

CHAPTER-IV: LAND REVENUE AND ELECTRICITY DUTY

4.1 Results of audit

Test check of the records of the Departments of Land Revenue and Electricity Duty conducted during the year 2007-08 revealed non-recovery and loss of revenue etc. amounting to Rs. 291.40 crore in 2,911 cases which fall under the following categories:

(Rupees in crore)			
Sl. No.	Category	Number of cases	Amount
A. Land Revenue			
1.	Allotment and sale of land by Colonisation Department (A review)	1	210.96
2.	Non-recovery of conversion charges from <i>khatedar</i> s	173	0.59
3.	Non-recovery of premium and rent from Central/State Government departments/undertakings	94	3.45
4.	Non-recovery of price of command/uncommand/custodian, ceiling land etc.	1,198	21.74
5.	Other irregularities	244	32.36
6.	Non-regularisation of cases of trespassers on Government land	1,200	0.81
B. Electricity Duty			
7.	Short levy of electricity duty	1	21.49
Total		2,911	291.40

During the year 2007-08, the department accepted underassessment and other deficiencies of Rs. 1.30 crore involved in 119 cases, of which 26 cases involving Rs. 9.08 lakh were pointed out in audit during the year 2007-08 and the rest in the earlier years. The department recovered Rs. 7.15 crore in 593 cases during the year 2007-08, of which 33 cases involving Rs. 35.34 lakh related to the year 2007-08 and the rest to the earlier years.

A few illustrative cases including a review of “**Allotment and sale of land by Colonisation Department**” involving Rs. 260.68 crore are mentioned in the succeeding paragraphs.

A. LAND REVENUE

4.2 Allotment and sale of land by Colonisation Department

Highlights

Absence of a time frame for disposal of the applications received by the department for allotment of the Government land resulted in non-disposal of 64,847 applications.

(Paragraph 4.2.9.1)

Non-allotment of the Government land valued at Rs. 35.81 crore to temporary cultivation lease holders on permanent basis resulted in non-realisation of revenue.

(Paragraph 4.2.10)

The departments neither recovered the installments fixed for recovery of the cost of land from 45,524 allottees nor cancelled the allotment orders of the land. This resulted in non-realisation of revenue aggregating Rs. 139.56 crore.

(Paragraph 4.2.12)

No action was taken to dispose of the Government land admeasuring 38,625.56 *bigha* valued at Rs. 24.57 crore though it was unauthorisedly used by 12,069 trespassers.

(Paragraph 4.2.16.1)

4.2.1 Introduction

The Colonisation Department was created in May 1955 to ensure sale, allotment and proper administration of land in colonisation areas¹. Receipts of Colonisation Department (CD) in command and uncommand² areas are regulated under the Rajasthan Colonisation Act, 1954 (the Act) and notifications and orders issued thereunder from time to time by the State Government. The revenue receipts of the department are derived mainly from the allotment, sale, auction and regularisation of land falling in the various irrigation projects.

There are six major irrigation projects³ in Rajasthan; of these, the work of colonisation in five major irrigation projects was completed and the areas falling under these projects were transferred to the Revenue Department alongwith the related records. One project viz. Indira Gandhi Nahar Pariyojana (IGNP) stage II, is under the control of the Colonisation Department. In addition, there are 35 medium and 74 minor irrigation projects

¹ Colonisation area refers to the notified land appurtenant to the main irrigation project where irrigation facility has been provided.

² Command and un-command land mean land shown as such by the Irrigation Department in its statement of command and uncommand area i.e. Command land means irrigated land and uncommand land means unirrigated land.

³ Bhakra Project, Chambal Project, Gang Canal Project, Indira Gandhi Nahar Pariyojana (IGNP), Jawai Project and Mahi Project.

spread over in 21 districts of Rajasthan. These areas are under the control of Board of Revenue (BOR).

A review on the functioning of the Colonisation Department regarding allotment and sale of land was conducted. A number of system and compliance deficiencies were noticed which are mentioned in the succeeding paragraphs.

