

FIFTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2021-2023)**

THIRTY SECOND REPORT

(Presented on 10th August, 2023)



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM**

2023

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on

Paragraphs relating to Various Departments contained in the Report of the Comptroller and Auditor General of India on Land Management by the Government of Kerala with special focus on land for Aranmula Airport and smart city, Kochi for the year ended on 31st March 2014.

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INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the ~~32~~²⁴ Report on paragraphs relating to Various Departments contained in the Report of the Comptroller and Auditor General of India on Land Management by the Government of Kerala with special focus on land for Aranmula Airport and smart city, Kochi for the year ended on 31st March 2014.

The Report of the Comptroller and Auditor General of India on Land Management by the Government of Kerala with special focus on land for Aranmula Airport and smart city, Kochi for the year ended on 31st March 2014 was laid on the Table of the House on 8th July 2014.

The Committee considered and finalised this Report at the meeting held on 12th July, 2023.

The Committee place on records their appreciation of the assistance rendered to them by the Accountant General in the examination of the Audit Report.

Thiruvananthapuram,
10th August, 2023.

SUNNY JOSEPH
CHAIRMAN,
COMMITTEE ON PUBLIC ACCOUNTS.

REPORT

[Audit paragraphs 2.1 to 2.7.2 contained in the 6th Report of the C & AG of India on Land Management by the Government of Kerala with special focus on land for Aranmula Airport and Smart City, Kochi for the year ended on 31st March 2014]

2.1 Introduction

Government land may be assigned¹ by the Government or by any prescribed authority either absolutely or subject to such restrictions, limitations and conditions as may be prescribed. Over the years considerable extent of Government Poramboke land has been assigned to individuals/institutions under different schemes. Land was also leased out to different institutions/individuals under different tenures, conditions of lease, Kuthakappattam license etc. on payment of nominal rent without any periodical revisions with reference to the current market conditions. Added to that, there are cases of encroachments on Government land by private parties enjoying the benefit of unauthorised occupation without paying any amount to Government. Now the situation is such that the land is really not available even for public purposes and Government has to resort to land acquisition making huge payments to private owners of land. Terms and conditions for assignment on registry/lease of government land for different purpose are given in Annexure III.

2.2 Organisational set up

The Revenue and Disaster Management (R&DM) department is headed by Secretary (R&DM) at the Government level. At Departmental level it is headed by Commissioner of Land Revenue; assisted by Additional Commissioner/Joint Commissioner and Assistant Commissioners at State level and field officers from

¹ Section 3(1) of Government Land Assignment Act, 1960

district level to village level viz., District Collectors, Revenue Divisional Officers, Tahsildars and Village officers.

Commissioner of Land Revenue is also the sole member of State Land Board² constituted for disposal of land ceiling cases under Kerala Land Reforms Act, 1963. Every Taluk has Taluk Land Boards headed by Revenue Divisional Officer/Deputy Collector.

2.3 Objectives of audit

The broad objectives of audit were to assess whether:

- Government has a sound land management policy.
- rules framed were adequate for the management and disposal of government land.
- a well defined mechanism exists to assign government land on lease as well as on registry.
- system to check the encroachment of government land exists.
- an effective internal control mechanism was available in R&DM department.

2.4 Methodology of audit

Seven out of 14 districts³ and sixteen out of 63 taluks⁴ were selected by simple random sampling method using IDEA for audit. The selected village offices and the related offices were visited during February 2013 to June 2013. An Entry meeting in respect of the R&DM Department was conducted on 12 February 2013. Their views were considered while conducting audit.

Audit collected data/information by test check of records such as files, registers etc., maintained at Land Revenue Commissionerate, State

2 Constituted under Section 100 of Kerala Land Reforms Act, 1963.

3 Alappuzha, Ernakulam, Kollam, Kozhikode, Thiruvananthapuram, Thrissur and Wayanad

4 Ambalappuzha, Chengannur, Cherthala, Kanayannur, Kochi, Kollam, Koyilandy, Kozhikode, Kunnathunad, Mukundapuram, Neyyattinkara, Pathanapuram, Sulthan Bathery, Thiruvananthapuram, Thrissur and Vythiri.

Land Board, selected District Collectorates, Taluk Offices and Village Offices in R&DM department. Audit also scrutinised the government files connected with the assignments. The data collected was analysed with reference to the audit criteria and audit queries raised. Findings of Audit were discussed with the Department and Government. The draft note on audit was sent to the Government on 10 October 2013 for their response.

An exit meeting was conducted on 22 January 2014 in which the points noticed in audit were discussed in detail. The views of Government/Department were considered while finalising the report.

