

CHAPTER-V: Land Revenue

5.1 Results of audit

Test check of the records of the Revenue and Land Reforms Department, conducted during 2006-07, revealed non/short levy of cess, loss of revenue etc. amounting to Rs. 22.53 crore in 63 cases, which broadly fall under the following categories:

(Rupees in crore)

Sl. No.	Category	No. of cases	Amount
1	Non-renewal of lease of <i>Khas Mahal</i> Land	03	15.04
2	Non-settlement of <i>sairats</i>	10	0.37
3	Non-settlement of vested land	19	0.16
4	Other cases	31	6.96
Total		63	22.53

During 2006-07, the concerned department accepted underassessment and other deficiencies of Rs. 7.89 crore involved in 41 cases which were pointed out in audit during 2006-07.

A few illustrative cases involving Rs. 14.46 crore are mentioned in the following paragraphs:

5.2 Irregular use of the Government land

Under the provisions of the Land Acquisition Act, 1894, a company for which any land is acquired shall not be entitled to transfer the land or any part thereof by sale, mortgage, lease or otherwise except with the previous sanction of the appropriate authority. As per the deed of conveyance executed in February 1996, between the General Manager of Heavy Engineering Corporation Ltd (HEC) and the Government of Bihar, the Government was entitled to take back the land or part thereof at the same rate on which the land was acquired if the lessee did not appropriately utilise the land/part of land acquired within the stipulated period. Further, it was also provided that the HEC would have to obtain prior permission of the Government for any type of transfer of land for any period, except in cases for obtaining a loan from the Reserve Bank of India (RBI) or from recognised financial institutions or mortgage to the Government etc. The lessee may, however, sublet and grant short term or long term lease of the land or building or any part thereof for periods not exceeding 90 years for ancillary or allied purposes.

As per the sales tax returns and other related accounts filed by the HEC for the period from 1997-98 to 2001-02, finalised between March 2002 and March 2006 by the AA of the Commercial Taxes Department, the premium on sale of fixed assets was Rs. 14.46 crore. However, cross verification of records of the Additional Collector (Revenue), Ranchi with the records of HEC revealed the following:

As per the records of Additional Collector (Revenue), Ranchi and annual accounts of HEC for the period of 1997-98 to 2001-02 revealed that out of 7,198.53 acres land acquired by the Government of Bihar and leased to HEC for 90 years, 4,887.38 acres were leased for the purpose of construction and establishment of township and other allied purposes. But the HEC in contravention of the terms of the lease agreement, leased out 1,792 quarters to its employees on long term basis and collected Rs. 14.46 crore during 1997-98 to 2001-02 as premium. As the ownership of land lay with the State Government, Rs. 14.46 crore collected by the undertaking in the shape of premium rightfully belonged to the Government of Jharkhand out of which Rs. 11 crore pertains to the year 2001-02.

After the case was pointed out in April 2007, the Additional Collector, Ranchi stated that the matter would be referred to the Department of Revenue and Land Reforms for proper direction. Further reply has not been received (November 2007).

The matter was reported to the Government in April 2007; their reply has not been received (November 2007).

5.3 Non-removal/settlement of encroached public land

Under the Bihar Public Land Encroachment Act, 1956 (as adopted by the 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 use of such land as per rules laid down in Bihar Government Estate (*Khas Mahal*) Manual, 1953. Further, in the case of settlement of the public land for residential purpose, *salami* at the prevailing market value of such land, together with the annual residential rent at the rate of two *per cent* of *salami*[&] are payable. However, in cases of eviction the Act does not provide for recovery of compensation for encroachment/occupying of public land.

In six anchal offices^Y of Dhanbad and Palamu districts, it was noticed between August and November 2006 that 67 persons had encroached upon 5.94 acres of public land between 2003-04 and 2005-06 for residential/commercial purposes. The department failed to take any action for eviction or settlement of the land involved. This resulted in non-realisation of *salami* and rent of Rs 3.44 crore.

After the cases were pointed out between August and November 2006, the Circle Officers stated that action would be taken to remove the encroachments. Further reply has not been received (November 2007).

The Government may consider providing a clause in the Act for recovery of compensation besides eviction proceedings for unauthorised occupation of public land, for the period of such occupation to discourage encroachment upon public land.

The case was reported to the Government in April 2007; their reply has not been received (November 2007).

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

^Y Bhaghmara, Dhanbad Sadar, Gobindpur, Nirsha and Topchanchi in Dhanbad district and Medninagar in Palamu district.