4.2.2 Organisational set up

The Commissioner, Colonisation (CC) is the administrative head of the department. He is assisted by three Additional Colonisation Commissioners, three Deputy Colonisation Commissioners (DCCs) and five Assistant Colonisation Commissioners (ACCs).

Under the five major projects⁴ (except Jawai project, where no land was available for allotment), there are 10 colonisation tehsils⁵ under the control of CD and 31 revenue tehsils⁶ under the control of BOR. The BOR is headed by a Chairman. He is assisted by the Collectors of the respective districts. The sub divisional officers, under the control of their respective Collectors, are the allotting authority (AA). The Principal Secretary, Revenue, is the administrative authority at the level of the Government.

4.2.3 Scope and methodology of audit

The review was conducted in the CC office, 10 colonisation tehsils of the department besides 10⁷ out of 31 revenue tehsils alongwith offices of concerned allotting authorities covering the period from 2003-04 to 2006-07, during August 2007 to April 2008. The selection of revenue tehsils was made on the basis of probability proportional to size with replacement method of sampling.

4.2.4 Audit objectives

The review was conducted with a view to ascertain whether:

- proper planning was in place for allotment of land;
- allotment of land to temporary cultivation lease holders (TCs) on permanent basis was made and revenue realised therefrom;
- a system for effective recovery of cost of land and other dues was in place;

⁴ Bhakra Project, Chambal Project, Gang Canal Project, Indira Gandhi Nahar Pariyojana (IGNP) and Mahi Project.

⁵ Jaisalmer, Kolayat I, II, III, Mohangarh I, II, Nachana I, II, Ramgarh I and II.

⁶ Anupgarh, Bagidora, Banswara, Bhadra, Bikaner, Bundi, Chattargarh, Digod, Garhi, Gharsana, Ghatol, Hanumangarh, Karanpur, Keshoraipatan, Khajuwala, Ladpura, Loonkaransar, Nohar, Padampur, Pilibanga, Piplda, Pugal, Raisinghnagar, Rawatsar, Sangaria, Sadul Shahar, Sangod, Sriganganagar, Srivijaynagar, Suratgarh and Tibbi.

⁷ Bagidora, Chattargarh, Ghatol, Hanumangarh, Keshoraipatan, Ladpura, Nohar, Rawatsar, Srivijaynagar and Suratgarh.

- appropriate and timely action was initiated against the defaulting allottees, and
- effective action was taken against unauthorised occupants of Government land.

4.2.5 Acknowledgement

The Indian Audit and Accounts Department acknowledges the co-operation of the Colonisation Department and the Revenue Department, Government of Rajasthan, in providing necessary information and records for audit. An entry conference was held on 29 November 2007 in the office of the Commissioner Colonisation, Bikaner, where objectives of the review were explained. The draft review report was forwarded to the department and the Government in May 2008 which was discussed in the Audit Review Committee meeting held in July 2008. The Government was represented by the Deputy Secretary, Revenue and the department was represented by the Additional Commissioner Colonisation. The view points of the department/Government have been incorporated in the review.

4.2.6 Trend of revenue

An estimate of revenue receipts should show the amounts expected to be received during the coming year. As per the Budget Manual, actual demand which can be forecast, arrears likely to remain outstanding at the close of the current year for collection and proportion of current demand and arrears which are likely to be realised during the coming year are to be considered for preparation of budget estimates (BEs). Audit observed that necessary details were not collected from the AA for preparation of estimates.

A comparison of the demand with the BEs for the period from 2003-04 to 2006-07 is mentioned below:

(Rupees in crore)

Year	Opening balance of outstanding amount	Current demand	Total	Budget estimates	Percentage of BEs to total demand	Actual receipts
2003-04	66.91	54.23	121.14	65.00	54	32.74
2004-05	88.40	42.38	130.78	75.00	57	9.16
2005-06	126.95 ⁸	17.51	144.46	50.00	35	23.42
2006-07	121.04	27.17	148.21	55.00	37	22.89

As would be seen from the above, the BEs were prepared without any basis, as neither the BEs had any correlations with the overall demand, nor with the previous year's receipts.

