

CHAPTER – V: Land Revenue

5.1 Results of audit

Test check of records of revenue circles, conducted in audit during the year 2002-03, revealed non/short levy of cesses, loss of revenue etc. amounting to Rs.133.62 crore in 194 cases, which broadly fall under the following categories: -

(Rupees in crore)			
Sl. No.	Category	No. of cases	Amount
1.	Non-settlement of vested land	81	6.51
2.	Non/short levy of cesses	27	3.06
3.	Non- fixation of commercial rent	04	0.02
4.	Non-settlement of <i>sairats</i>	22	0.37
5.	Other cases	60	123.66
Total		194	133.62

During the year 2002-03, the concerned department accepted under-assessments etc. of Rs.1.40 crore involved in three cases, which had been pointed out in audit during 2002-03.

A few illustrative cases involving Rs 112.99 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 and the rules framed thereunder for grant of lease, the 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. A mention was made in Paragraph 2.4 of the Report of the Comptroller and Auditor General of India (Revenue Receipts) Government of Bihar pertaining to the year 1997-98 regarding loss of revenue due to non - renewal of leases of government land.

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 rent at double the rental rate proposed for fresh leases from the date of expiry of earlier lease as penal rent together with interest at the rate of 10 per cent.

In the offices of the *Khas Mahal* Officers, Hazaribagh and Jamshedpur (East Singhbhum), it was noticed that in respect of 737.13 acres of *Khas Mahal* land leased out during the period 1936 to 1997, 368 leases for 166.3356 acres expired between 1965-66 and 2000-2001. Not a single lessee applied for renewal of the leases before the expiry of lease and only 35 lessees of Jamshedpur Anchal applied for renewal after the expiry of lease. Notices by the Department were also not issued to the lessees before the expiry of the lease. The leases had not been renewed till October 2003. This resulted in non-realisation of revenue amounting to Rs 111.59 crore in the shape of *salami*¹, penal rent² and interest calculated at the rates applicable for 2002-03 as shown below:-

(Rupees in crore)								
Sl. No	District	Period of expiry of leases	No of leases expired	Area in acre	Salami	Penal rent	Interest	Amount involved
1	Hazaribagh	1977-78	300	139.205	32.73	32.73	21.28	86.74
2	East Singhbhum (Jamshedpur)	1965-66 to 2000-01	68	27.1306	11.40	7.97	5.48	24.85
Total			368	166.3356	44.13	40.70	26.76	111.59

On this being pointed out, the *Khas Mahal* Officers stated that the matter had been referred to higher authorities for issue of necessary instructions.

The cases were reported to the government in September 2003; their final reply is awaited (October 2004).

¹ *Salami*: Area x Market Value.

² Penal rent: *Salami* x 2 per cent x number of years x 2 times.

5.3 Non-settlement of vested land

The rights of intermediaries in *Gair Mazarua* (GM) *Khas* land were abolished under the Bihar Land Reforms Act, 1950 and all such lands were vested in the Government. The Government issued instructions from time to time to Revenue Officers to examine all cases of unsettled GM *Khas* land and to settle such land with persons of eligible categories, such as scheduled castes, scheduled tribes, backward classes and the landless persons at fair and equitable rent. Mention was made regarding revenue implication of non-settlement of vested land in the Reports of the Comptroller and Auditor General of India (Revenue Receipts) pertaining to the years ending 31 March 1999 and 2000 of the Government of Bihar.

In 11 Revenue Anchals³ in six districts⁴ 4,86,346.17 acres of GM *Khas* land were vested in the Government, out of which 1,99,410.93 acres were fit for settlement and 2,86,935.24 acres were unfit for settlement. It was noticed that only 1,13,595.77 acres of land could be settled upto March 2002. The remaining 85,815.16 acres of land are yet to be settled by the Department. Non-settlement of these lands on fair and equitable rent had a potential revenue effect of Rs.1.02 crore in the shape of land rent and cesses for the period between 1996-97 and 2001-2002.

On this being pointed out, the concerned Anchal Adhikaries (AAs) stated that action was being taken for settlement of the remaining land. Further reply has not been received till October 2004.

The cases were reported to the Government in July 2003; their final reply is awaited (October 2004).

5.4 Non-settlement of lands donated under “*Bhoodan Yagna*”

Under the provisions of the Bihar *Bhoodan Yagna* Act, 1954, if the land is not settled with any person and the donor is in continued possession of the land, such donor shall be liable to pay the rent during the period intervening between the date of its vesting and the date of its grant.

In nine Revenue Anchals⁵ in five districts⁶, 1,11,351.49 acres of land were donated under *Bhoodan Yagna*. Out of this, 80,183.49 acres of land were found fit for settlement and 51,364.75 acres of land were distributed among the eligible persons till March 2002 leaving a balance of 28,818.74 acres for distribution. There was nothing on record to show how many acres were being

³ Balumath, Deori, Dhanwar, Goelkera, Ghatshila, Golmuri, Jarmundi, Manatu, Musabani, Panki and Sonua.

⁴ Dumka, East Singhbhum, Giridih, Latehar, Palamau and West Singhbhum.

⁵ Arki, Balumath, Chhatarpur, Deori, Giridih, Patan, Ranka, Tisri and Vishrampur.

⁶ Garhwa, Giridih, Latehar, Palamau and Ranchi.

cultivated by the donors and how many acres were lying with the *Bhoodan Yagna Samiti*. In the absence of this, the rent payable by donors could not be ascertained. Besides, non- settlement of the land resulted in loss of revenue to the Government in the shape of rent which cannot be recovered until it is finally settled. Thus, lack of action on the part of Department resulted in loss of revenue of Rs 21.66 lakh in the shape of rent.

On this being pointed out, the AA, Ranka stated in June 2002 that on verification of land, the same would be allotted while, AA, Tisri stated in August 2002 that settlement of land was primarily the concern of the *Bhoodan Yagna* office. The reply is not tenable, as final settlement has to be done by Anchals. In other cases, AAs stated between July 2001 and August 2002 that action would be taken for settlement of the land. Further report on action taken has not been received till October 2004.

The matter was reported to the Government in July 2003; their final reply is awaited (October 2004).

5.5 Non-removal/settlement of encroached public land

Under the Bihar Public Land Encroachment Act, 1956, 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/ commercial purposes, salami at the prevailing market value of such land together with annual commercial/ residential rent at prescribed rates is payable.

In four Revenue Anchals⁷ in three districts⁸, it was noticed that 32 persons had encroached 4.325 acres of public land between 1991 and 2001-2002 for residential and commercial purposes. However, the Department failed to take action for eviction or regularisation of the encroachment. This resulted in non-fixation/realisation of *salami* and residential/ commercial rent of Rs.15.74 lakh calculated for the period from 1998-99 to 2001-2002.

On this being pointed out, the AAs stated that action was being taken to remove the encroachments. Further reply has not been received till October 2004.

The case was reported to the Government in July 2003; their final reply is awaited (October 2004).

⁷ Golmuri-cum-Jugsalai, Manika, Musabani and Vishnugarh.

⁸ East Singhbhum, Hazaribagh and Latehar.