

## CHAPTER V

### COLLECTOR, PUNE

This chapter contains the results of audit of leased land in Pune district. There were 214 lease cases out of which 55 cases were selected for detailed scrutiny. Results of analysis are mentioned below:

Sr. No.	Category	No. of observations
1	Incorrect grant of lease	2
2	Breach of lease conditions leading to change in purpose, transfer of leasehold rights	36
3	Non-renewal of expired leases	19
4	Irregular sale/transfer of lease hold rights	4
<b>Total</b>		<b>61</b>

The observations are discussed in the following paragraphs:

#### 5.1 Grant of land on lease without fulfillment of mandatory conditions for education purpose

**5.1.1** Government Resolution issued in February 1983 stipulated that an education institution applying for the grant of land should be recognised by the Education Department. Further, R&FD should satisfy itself that 25 *per cent* of the capital expenditure required for putting up the building is immediately available with the applicant and remaining 75 *per cent* is likely to be available within a period of two years. As per lease agreement the lessee was to complete the construction of building within a period of two years.

The Government (August 2009) allotted, land admeasuring 47,300 sq m at *mauza* Jambe, Taluka Mulshi, Pune to Maharashtra Mahila Udyam Trust, Pune on occupancy basis for a primary school, secondary school, hostel and college building and 32,000 sq m of land for playground on lease of ₹ one per annum for a period of 30 years.

We noticed that:

- the estimated capital expenditure of the educational project was ₹ 13.44 crore. Thus the lessee was required to have ₹ 3.36 crore i.e. 25 *per cent* of capital expenditure but as per the records, it was noticed that the lessee, at the time of application, had ₹ 83.87 lakh only. This indicated that the Trust did not fulfill the mandatory condition at the time of allotment and was not entitled to get land on lease. However, the land was granted on lease.
- There was nothing on record to show that the lessee had completed the construction. The Collector also confirmed (August 2012) that the land had not been utilised so far. However, no action was taken for resumption of the land.

**5.1.2** The Government in July 1990 allotted land admeasuring 10,000 sq m at *mauza* Gunvadi, Taluka Baramati, Pune to Vidya Pratishthan, Baramati on

occupancy basis for a college building and 10,000 sq m for a playground on lease basis with a lease rent of ₹ one per annum for a period of 15 years. The lease period expired in 2005.

- We noticed from the letter written by the Secretary of the institution to the Collector (February 2009) that no lease agreement had been executed by the Collector with the applicant institution.
- We also noticed that the institution had received recognition from the Education Department in 2004 for running a primary school and not for a college for which the land was allotted. The institution had also admitted (February 2009) that the required fund for construction of building was not available even at the time of allotment of the land. Thus, the institute did not fulfil the mandatory condition and was not entitled to get the land on lease. However, it was incorrectly allotted the same.

In reply, the Collector stated (August 2012) that necessary action would be taken for completing the lease agreement and added that notice would be issued to the institution. However, no reasons were furnished for allotment of land without fulfilling the mandatory conditions. Thus, the fact remained that the allotment of land was irregular.

## **5.2 Non-execution of lease agreement**

**5.2.1** As per the Government memorandum (February 1965) and the Collector's order (September 1965), land admeasuring 19,117.8 sq m at Survey No. 165/A, (Plot No. 139 to 149) at Hadapsar, Pune was granted to Rayat Shikshan Sanstha for being used as a playground of Sadhna Vidyalaya on lease basis at the annual rent of ₹ one.

We noticed that no lease agreement had been executed by the Collector with the lessee. Besides, the period of lease was not mentioned in the Government Memorandum. The land continued to be in possession of the lessee for 47 years.

In reply, the Collector stated (August 2012) that lease agreement would be executed and the matter regarding fixation of the period of lease would be referred to the Government for orders. Thus, it was noticed that the land continued to be in possession of the lessee for 47 years without a lease agreement.

**5.2.2** As per the Collector's orders of February 1983, land admeasuring 5,401 sq m of survey no. 165/A (Plot No.103 to 109 and 130 to 134) at Hadapsar, Pune, was granted to Rayat Shikshan Sanstha, Satara for being utilised as a playground to be attached to its Sadhna Girls Vidyalaya at the annual lease rent of ₹ 518.60 per annum for a period of 15 years.

We noticed that though the period of lease had expired in 1998 no action had been taken either to renew the lease period or resume the land. There was nothing on record to indicate that a lease agreement had been executed even at the time of allotment of this land on lease in 1983.