The Government may evolve a system and take suitable measures for preparation of realistic budget estimates.

⁸ The outstanding demand increased due to reconciliation of tehsil records with Colonisation Commissioner in the year 2005-06.

4.2.7 Uncollected revenue

As per information supplied by the department, an amount of Rs. 125.32 crore was pending recovery as on 31 March 2007. Year wise breakup of pending amount was as mentioned below:

(Rupees in crore)

Year	Opening balance	Addition	Total	Recovery effected	Uncollected revenue
2003-04	66.91	54.23	121.14	32.74	88.40
2004-05	88.40	42.38	130.78	9.16	121.62
2005-06	126.95 ⁹	17.51	144.46	23.42	121.04
2006-07	121.04	27.17	148.21	22.89	125.32

An analysis of the above data revealed that arrear at the close of 2006-07 increased by 87 per cent in comparison to the year 2003-04. It was further noticed from demand statements of 10 colonisation tehsils that as on 31 March 2007, an amount of Rs. 139.56 crore was pending for collection against the allottees, while as per the departmental figure, the outstanding amount was Rs. 125.32 crore only. Thus there was short account of uncollected revenue by Rs. 14.24 crore.

Audit findings

System deficiencies

4.2.8 Non-preparation of *chak* plan and delay in issue of notification

The Colonisation Department (CD) is responsible for allotment of land to cultivators. Once an irrigation project is completed, a detailed survey of the area is conducted by the Command Area Development Department (CAD) for preparation of a plan known as '*chak* plan'. These *chak* plans demarcate areas separately for cultivation, irrigation and for any other purposes. These are submitted to the CD for allotment and sale of Government land. Audit observed that there was no co-ordination between CD and CAD for preparation and submission of *chak* plan. The CD was not aware of the total *chak* plans required to be submitted to them. No time limit was prescribed either for submission of *chak* plans or for allotment of the land after receipt of *chak* plans.

4.2.8.1 Scrutiny of the records of CD revealed that *chak* plans in respect of 50.28 lakh hectare land were required to be prepared by CAD in IGNP phase I & II, out of which *chak* plans of 33.37 lakh hectare land only were prepared. *Chak* plans for 16.91 lakh hectare land were not prepared due to lack of survey by CAD.

4.2.8.2 Scrutiny of the records of the CC revealed that 199 *chak* plans envisaging developed irrigation facilities were received from the CAD. Out of these, 64 *chak* plans were notified for allotment of land after a delay of one

⁹ The outstanding demand increased due to reconciliation of tehsil records with Colonisation Commissioner in the year 2005-06.

year to 10 year, while notifications were not issued in the remaining 135 cases even after a lapse of one year to 10 years.

After this was pointed out, the department accepted the facts (July 2008) and stated that necessary directions had been issued for finalisation of the proposals and notification of every *chak* plan within six months.

The Government may prescribe time schedules for finalisation of *chak* plans by CAD and for issuing notifications for allotment of land by CD, after receipts of *chak* plans from the CAD.

4.2.9 Absence of time frame for disposal of applications/shortfall in allotment of land

Rule 10 of the Rajasthan Colonisation (Allotment and Sale of Government land in the Indira Gandhi Nahar Pariyojana Area) Rules, 1975 (IGNP Rules) envisages that any person eligible for allotment of Government land may submit an application in the prescribed form to the AA of the concerned area. The Act and Rules do not specify any time limit for disposal of such applications and allotment of land.

4.2.9.1 Test check of the records of the CC revealed that 64,847 applications were pending for allotment of agricultural land in IGNP as on 31.3.2007 as mentioned below:

Year	Opening balance of applications	Received during the year	Total	Disposed during the year	Closing balance	Percentage of disposal to total application
2003-04	3,862	62,607	66,469	4,871	61,598	7
2004-05	61,598	5,354	66,952	2,438	64,514	4
2005-06	64,514	1,741	66,255	815	65,440	1
2006-07	65,440	2,563	68,003	3,156	64,847	5

The above facts revealed that the disposal of the applications received for allotment of the land was dismal and ranged between one and seven *per cent* only.

