



Standing Committee Report Summary

Defence Estate Management

- The Public Accounts Committee (Chairperson: Mr. Murli Manohar Joshi) submitted its 89th report on Defence Estate Management on December 9, 2013, based on the report of the Comptroller and Auditor General of India relating to the Ministry of Defence (MoD).
- **Background:** The MoD is the biggest landholder in the government, holding 17 lakh acres of land across the country, some of which is prime real estate. The Comptroller and Auditor General (CAG) undertook a performance audit of Defence Estate Management covering the period from 2004-05 to 2008-09, and submitted its report on March 25, 2011. Some major findings of the CAG report were (a) delay in mutation of land in favour of MoD, (b) increased encroachment, (c) exploitation of defence lands for commercial purposes, and (d) dismal state of lease management. The Committee made the following observations and recommendations:
 - **Application of land norms:** The Committee noted that MoD has faltered in applying norms for proper and judicious management of lands at its disposal. It noted the inherent risks of holding vast tracts of unoccupied land, including hoarding. It recommended that the entire ambit of defence land record keeping, mutation, sale and transfer, etc. should be bestowed upon the Directorate General of Defence Estates (DGDE). Further, the whole issue of requirement of land by defence forces needs to be revisited so that land is put to optimum use.
 - **Variation in records:** The Committee expressed concern over discrepancy in land figures in the records of Local Military Authorities (LMAs) and Defence Estate Officers (DEOs). In a survey, the land area in the records of LMA was 47% higher than that in the records of DEO for 9 army stations. It recommended that the MoD make it mandatory for DEOs to periodically inspect the land records maintained by LMAs. Further, there should be a comprehensive survey of all defence lands.
 - **Mutation of defence land:** The Committee noted that a large portion of acquired land has been awaiting mutation for a long period, in some cases as long as 60 years. It noted no serious efforts were made to expedite mutation of land to MoD. It recommended that steps be taken for the same, and documents pertaining to non-mutated land be made available to the Committee within six months.
 - **Unauthorised use of defence lands:** The Committee noted that the CAG has repeatedly objected to the use of defence lands for unauthorised commercial purposes such as golf courses, but no action has been taken. In addition, revenue generated from such activities has not been credited to government accounts. The Committee recommended that the DGDE be supplied with all information relating to such activities and revenue generation.
 - **Encroachment of defence lands:** The Committee noted that non-mutation of land records, non-utilisation of land and existence of multiple authorities has resulted in encroachment of land. It recommended that a single unified authority be created to look into management and protection of defence lands.
 - **Dismal state of management of leases:** The Committee observed that defence land is leased out at a very low rate compared to its market value. In addition, no serious effort has been made to renew the leases, leading to loss of revenue to the government. It suggested that the government bring out a policy in this regard within six months.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research ("PRS"). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.