### 5.3 Non-utilisation of land for the purpose of education

**5.3.1** The Government allotted (October 1996) land admeasuring 4,000 sq m on occupancy basis for the construction of a secondary school building within two years and 4,000 sq m of land on lease basis for being utilised as a playground at an annual lease rent of ₹ one for a period of 15 years to Chatrapati Shikshan Sanstha.

We noticed that the lessee institution has not constructed the school building till date (September 2012). The Collectorate issued a show cause notice in April 2004.

Further, the lease period for the playground had also expired in December 2011. There was nothing on record to indicate that the lessee has opted for renewal of the lease period. No action was taken to resume the land.

After we pointed out the case, the Collector stated (August 2012) that the proposal regarding regularisation of breach of conditions and extension of lease period would be submitted to the Government for directives.

The fact remained that the lessee should have been evicted and the land resumed as provided for under Section 53 of the MLR Code.

**5.3.2** The Government in March 2005 allotted land admeasuring 30,000 sq m at Mauza Kunenama, Taluka Baramati, Pune to Kasegaon Shikshan Sanstha, Sangli on occupancy basis for construction of a primary school building and 36,200 sq m for being used as a playground on lease basis with a lease rent of ₹ one per annum for a period of 15 years. The lessee was required to complete the construction of the building within a period of two years.

We noticed that

- The institution had not commenced the construction of the school building though more than six years had elapsed.
- The Collectorate stated (April 2012), that the demarcation of the land had not been done by the Land Record Office, Maval till May 2012 which had resulted in non-utilisation of the land for more than seven years.

After we pointed the case, the Collectorate stated that on the basis of request from the institution (May 2012), a proposal for extension of time was sent to the Divisional Commissioner, Pune in July 2012 for onward submission to the Government. However, the fact remained that the land remained unutilised for the purpose for which it was granted.

**5.3.3** The Government in October 1986 allotted land admeasuring 20,242 sq m at mauza Karmoli, Taluka Mulshi, Pune to Pune Zilla Sikshan Mandal, Pune, on occupancy basis for construction of Arts and Commerce college building and 20,241 sq m for being used as a playground on lease of ₹ one per annum for a period of 15 years.

A perusal of lease records revealed the following:

- No lease agreement had been executed for the playground despite a lapse of 26 years.

- The lease period for the playground has expired in 2001, however, no information was available on records to show that the period of lease had been renewed.
- On receipt of a notice (October 2011) from the Collector for breach of condition, the lessee stated (November 2011) that the access to the proposed college for the students was difficult due to the location of the land. However, it was found that the lessee had sought permission for opening of a Vocational Training Centre instead. Further, action taken by the Collector, in this regard, was not available on record.

**5.3.4** The Collector in June 2009 allotted land admeasuring 1,000 sq m at *mauza* Khadki, Taluka Daund, Pune to Pune Zilla Sikshan Mandal, Pune, on occupancy basis for construction of school building and 14,000 sq m for the purpose of a playground on lease rent of ₹ one per annum for a period of 15 years. As per the terms and conditions of the Collector's order a lease agreement was to be executed within three months of an undertaking to be given by the lessee for acceptance of the terms and condition. Further, though the conditions specified that land would be resumed by the Government for breach of condition, no mention was made in the Collector's order regarding the time period within which the construction was to be completed and the stipulated activity started.

We noticed that the land was lying idle even though more than three years had elapsed. Further, no lease agreement had been executed till date.

As no time frame was stipulated for commencing the school activities the Government was not in a position to resume the land. Thus, the codal provisions for resumption of land in case of a breach were rendered ineffective.

**5.3.5** Information furnished by the Department revealed that in the following three cases also, land given for educational purpose was lying unutilised for periods ranging from nine to 22 years but had not been resumed by the Government for breach of condition.

Sr. No.	Name of lessee	Sanction date/ purpose	Area in sq m		Currency of lease	Present status of land
			School (Occupancy rights basis)	Playground (Lease basis)		
1	Nageshwar Vidhyalaya, Nazare, Taluka Purandar	December 2003 ----- School	310.73	860.26 for 15 years	Not expired	Vacant for last 9 years
2	Bhartiya Vidhyapeeth Velu, Taluka Bhor	August 1990 ----- School	12,000.00	8,000 for 15 years	Expired in December 2005	Vacant for last 22 years
3	Dada Jadhavrao Trust	November 2003 ----- School	2,000.00	6,000 for 15 years	Not expired	Vacant for last 9 years
<b>Total</b>			<b>14,310.73</b>	<b>14,860.26</b>		

In none of the above cases verified by Audit there was anything on record to indicate fulfillment of the conditions provided in Government Resolution of February 1983 (like registration and recognition by Education Department, technical qualifications, financial strength and project report of the institutions) that were necessary for grant of land for education purposes, for which it was granted.