4.2.9.2 The Government had fixed targets in respect of allotment of land for IGNP stage II. Comparative position of the targets fixed for allotment of land and achievement is mentioned below:

Year	Targets		Achievement		Shortfall		Percentage of shortfall	
	Agricultural land (hectare)	Residential plots (Nos.)	Agricultural land (hectare)	Residential plots in (Nos.)	Agricultural land (hectare)	Residential plots (Nos.)	Agricultural land	Residential plots
2003-04	28,000	10,700	19,029	1,078	8,971	9,622	32	90
2004-05	50,000	10,900	33,094	2,278	16,906	8,622	34	79
2005-06	50,000	10,900	8,890	200	41,110	10,700	82	98
2006-07	35,000	9,500	11,531	75	23,469	9,425	67	99

Thus the percentage of shortfall ranged between 32 to 82 *per cent* in respect of agricultural land and 79 to 99 *per cent* in respect of residential plots. The department failed to achieve the targets fixed by the department itself, inspite of availability of land for allotment and pendency of applicaitons.

After the case was pointed out, the Government (July 2008) accepted the facts, but did not specify the steps to be taken for speedy allotment of land.

The Government may specify a time frame for disposal of applications for allotment of land to cultivators and formulate a policy to expedite allotment of land.

4.2.10 Non-allotment of land to temporary cultivation lease holders (TCs) on permanent basis

The Government vide notifications dated 26 November 2004, 23 January 2003 and 8 January 2003 amended the Rules of IGNP, Gang Canal and Bhakra Canal project respectively and provided that TCs, who were given land for temporary cultivation, were eligible for allotment of land on permanent basis on the terms and conditions laid down in the rules. Audit observed that no return was prescribed by the CC to watch the progress of allotment of land to the TCs.

Analysis of the information collected from five colonisation tehsils¹⁰ and seven revenue tehsils¹¹ revealed that as on 31 March 2007, 4,250.90 *bigha* command, 950.11 *bigha* un-command and 1,59,742.30 *bigha* barani land was under continuous possession of 5,590 cultivators on temporary cultivation lease basis till date (July 2008), who occupied the land during the years between 1976 and 1986. No monitoring was done at the level of AA or by CD for allotment of land on permanent basis to the TCs. None of these TCs were allotted land (April 2008) on permanent basis. As a result, benefit of the Government land was availed of by the cultivators without paying for the cost of land of Rs. 35.81 crore.

After this was pointed out, the Government accepted (July 2008) the facts and stated that steps would be taken to do the needful. However, the reply was silent about the time frame within which such exercise would be completed.

The Government may strengthen the internal control system of the department by prescribing periodical returns and other checks for monitoring the disposal of land held by TCs.

4.2.11 Introduction of amnesty scheme without amendment in the rules

Section 29 of the Act provides that every rule made or modified shall be laid before the State legislature and shall be notified in the official gazette in order to come into force. The Government issued an order for introduction of an Amnesty scheme in March 2001, which provided waiver of interest and reschedulement of due instalments for all categories of allotments of IGNP stage II. Audit noticed that the Government introduced the amnesty scheme without amending the IGNP Rules, 1975. The rules did not provide for waiver

¹⁰ Kolayat I, II, III, Mohangarh I and Nachana I.

¹¹ Anupgarh, Nohar, Pilibanga, Rawatsar, Raisinghnagar, Sriganganagar and Suratgarh.

of interest or for rescheduling of instalments. Therefore, waiver of interest amounting to Rs. 38.77 crore, without notification in the official gazette was irregular.

