

CHAPTER- V: Land Revenue

5.1 Results of Audit

Test check of the records of the Revenue and Land Reforms Department, conducted in audit during the year 2004-05, revealed non/short levy of cess, loss of revenue etc. amounting to Rs 344.47 crore in 1,592 cases, which broadly fall under the following categories:

(Rupees in crore)			
Sl. No.	Category	No. of cases	Amount
1	Non/short levy of cess and interest on arrears of cess	13	0.03
2	Non settlement of vested land	40	4.11
3	Non settlement of <i>sairats</i>	10	0.07
4	Other cases	1,529	340.26
Total		1,592	344.47

During the year 2004-05 the concerned Department accepted under assessment etc., of Rs 26.81 crore involved in 92 cases of which 84 cases involving Rs 4.46 crore had been pointed out in audit during 2004-05 and rest in earlier years.

A few illustrative cases involving Rs 191.23 crore are given in the following paragraphs:

5.2 Non realisation of revenue due to non renewal of leases

Under the provisions of the Bihar Government Estates (*Khas Mahal*) Manual, 1953 (as adopted by Jharkhand Government) and the Rules framed thereunder for grant of lease, State Government is to issue notices to the lessees six months prior to the expiry of lease to apply for renewal of such lease, whereas a lessee is required to apply three months prior to the expiry of his lease for renewal thereof. A lessee continuing to occupy leasehold property without payment of rent and without renewal of lease is to be treated as a trespasser and has no claim for renewal on past terms and conditions.

On fresh leases for residential purposes, *salami** at the current market value of land besides annual rental at the rate of two *per cent* of such *salami* is leviable. Further as per instructions issued by the Revenue and Land Reforms Department, Government of Bihar, in April 1999, the lessees are liable to pay arrears of double the rental at the rate proposed in fresh leases from the date of expiry of earlier lease as penal rent** together with interest at the rate of 10 *per cent* on the differential of the proposed rent in the new deeds and the rent already paid by the lessees.

In course of audit of *khas mahal* office, Medninagar, Daltonganj it was noticed in December 2004 that out of 224.53 acres of *khas mahal* land leased to 1,622 lessees, 1,468 leases involving 198.1825 acres of land had expired up to 2003-04. Neither the lessees applied for renewal of lease either before or after the date of expiry nor the Department/Government issued notices to lessees to notify their intention for renewal. The leases were not renewed upto December 2004.

Failure on the part of the Department in taking action for renewal of expired leases resulted in loss of Government revenue worth Rs 327.10 crore for the period from 1955-56 to 2003-04 which included Rs 178.58 crore for the period 1999-2000 to 2003-04 in the shape of *salami*, penal rent and interest as detailed below:

Name/ Mauza/ Village	Date of expiry of lease	No of leases	Area involved in acre	Market value per decimal (in Rs)	Salami	Penal rent	Interest	Total
					(Rupees in crore)			
Daltonganj Thana 189	Period between 1955-56 and 2003-04	1,468	198.1825	77,125	152.85	104.98	69.27	327.10

* *Salami* is market value of the land. It is a share in the increase of value anticipated during the period of lease.

** Penal rent is twice the rate of residential rent.

After this was pointed out in December 2004, the *khas mahal* officer, Medninagar stated that due to lack of interest on the part of lessees to apply for renewal it remained pending. The reply is not tenable as the Department failed to issue notices to the lessees prior to the expiry of leases.

The matter was reported to Government in April 2005. Government stated in October 2005 that notices have been issued to the lessees for renewal of the expired leases and district *khas mahal* advisory committee has been formed for disposal of cases.

5.3 Non removal/settlement of encroached public land

Under the Bihar Public Land Encroachment Act, 1956 as adopted by Jharkhand Government, if a person has encroached upon any public land, he may be evicted or the land may be settled with such person, on payment of rent and damages for the use of such land as per rules laid down in Bihar Government Estate (*Khas Mahal*) Manual, 1953. Accordingly, in the case of impairment of the value of public land by use for residential purposes, *salami* at the prevailing market value of such land together with annual residential rent at prescribed rates is payable.

During the course of audit of five anchal offices* of three districts** it was noticed between August 2003 and October 2004 that 48 persons had encroached 17.906 acres of public land for residential purposes. The Department failed to take any action for eviction or regularisation of the encroachment. This resulted in non fixation/realisation of *salami* and residential rent of Rs 12.65 crore calculated for the period from 2001-02 to 2003-04.

After this was pointed out between May 2003 and October 2004, the anchal *adhikaris* stated between May 2003 and October 2004 that action was being taken to remove the encroachments.

The matter was reported to Government in April 2005. Government stated in October 2005 that steps were being taken to evict the encroached public land.

* Gamharia, Govindpur, Kanke, Sadar Ranchi and Saraikela.

** Dhanbad, Ranchi and Saraikela.