#### **5.4 Utilisation of land for other than the allotted purpose**

**5.4.1** The Government (August 1974) allotted a piece of land admeasuring 36,700 sq m (9 acre and 7 *gunthas*) at Talegaon Dabhade, Taluka Maval, Pune to Balmohan Vidya Mandir for construction of a swimming pool and a stadium on lease basis for a initial period of 15 years at an annual rent of ₹ one.

On scrutiny of the case, we noticed from the *panchnama* report (July 2012) of Talathi, Maval that the land allotted in 1974 was being utilised as football and parade ground and that no swimming pool and stadium had been constructed even after a lapse of 38 years from the date of allotment. It was interesting to note that though there was breach of condition, the Collector had renewed the lease period twice, once in 1989 and then in 2004, instead of resuming the land.

After we pointed out the case, the Collector, Pune stated that action would be taken on receipt of report from Tahsildar, Maval.

**5.4.2** As per the property card, land admeasuring 4.99 ha (survey no. 1428) was granted to Shivaji Shikshan Prasarak Mandal, Bawada, Taluka-Indapur, Pune by Collector's order of May 1969 for the purpose of construction of school building, hostel and playground. Part of the land was on occupancy right and part was on lease at the rate of ₹ one.

We noticed from the *panchnama* report (December 2011) of the Circle Officer, Bawada that, in addition to the school activity, the Mandal had constructed 15 shops on the said property and given these shops on rent, from 2002 onwards, without the consent of the Collector. This resulted in breach of condition under which the land was leased to the institution. Though, the breach had occurred 10 years ago, action against the lessee had not been initiated as envisaged under Section 53 of the MLR Code.

In reply, the Collector stated (August 2012) that notice was being issued to the institution with a view to take penal action for the breach.

#### **5.5 Unauthorised transfer of flats/plots**

In respect of Co-operative Housing Societies which are registered under the Bombay Co-operative Societies Act, 1925/ Maharashtra Co-operative Societies Act, 1960 plots/lands are given on lease subject to fulfillment of certain terms and conditions. As per condition (i)(f) of the order of Collector, the societies shall not transfer by way of sale, mortgage or lease the said land and/or building thereon to any person other than the members of the Lessee Society without obtaining the previous consent in writing of the Collector or such other Officer as may be authorised by him in this behalf.

**5.5.1** The Collector (November 1966) allotted 15 plots at village Parvati, Taluka Pune City to Shri Sahakari Co-operative Housing Society Ltd. on lease for 99 years.

On scrutiny of records, we noticed from the *panchnama* report (August 2012) of Circle Officer, Pune City that one member<sup>1</sup> had transferred his plot (No. 236) along with the constructed premises to an individual<sup>2</sup> without the prior approval of the Collector. No information was available on record as to when the plot was transferred.

After we pointed out the case, the Collector stated (September 2012) that detailed inquiry would be made from Tahsildar, Pune City regarding transfer of plot and action taken accordingly.

**5.5.2** The Collector in May 1969 allotted 21 plots at village Parvati Taluka Pune City to Shri Abhinav Co-operative Housing Society Ltd. on lease for 99 years.

Circle Officer, Pune had informed the Collectorate that two plots were transferred by two member to two individuals without the prior approval of the Collector. No information was available on record as to when the plots were transferred.

After we pointed out the case, the Collector stated (September 2012) that detailed inquiry would be made from Tahsildar, Pune City regarding transfer of plot and action taken accordingly.

## **5.6 Other irregularities**

**5.6.1** Based on the R&FD Memorandum (February 1969), the Collector, Pune issued an order (April 1969) granting government land admeasuring 20 acres at Katraj-Dhankawadi, Taluka Haveli to Maharashtra Rajya Milk Sahakari Sangh Ltd., Pune on lease basis subject to fulfilment of certain terms and conditions for an initial period of 10 years for dairy farm at the annual lease rent of ₹ 3,500 from the date of taking over possession of land. The said order stipulated that after expiry of the lease period, if the Sangh is not in a position to purchase the land, full rent at 5 *per cent* of existing market value is to be recovered. As per the sanction order, transfer of leasehold rights was not allowed.

However, we noticed that the lessee had transferred all assets and liabilities as of June 1972 itself to Pune District Co-operative Milk Federation Ltd. without the approval of the Government, resulting in breach of condition.

The lessee should have been evicted and the land resumed as provided for under Section 53 of the MLR Code.