Compliance deficiencies

4.2.12 Failure in recovery of instalments

Under the provision of the IGNP Rules, if an allottee fails to deposit any two consecutive instalments fixed by the AA, the allotment of land is liable to be cancelled at the discretion of the allotting authority.

Information obtained from the CC revealed that in 10 colonisation tehsils of IGNP stage II, upto 31 March 2007, 4,30,026 hectare land was allotted to 76,989 allottees, out of which 45,524 allottees defaulted in payment of two or more instalments as per the schedule fixed by the department. The department did not make any effort to cancel the allotments and re-allot it to other eligible persons. This resulted in non-realisation of dues amounting to Rs. 139.56 crore as mentioned below:-

(Rupees in crore)						
Sl. No.	Name of the tehsils	No. of allottees	Land allotted (hectares)	No. of defaulters	Amount unpaid	Amount due from (years)
1.	Kolayat-1	6,827	42,699	962	4.25	1992-93
2.	Kolayat-2	5,694	34,688	1,458	4.03	1993-94
3.	Kolayat-3	5,449	31,965	1,703	2.32	1992-93
4.	Nachna-1	8,750	48,002	5,545	12.07	1994-95
5.	Nachna-2	5,947	32,266	4,738	7.21	1995-96
6.	Mohangarh-1	14,866	81,605	10,005	46.43	1997-98
7.	Mohangarh-2	14,396	77,176	9,979	30.52	1993-94
8.	Ramgarh-1	7,673	42,108	5,767	20.23	1993-94
9.	Ramgarh-2	6,213	33,264	4,779	11.71	1993-94
10.	Jaisalmer	1,174	6,253	588	0.79	2001-02
Total		76,989	4,30,026	45,524	139.56	

After the case was pointed out, the department stated in July 2008 that an amount of Rs. 18.01 crore had been recovered. A report on action taken in the remaining cases has not been received (October 2008).

4.2.13 Non-allotment of land after cancellation of allotment

As per Rule 17 (8) of the IGNP Rules, the AA is empowered to re-allot land to other eligible person after cancellation of the original allotment, under given circumstances.

Scrutiny of the records in four revenue tehsils and two colonisation tehsils revealed that the AA cancelled 698 allotments of 5,892.60 *bigha* command and 6,688.35 *bigha* uncommand land during 1976 to 2006. The land was, however, not re-allotted till March 2008. This resulted in non-realisation of

revenue of Rs. 9.16 crore as mentioned below:

Sl. No.	Name of Tehsils	No. of allottee	Area (bigha)		Cost of land (Rs. in lakh)
			Command	Uncommand	
1.	Suratgarh	34	144.65	488.50	37.80
2.	Anupgarh	22	334.85	287.40	62.20
3.	Gharsana	533	3,462.15	5,555.95	720.62
4.	Loonkaransar	23	91.60	141.00	18.88
5.	Nachana	46	1,186.10	215.50	49.17
6.	Mohangarh-II	40	673.25	-	26.93
Total		698	5,892.60	6,688.35	915.60

4.2.14 Non-maintenance of record

Under Rule 226 of the Rajasthan Land Revenue (Land Records) Rules, 1957, a register in "Form O-14" was required to be maintained in each tehsil to record the allotable land available for allotment to eligible persons.

Scrutiny revealed that in three colonisation tehsils¹² and two revenue tehsils¹³, the register of Government land was not found maintained. In absence of this basic record, the comprehensive position of Government land available in these tehsils could not be ascertained.

After this was pointed out, the Government stated that directions were being issued for maintenance of the relevant register.

4.2.15 Short recovery of cost of land in allotment of small patches

Under provisions of rule 11 of Rajasthan Colonisation (Mahi Project Government land allotment and sale) Rules 1984, allotment of small patch of land is to be made at double the reserve price of the land of similar soil class in the neighbourhood.

Scrutiny of the records of Bagidora and Ghatol tehsils revealed that 50.58 hectare command land in small patches was allotted to 165 allottees at reserve price instead of double the reserve price between December 2004 and February 2006. This resulted in short realisation of Rs. 8.76 lakh towards cost of land.

