00, Sy.No. 103/17, 18,19,20/1 Bandlaguda (village & Mandal)	Construction of houses for lower income group	The land was not utilized
15	Andhra Pradesh Housing Board, Hyderabad	February 2008	Ac. 13.45, Sy.No. 103/1 & 103/11 Bandlaguda (village & mandal)	Construction of houses for lower income group	The land was not utilized
16	APIIC Ananthapur Dist	September 2008	Ac.402.10 Tummala Village Amadagur mandal	Establishment of science city in Ananthapur District	The land was not utilized
17	MANASA Society Hyderabad	January 2009	Ac. 0.20, Kothapet village, Uppal Mandal in RR district	Construction of a school	The land was not utilized
18	Sanjeevani Nature Cure Foundation Hyderabad	January 2009	Ac. 1.00, Najeenagar, Moinabad mandal, RR district	The foundation was required to construct a hospital	The land was not utilized
19	Andhra Pradesh Housing Board, Hyderabad	March 2009	Ac. 2.50, Mailardevpalli, Bandlaguda Mandal	Construction of houses for lower income group	The land was not utilized
20	Palnadu Infrastructure Pvt. Ltd. Hyderabad	October 2009	Ac. 0.93, Nanakramguda, RR district	Construction of Incubation centre	The land was not utilized
21	V Zone Hospitality Hyderabad	January 2010	Ac.1.23 Nanakramguda RR district	Hotel project	The land was not utilized
22	Tata Institute of Social Sciences (TISS), Mumbai	June 2008	Ac 65.00 Mamidipally (V) Kothur (M) Mahabubnagar (Dist)	Educational Institution	The land was not utilized
23	Symbiosis International University, Pune	June 2008	Ac 40.00 Mamidipally (V) Kothur (M) Mahabubnagar (Dist)	Educational Institution	The land was not utilized

Sl. No	Name of the Institution	Date of allotment	Extent of land	Purpose	Present status
24	President, District Congress Committee	February 2009 & August 2009	Ac 10.00 GLR Sy. No. 502 & 503 and Ac. 0.3875 in GLR Sy. No. 502/P2 of Bowenpally Village, Tirumalagiri Mandal, Hyderabad	Establishment of National Level Institute of Human Resources Development and Gandhi Ideas Centre	The land was not utilized
25	MAS Fabric Park India Pvt Ltd	February 2007	714 acres in S.P.S. Nellore district	Establish textile and apparel park before February 2009 and provide employment to 31000 persons before February 2014	Not yet established

As indicated by the above listed cases the Government/APIIC had not been monitoring utilisation of land allotted for specific purposes. This has virtually defeated the objectives that had guided such allotments. This situation is also fraught with the risk of encouraging fly-by-night operators bent on garnering public assets at below market rates, diversion of public land for private purposes and attendant mal-practices.