**5.6.2** A land admeasuring 1,00,000 sq m at *mauja* Dehu, Tahsil Haveli, Pune was allotted to Maharashtra Gandhi Smarak Nidhi, Kothrud, Pune in 1993 for plantation purpose on lease basis at an annual lease rent of ₹ one for a period of 30 years. The lessee had been prohibited from constructing huts on the plot.

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<sup>1</sup> Shri Arun Shankar Risbud.

<sup>2</sup> Shri Shirish Sable.

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During test check of the lease records, we noticed that the lessee had not utilised the land for plantation purpose for the past 19 years resulting not only in breach of condition of lease but also in encroachment by 288 slum dwellers.

The Circle Officer, Chinchwad, Pune brought the fact about the encroachment of the land to the notice of Tahsildar, Haveli, Pune in November 2011 but no action was taken by the Tahsildar to remove the encroachment nor was the issue brought to the notice of the Collector.

The fact remained that the land should have been resumed as provided for under Section 53 of the MLR Code.

**5.6.3** As per the Government memorandum (June 2005) land admeasuring 9,500 sq m at Survey No. 165/A, at Hadapsar, Pune was granted to Rayat Shikshan Sanstha for being used as a playground attached to College and I.T.I on lease basis for a period of 15 years. The lease rent was to be charged as per the GR issued in May 1984.

During test check of lease records, we noticed that the lease rent was not fixed despite a lapse of more than six years.

The Collector accepted (August 2012) the observation and determined the total lease rent of ₹ 21,664 for the periods 2006 to 2012 and stated that same would be recovered.

**5.6.4** Based on the Government letter of April 2007, the Collector, Pune sanctioned (November 2009) land admeasuring 12.5 acre at Lonikand, Taluka Haveli, Pune to Smt. Swati Vinayak Nimhan on lease for a period of 10 years, for mining purpose. The copy of the lease agreement was not available on record. The lease rent was to be determined annually. The consent for manufacture of crushed stone was granted by the Maharashtra Pollution Control Board in October 2007 for a period of five years.

Audit scrutiny of records revealed that

- There was nothing on record to ascertain whether the land is being utilised for carrying out mining activity.
- The sanction order of the Collector was silent about the time frame within which the mining activity ought to have commenced.
- There was nothing on record to indicate that the lease rent after 2008-09 had been recovered.

After we pointed out (September 2012), the Collectorate confirmed that land was not being used for mining purposes and stated that a *panchnama* in this case was done (October 2012) by the Talathi. Information on further action taken in this regard had not been received (March 2013).

**5.6.5** Based on the Government memorandum (July 1984), the Collector allotted (July 1984) land admeasuring 1,011.7 sq m at Yerawada, Pune to an individual on provisional annual lease rent of ₹ 18,635 for a lease period of 30 years on the conditions that differential amount, after final rent is fixed would be paid by him along with interest. The land was to be used for construction of gas godown and showroom. An undertaking to this effect was also required to be furnished by the lessee before taking possession of the land.

We noticed that the lessee was paying lease rent at the provisional rate till date as the Government had not fixed the final lease rent. Failure to initiate appropriate action by the Collector led to inordinate delay in fixing the final lease rent and interest though 28 years had elapsed since allotment of land. Further, neither a lease agreement had been executed nor was an undertaking obtained from the lessee for fulfillment of purpose for which the land had been allotted.

It is suggested that all such cases be reviewed and lease rent fixed.

**5.6.6** Based on Government Memorandum (September 1981), the Collector, Pune allotted (June 1982) land admeasuring 900 sq m for a school building (Shri Sant Muktabai Vidyalaya) and 600 sq m for a building a hostel on occupancy rights and 34,875 sq m of land on lease basis for 15 years for the purpose of a playground at an annual rent of ₹ one to Rayat Shikshan Sanstha, Shelgaon, Taluka Indapur, Pune. Further, 24 acres of land was also allotted on *eksali* (one year) basis on charging of a “usual rent” for cultivation purpose.

We noticed from the *panchnama* report (date not mentioned in the Report) of the Talathi and 7/12 extract<sup>3</sup> that the institution had not utilised the land for which the land had been allotted. Though the lease for the playground had expired in June 1997, neither had the lease been renewed nor had the land been resumed by the Collector. We also noticed that in respect of the land leased out for cultivation, though the lease had expired in June 1983, the “usual rent” had neither been determined nor recovered. No information was available on record to confirm that the Department had initiated any action for breach of conditions though 30 years had elapsed since allotment of land.

In reply, the Collector stated (August 2012) that notice was being issued to the lessee for breach of condition. The fact remained that no action had been taken to resume the land even though condition for allotment of land had not been fulfilled.

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<sup>3</sup> Record indicating the occupant of the land and the purpose for which the land is utilised.