4.2.16 Unauthorised occupation of colonisation land

4.2.16.1 Encroachment on Government land

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

¹² Kolayat II, Kolayat III and Mohangarh I.

¹³ Ghatol and Sangod.

Scrutiny of the records of 10 colonisation tehsils and 10 revenue tehsils¹⁴ revealed that as on 31 March 2007, 38,625.56 *bigha* land valued at Rs. 24.57 crore was under unauthorised occupation of 12,069 trespassers since 1986. The land after eviction of trespassers was being got vacated by the department every year, but it was again encroached upon in the next year, either by the same person or by some other. The department had not taken any action to dispose of the land.

4.2.16.2 Unauthorised use of land for abadi

As per the Government order (July 1974), the Collector is empowered to allot the Government land for *abadi vistar* to local bodies e.g. Urban Improvement Trust, Municipal Board and Gram Panchayat in project area on payment of cost of land prescribed as reserve price.

Scrutiny of the records of the Hanumangarh tehsil revealed that 62 hectare Government land valued at Rs. 1.77 crore was used unauthorisedly for residential purpose. The number or other details of occupants were not available with the tehsils concerned. There was nothing on record to indicate that any effort was ever made by the department for eviction of irregular occupants of the land.

4.2.17 Conclusion

No time frame was prescribed for notification of allotable land or for disposal of applications for allotment of land. As a result, notifications were issued after substantial delays and applications remained pending for years altogether. The department failed to achieve the targets of allotment of agricultural land as well as residential plots. The pace of regularisation of temporary cultivation lease holders was very slow which led to non-realisation of revenue. The recovery mechanism was deficient and the amnesty scheme introduced to encourage recovery was irregular in as much as it was not notified in the official gazette, as required under the Act. No steps were taken for cancellation of allotment even after continuous defaults in payments. The department also failed to re-allot land after cancellation which resulted not only in locking of revenue but also encouraged unauthorised occupation. The department also failed to evict and control trespassers in colony areas.

4.2.18 Summary of recommendations

The Government may consider to:

- prescribe a time schedule for notifying allotable land after receipt of *chak* plans from CAD;
- specify a time frame for disposal of applications for allotment of land to cultivators and formulate a policy for speedy and expeditious action on such allotment;
- ensure that basic records as prescribed by the Act or Rules are maintained by each tehsil;

¹⁴ Bagidora, Chattargarh, Ghatol, Hanumangarh, Keshoraipatan, Ladpura, Nohar, Rawatsar, Srivijaynagar and Suratgarh.

- eliminate unauthorised occupation on government land by taking suitable measures; and
- strengthen the internal control of the department by prescribing periodical returns and other checks, for ensuring prompt recoveries from the allottees in accordance with rules and monitoring other statutory provisions including disposal of land held by TCs.

4.3 Short levy of cost of land allotted to Tele Communication Department

As per a circular dated 2 March 1987 issued by the Department of Revenue, the cost of the Government land allotted to the Central Government departments and its agencies for the purpose of commercial use in urban area or its periphery was chargeable at commercial rate as approved by the concerned district level committee (DLC).

Scrutiny of the records of Tehsil Jalore revealed that a piece of land admeasuring 1.61 hectare was allotted to the Tele Communication Department for commercial purpose vide District Collector, Jalore, order dated 2 August 2000. The title of land was transferred to the Tele Communication Department on 20 February 2007. The department recovered the price of the land at agricultural rate instead of commercial rate. This resulted in short levy of cost of land amounting to Rs. 15.38 crore.

After the case was pointed out in September 2006, the department stated in July 2008 that land was allotted for store, office and residential purpose and valuation was not correct as DLC rates for the nearby area were lower than the rate applied by audit. The reply is not tenable as area for each purpose has not specifically been mentioned in the allotment order and department applied agricultural rates instead of residential/commercial rates for which no reasons have been furnished.

The matter was reported to the Government in April 2008; their reply was awaited (October 2008).

