

CHAPTER- V: Land Revenue

5.1 Results of audit

Test check of the records of the Revenue and Land Reforms Department, conducted during 2005-06, revealed non/short levy of cess, loss of revenue etc. amounting to Rs 177.52 crore in 144 cases, which broadly fall under the following categories:

<i>(Rupees in crore)</i>			
Sl. No.	Category	No. of cases	Amount
1	Non/short levy of cess and interest on arrears of cess	24	1.09
2	Non fixation of <i>salami</i> and commercial rent	03	0.06
3	Non settlement of vested lands	41	0.97
4	Non settlement of <i>sairats</i>	16	0.53
5	Other cases	60	174.87
6	Total	144	177.52

During 2005-06 the concerned department accepted under assessment etc. of Rs 175.28 crore involved in 101 cases of which 95 cases involving Rs 175.01 crore were pointed out in audit during 2005-06 and rest in earlier years.

A few illustrative cases involving Rs 0.84 crore are given in the following paragraphs:

5.2 Underassessment of cess

Under the provisions of Bihar Land Reforms Act, 1950 read with Chhotanagpur Tenancy Act, 1908, land rent is leviable from tenants (*raiya*s). Further, cess at the rate of 145 *per cent* is leviable on land rent from September 1982.

Test check of records in January 2006 of Golmuri cum Jugsalai Anchal, Jamshedpur revealed that during 2002-03 the department raised demand of land rent of Rs 34.58 lakh, but levied cess of Rs 11.49 lakh instead of Rs 50.15 lakh leviable as per prescribed rate. This resulted in short levy of cess amounting to Rs 38.66 lakh.

After this was pointed out in January 2006, Anchal Adhikari (AA) stated in January 2006 that matter would be examined; further reply has not been received (November 2006).

The matter was reported to Government in April 2006; reply has not been received (November 2006).

5.3 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 Government of Jharkhand 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 in April 1999 by the Revenue and Land Reforms Department, Government of Bihar, 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 Ratu and Garhwa anchal offices in May and November 2005, it was noticed that 10 leases involving 2.1375 acres of land expired between 1950-51 and 1990-91. Neither the lessees applied for renewal of lease nor the department issued notices to lessees to notify their intention for renewal. Failure on the part of the department in taking action for renewal of expired leases resulted in loss of Government revenue of Rs 31.03 lakh in the

shape of *salami*, penal rent and interest calculated for the period 2001-02 and 2005-06.

After this was pointed out in May and November 2005, the AA, Ratu stated that action would be taken after examination and AA, Garhwa stated that action for renewal of leases would be completed.

The matter was reported to Government in April 2006; reply has not been received (November 2006).

5.4 Non removal from /settlement of encroached public land

Under the Bihar Public Land Encroachment Act, 1956, as adopted by Government of Jharkhand, 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. Further, in case of encroachment of public land for residential purpose, *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 anchal offices, Bhawnathpur and Golmuri cum Jugsalai in December 2005 and January 2006, it was found that during 2003-04 and 2004-05, the department noticed encroachment of 1.33 acres of public land by 19 persons for residential purposes. The department did not take any action for eviction or regularisation of encroachment on payment of penal rate of *salami* and rent. This resulted in non realisation of *salami* and rent of Rs 14.31 lakh.

After this was pointed out between December 2005 and January 2006, the AAs stated between December 2005 and January 2006 that action was being taken to remove the encroachments; further reply has not been received (November 2006).

The matter was reported to Government in April 2006; reply has not been received (November 2006).