2.5 Criteria of audit

The criteria for audit were derived from the provisions of Act/Rules viz.,

- The Kerala Land Assignment Act, 1960 (KLA Act, 1960).
- The Kerala Land Assignment Rules, 1964 (KLA Rules, 1964).
- Rules for Assignment of Land within Municipal and Corporation Areas, 1995 (RALMCA, 1995).
- The Kerala Land Conservancy Act, 1957 (KLC Act, 1957).
- The Kerala Land Conservancy Rules, 1958 (KLC Rules, 1958).
- The Kerala Survey and Boundaries Act, 1961 (KSB Act, 1961).
- The Kerala Survey and Boundaries Rules, 1964 (KSB Rules, 1964).

In addition, the notifications/instructions issued by Government/Land Revenue Commissioner had been reckoned as the criteria for audit.

2.6 Acknowledgments

Audit acknowledges the co-operation extended by Government as well as the Commissioner of Land Revenue, Special Officers of Land Bank and Zero Landless Projects, District Collectors, Tahsildars and Village Officers. Audit also acknowledges the co-operation extended by Minister (Revenue) and Secretary (R&DM) in making the records available.

2.7 Audit findings

Important findings of the audit are given in the following paragraphs.

2.7.1 Non-compliance of land management policy

The land management policy of the Government has been laid down in various government orders⁵ and circulars of Government/Commissioner of Land Revenue; wherein Government lands should be considered as a resource capable of bringing in considerable revenue. Various steps proposed in land management policy of Government (1994) to ensure efficient and effective utilisation and management of Government land were as follows.

Sl. No.	Steps to be taken
1	Land falling under various categories to be identified with reference to the registers maintained in the revenue offices at various levels.
2	In cases where terms of lease has expired, action to be taken to revise the lease rent with reference to the current market value.
3	In cases where the land leased has not been utilised for the purpose for which it was leased out, such lands shall be resumed to Government.
4	Effective action to be taken to manage, administer or dispose off the land escheated to Government.
5	Steps to be taken to evict all unauthorised occupations in Government lands.
6	All revenue records pertaining to Government lands to be made up-to-date.
7	Regular inspection of public lands.
8	Assess all public land and update data on public land.

However audit noticed that the laid down policies in land management declared in 1994/2011 has not been scrupulously followed as discussed in subsequent paragraphs.

⁵ GO (MS) No. 222/94/RD dated 04 May 1994, GO (MS) No. 189/95/RD dated 22 March 1995, GO(MS) No. 280/2011/RD dated 27 July 2011.

This was pointed out to Government in November 2013. Government accepted the views of Audit and agreed to look in to the matter. Further report has not been received (May 2014).

2.7.2 Delay in framing rules

The KLA Act, 1960, rules and government orders issued thereunder regulate the assignment of government land. Rules under the Act have to be formulated timely for fixing terms and conditions, period of lease etc. Audit noticed inordinate delay in prescribing the rules thereon under Section 7 of the Act as shown below.

Sl. No.	Area	Act	Rule	Delay in framing rules	Last revision of rate of lease rent	Audit remarks
1	Rural areas	KLA Act, 1960	KLAR 1964	4 years	December 1985 ⁶	Rates of lease rent were prescribed in 1985. Thereafter no revision has been effected though displeasure was expressed by PAC vide recommendation no. 52 of their 71 Report 2006-08 presented to the Legislature.
2	Municipal and Corporation areas	KLA Act, 1960	RALMCA 1995	35 years	April 2004 ⁷	Till 1995 lease under municipal and corporation areas were regulated by executive orders. Though as per provisions of the rules lease rent had to be revised every three years, lease rent has not been revised after 2004.

⁶ GO(MS)No. 1026/85/RD dated 19 December 1985.

⁷ GO(P)No. 126/2004/RD dated 14 May 2004.

These resulted in collection of lease rent at very low old rates which was beneficial to the lessees.

On this being pointed out the Principal Secretary to Government, R&DM Department stated during the exit meeting (January 2014) that the matter of revision of lease rent is under the consideration of the Subject Committee. Further report has not been received (May 2014).

Excerpts from the discussion of the Committee with Government officials.

1. Prior to the deliberations, the committee stated that these audit paragraphs on Land Management with respect to Aranmula Airport and Smart city, Kochi are major audit observations and pointed out the delay on the part of the Government in furnishing replies to these audit objections promptly. The Witness Principal Secretary, Revenue Department informed the Committee that the reply to audit paragraph would be furnished soon. He further stated that Government had taken necessary steps on audit observation that there was delay in revision of lease rent on Government land leased out to different institutions/individuals. He added that lease rent had been revised and order was issued in 2017.