4.4 Non-levy of fine

According to the Rajasthan Land Revenue (RLR) (Conversion of Agricultural into Non-Agricultural Land) Rules, 1961 read with RLR (Industrial Areas Allotment) Rules 1959, the collector may regularise the use of agricultural land for construction of a factory or mill or for setting up of a small scale industry or a tourism unit without permission of the Government. Rule 7 of 1961 Rules provides that regularisation in such cases can be allowed on payment of fine at the rate of not less than five times the prevalent highest market price of the abadi land in the neighbourhood.

Scrutiny of the records of Tehsil Jalore, for the period of April 2004 to March 2006, in August 2006 revealed that RAJFED¹⁵ Sarson Oil Mill (Mill) started construction of oil mill in February 1987 on its *khatedari* land¹⁶ admeasuring 28 bighas 5 biswa (*i.e.* 4,92,228 square feet) in Jalore city without getting

¹⁵ Rajasthan State Co-operative Oil Seed Growers Federation Limited.

¹⁶ Khatedari land is the land held by an individual with tenancy right from the Government.

prior permission from the Collector. RAJFED applied for regularisation of land in May 1987. Thereafter, it was regularised by the Collector in February 2006. However, the fine equivalent to five times of abadi land price was not recovered. This resulted in non-levy/realisation of fine amounting to Rs. 11.81 crore¹⁷.

After the case was pointed out in September 2006, the Government stated in August 2008 that no fine was leviable as the application for regularisation was pending for issuing order. The reply is not tenable because the mill owner applied for regularisation of land three months after the start of construction. As such, fine as prescribed was leviable.

4.5 Short levy of cost of land

4.5.1 In pursuance of a State Government order dated 30 August 2006, District Collector, Alwar allotted (6 September 2006) 29.93 hectare land (10 hectare i.e. 39.54 bigha in village Jainpurbas and 19.93 hectare i.e. 78.81 bigha in village Majrakath of Tehsil Behror) to Gomber Education Foundation, New Delhi on payment of cost of land as per the DLC rates. The DLC rates of Jainpurbas village, was one and half times of the prevailing agricultural land rate in the case of agricultural land purchased by any firm, factory or institution.

Scrutiny of the records of Tehsil, Behror (Alwar) in September 2007 revealed that the department charged Rs. 5.47 crore as cost of land for the land allotted in both the villages instead of Rs. 6.04 crore. This resulted in short levy of cost of land of Rs. 57.02 lakh.

After the case was pointed out, the Government stated in July 2008 that demand for entire amount had been raised. A report on the recovery of the amount has not been received.

4.5.2 The State Government vide its order dated 15 October 2005 accorded sanction for allotment of land to Rajasthan Tourism Development Corporation (RTDC), on payment of cost of land as per the DLC rates.

Scrutiny of the records of Tehsil, Ajmer for the period 2005-07 revealed that in compliance of Government order, District Collector, Ajmer allotted 50 bigha un-irrigated agricultural land in village Ganaheda on 15 March 2007 to RTDC for developing a tourism village. The DLC rate for unirrigated agricultural land in village Ganaheda was Rs. 1 lakh per bigha. Accordingly, Rs. 50 lakh was payable for the cost of 50 bigha land, whereas the RTDC paid Rs. 25 lakh only. The demand for the remaining amount was neither raised nor recovered by the department. This resulted in short levy of Rs. 25 lakh.

After the case was pointed out in June 2007, the department accepted the objection in August 2008 and stated that efforts were being made to recover the amount.

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

¹⁷ 4,92,228 square feet x Rs. 48 per square feet x 5.

4.5.3 Under the RLR Act, the State Government issued a notification dated 6 January 2006, with empowering the collector to allot any *sawai chak*¹⁸ or other government land to Urban Improvement Trusts (UIT) after charging 40 *per cent* DLC land rate and depositing the amount in the Government account.

