

CHAPTER IX

CONCLUSIONS AND RECOMMENDATIONS

9.1 Conclusions

The performance Audit revealed the following:

There was lack of uniformity in the process adopted for allotment of land on lease due to the absence of a uniform policy. Different procedures were adopted by the Collectorates and other agencies for allotment of land on lease.

The data on leased land was not complete in the Collectorates. The Collectorates and the agencies had not developed any system for conducting periodical inspections of the land granted on lease. They were not monitoring the conditions governing the grant of lease. Though a number of lessees had indulged in serious violation of terms and conditions of lease, no decisive action had been taken. In addition, in some cases even the eligibility conditions for grant of land on lease had not been observed. In the Collectorates and MCGM, cases were found where the lease agreements had not been executed and registered.

The Collectorates and the Government in violation of the MLR Code, had in a number of cases, regularised violations of the conditions of the lease agreement by levy of unearned income.

Data on arrears of land revenue was not complete due to which effective action could not be taken. There was lack of co-ordination between Government departments and local bodies as sale/sub-lease of lease rights, clearance of development plans and building plans on leased land in violation of lease terms and conditions were noticed in the test checked cases.

9.2 Recommendations

The Government may consider:

- updation and maintenance of accurate data of leased land, execute the pending lease agreements and follow up of eviction of illegal encroachments through effective action;
- enactment of a law to enforce necessary conditions on subsisting leases in consultation with Law and Judiciary Department to safeguard leased property and land revenue;
- enacting suitable provisions for levy and recovery of unearned income and for ensuring that all lessees obtain prior permission for change of purpose/sub-lease/sale of the leased lands;
- evolving a clear policy on regularisation of encroachments which are administratively considered necessary;
- streamlining the procedure for maintaining data relating to arrears of land revenue for monitoring recovery;
- co-ordinating with the competent authorities concerned, in order to ensure that the transfer/sub-lease of leased land/clearance by Local

Bodies of the development plans, building plans, etc., are effected only after obtaining NOC from the R&FD;

- instructing the Collectrates to display on site the details of lease to ensure that the plot is not sold/transferred unauthorisedly. Further, the Department may ensure that adequate staff is in place for carrying out the inspection of all the leased lands at regular intervals for detection of breaches;
- reviving the Committee constituted for detecting breaches;
- directing the Collectrates to give wide publicity for grant of vacant lands on lease so as to make the process of allotment transparent;
- preparing a 'Model Lease Agreement' and incorporating the same in the Code/Rules;
- incorporating a "purpose fulfilment certificate" in the lease agreements and ensure its compliance through the Collectrates and agencies alongwith a system of regular monitoring and verification by the Government Department; and
- directing the Department to review cases wherein provisional rent and premium had been levied and take necessary action to levy final rates and recover the difference.



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The 16 May, 2013

Countersigned



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Comptroller and Auditor General of India

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