2. The Committee wanted to know when was the lease rent revision done and whether rate of lease rent under KLAR and RALMCA was revised periodically. The witness, Principal Secretary, Revenue Department replied that the last lease rent revision was done in 2016 and that the procedure for the next revision had been initiated and that the concerned Government order and details would be furnished to the Committee. The Committee asked about the details of the lease rent revision prior to the C & AG's Audit Report. The Principal Secretary replied that the rent was last revised in 2016. The witness informed that there had been delay in periodical revision as pointed out by the Accountant General and he agreed to provide the correct details after an enquiry. He also added that Government had taken necessary action

for periodic lease rent revision and a notification was issued in 2017.

3. The Committee enquired whether land can be assigned for purpose other than agriculture and whether there is any amendment of rules in this regard. The Principal Secretary, Revenue Department informed the Committee that as per Land Assignment Act or any other connected rules the Government land was assigned on the condition that the assigned land must be used for agriculture purpose or house construction purpose. But in some districts especially in Idukki district, those assignable lands were consolidated and used for tourism and many other purposes and it was commonly followed in our State even if it was illegal. He added that the Hon'ble High Court of Kerala, knowing the prevailing conditions, ruled that permission for construction in assigned lands should be granted only after examining the possession certificate issued by Revenue officials and house number should not be issued to the building unless NOC was obtained from the Revenue Department. To break the impasse, the issue was brought to the notice of the cabinet last month and Government has issued an order in this regard. He also added that as per the Government order, the rules may be amended to regularise structures upto 1500 square feet in 15 cents of land, even if it was an illegal construction. He further added that Government has decided to resume those land wherein illegal construction were made by the individuals, who have pattayam and that the land would be returned to them only on lease as per the existing lease conditions. The Committee directed the Department to furnish the reply on the audit para including the current position.

[Notes received from the Government based on the audit paragraph is included as Appendix – II.]

Excerpts from the discussion of the Committee with Government officials.

4. The Committee accepted the reply furnished by the government

Conclusion /Recommendation

5. **The Committee requires the Department to inform about the action taken in the aftermath of the Government order dated 22.08.2019 for regularising the structures upto 1500 sq.ft plinth Area in 15 cents or below area of land released to the owners of building in Idukki, Wayanad districts etc, what amount added to the exchequer towards lease rent in this regard and how much land was reclaimed. The Committee directs the department to furnish a detailed report covering all the aspects, without delay.**

[Audit paragraph 2.7.3 contained in the 6th Report of the C & AG of India on Land Management by the Government of Kerala with special focus on land for Aranmula Airport and Smart City, Kochi for the year ended on 31st March 2014]

2.7.3 Lack of information on assignable land

Details of assignable land though required to be maintained under Rule 11 of KLAR, 1994 and Rule 6 of RALMCA, 1995 was not available in the selected 16 taluk offices test checked by Audit. List of assignable land was not being updated, instead when a land was to be assigned the land was first included in the list of assignable land so as to enable the assigning authority to assign the land.

This was pointed out to Government in November 2013. Government could not justify the action.

Excerpts from the discussion of the Committee with Government officials.

6. While considering the audit observation regarding the lack of information on assignable land, the Committee opined that the Register regarding the information on assignable land was not maintained in the selected 16 Taluk offices.

7. The witness, Principal Secretary, Revenue Department replied that after the audit objection, special order was issued to consolidate and prepare a list of assignable land in taluk offices and the data has since been updated and monitored regularly.

8. The Committee recommended to furnish details about the steps taken by the department to update the information on assignable land and also the copies of the updated version of the registers for assignable lands for the last one year in the 16 Taluk Offices audited by Accountant General.

[Note received from the Government on the above audit paragraph regarding the information sought by the Committee is included as Appendix – II.]

Excerpts from the discussion of the Committee with Government officials.

9. The Committee accepted the reply furnished by the government

Conclusion /Recommendation

10. The Committee requires the department to furnish details about the steps taken to update the information/list of assignable land and also a statement pertaining to the rectification measures initiated on the basis of the Audit observations.

[Audit paragraph 2.7.4 contained in the Report of the C & AG of India on Land Management by the Government of Kerala with special focus on land for Aranmula Airport and Smart City, Kochi for the year ended on 31st March 2014]

2.7.4 Failure to identify Government land

In Kerala, the detailed information such as survey number, sketch etc., on land is kept in 1,634 village offices. Details of all the land identified and demarcated as per Revenue Settlement Proclamation of the

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