Scrutiny of the records of Tehsildar, Girwa (Udaipur), for the period April 2005 to March 2007 revealed that Government land admeasuring 5.4950 hectare (25.428 bigha) of village Badagaon was transferred to UIT, Udaipur by the Collector, Udaipur on 8 September 2005. The department recovered Rs. 816 at 40 times of the rent of land (*lagan*), instead of Rs. 15.26 lakh being 40 *per cent* of the DLC rate. This resulted in short levy of Rs. 15.25¹⁹ lakh.

After this was pointed out in August 2007, the Government stated in August 2008 that a demand of Rs. 15.25 lakh had been raised.

4.5.4 According to rule 3 (ii) (a) of RLR (Allotment of unoccupied Government agricultural land for construction of schools, colleges, dispensaries, dharamshalas and other buildings of public utility) Rules, 1963, allotment of land situated within a municipal boundary of a town or a city to non-Government institutions shall be made at a premium equivalent to 75 *per cent* of the market price of agricultural land to be determined according to the index price as fixed for registration purposes.

Scrutiny of the records of Tehsil Ajmer, in May 2007 revealed that a piece of land admeasuring 10 bigha (near Pushkar abadi region) was allotted to an educational institution by the District Collector, Ajmer in June 2006. The institution deposited Rs. 10.87 lakh only as cost of land instead of Rs. 18 lakh²⁰. The demand for the remaining amount was neither raised nor recovered by the department. This resulted in short levy of cost of land by Rs. 7.13 lakh.

The case was pointed out to the department in June 2007 and reported to the Government in March 2008; their replies have not been received (October 2008).

B. ELECTRICITY DUTY

4.6 Short levy of electricity duty

Under section 3 of the Rajasthan Electricity (Duty) Act, 1962, electricity duty (ED) shall be levied and paid to the Government on energy consumed by a consumer at such rate as may be fixed by the Government from time to time. The ED payable by flat rate agricultural consumers (FRACs) was five *per cent* of flat rates with effect from July 2004. The Rajasthan Electricity Regulatory Commission revised (December 2004) the monthly rate of energy charges from Rs. 85 per horse power (HP) to Rs. 140 per HP in respect of FRACs. The Government, however, decided (December 2004) to recover the energy

¹⁸ Unoccupied Government agricultural land.

¹⁹ 25.428 bigha @ Rs. 1.50 lakh per bigha (DLC rate) = Rs. 38.14 lakh
40 *per cent* of Rs. 38.14 lakh = Rs. 15.26 lakh – Rs. 0.01 lakh = Rs. 15.25 lakh.

²⁰ Being 75 *per cent* cost of 10 bigha land at the rate of Rs. 2.40 lakh per bigha.

charges from FRACs as per the pre-revised tariff and reimburse differential amount of energy charges. The Government order did not mention any concession in respect of ED payable by FRACs.

Scrutiny of the records conducted between April 2007 and February 2008 revealed that ED was recovered at the pre revised flat rates of Rs. 85 per HP instead of revised tariff of Rs. 140 per HP by the companies. This resulted in short realisation of ED of Rs. 21.49 crore²¹ during the period between January 2005 and December 2007 by the three power distribution companies.

After the case was pointed out between December 2007 and April 2008, the managements of companies accepted the facts and stated (June 2008) that the matter had been referred to the Government requesting them for providing subsidy against ED payable by FRACs or permit them to recover the ED from consumers.

After this was pointed out, the Government stated (September 2008) that in case ED had been charged on revised tariff, it would have resulted in unrest among FRACs. The reply is not tenable as Government order dated 18 November 2006 provided for subsidy on the differential amount under section 65 of the Electricity Act, 2003 i.e. for tariff only and there was no Government directive for non-recovery of ED on revised tariff.

²¹ Jaipur Vidyut Vitran Nigam Limited; Rs. 6.02 crore, Jodhpur Vidyut Vitran Nigam Limited; Rs. 7.62 crore and Ajmer Vidyut Vitran Nigam Limited; Rs. 7.85 crore.