

CHAPTER-VIII: Other Non Tax Receipts

8.1 Results of Audit

Test check of the records of the following receipts conducted in audit during the year 2004-05, revealed losses/non recovery of revenue etc. amounting to Rs 110.09 crore in 188 cases, which broadly fall into the following categories:

(Rupees in crore)			
Sl. No.	Category	No. of cases	Amount
FOREST RECEIPTS			
1	Loss of revenue due to departmental lapses	33	4.41
2	Less raising of demand	10	28.67
3	Loss of revenue due to delay in initiation of certificate cases	1	0.02
4	Other cases	38	34.99
	Total	82	68.09
WATER RATES			
1	Loss of revenue due to non achievement of target of irrigation	32	1.56
2	Delay in assessment/non assessment of water rates	46	37.67
3	Other cases	28	2.77
	Total	106	42.00
	Grand Total	188	110.09

During the year 2004-05, the concerned departments accepted loss of revenue of Rs 211.47 crore involved in 229 cases of which 119 cases involving Rs 51.37 crore has been pointed out in audit during 2004-05 and rest in earlier years

In one case entire amount of Rs 12.91 crore was recovered after the case was brought to the notice of Government. A few illustrative cases involving Rs 12.17 crore are given in the following paragraphs:

FOREST RECEIPTS

8.2 Blockage of revenue due to non disposal of seized forest produce

Under the provisions of the Indian Forest Act, 1927 and instructions issued by the Principal Chief Conservator of Forest (PCCF) Bihar, Ranchi in July 1996, seized forest produce involved in court cases are required to be disposed off immediately after obtaining order of court to avoid natural decay. Revenue realised is to be deposited as per direction of the court.

In four Forest Divisions*, it was noticed between August and October 2004 that in 77 cases timber/*katha* valued at Rs 35.90 lakh was seized during the year 2003-04 and the cases were forwarded to court for trial. The seized forest produces were required to be disposed off after obtaining orders of the Hon'ble Court but no action was taken by the Department to obtain permission of the court for disposal of seized material. This resulted in blockage of revenue of Rs 35.90 lakh due to non disposal of forest produce.

After this was pointed out between August and October 2004, the Deputy Director cum Divisional Forest Officer, Palamau Tiger Project Division, Daltonganj stated that in the above cases the handing over of seized materials was under process. Divisional Forest Officer (DFO) North Forest Division, Chatra stated that seized materials were being gradually handed over to the concerned forest division for disposal. DFO, Latehar stated that necessary action would be taken while DFO, Dumka stated that action is being taken to get the permission from court.

The cases were reported to Government in April 2005. Government in their reply in October 2005 stated that the respective DFOs have been directed to seek permission from the court for release of seized forest produces.

8.3 Loss of revenue due to illegal mining operation in forest areas

Under the provision of the Forest (conservation) Act, 1980, forest land cannot be transferred for non forest purposes without the prior approval of Government of India. In the interim order of December 1996, the Hon'ble Supreme Court directed** to cease all ongoing activities within any forest in any State throughout the country without the prior approval of the Central Government, in accordance with the Act. Royalty and compensation for the damage of forest produce was also to be realised from the offenders under the

* Chatra, Dumka, Latehar and Palamu Tiger Project.

** T N Godavarman Thirumalpad *Vrs* Union of India & others W.P. (Civ) No. 202 of 1995.

provisions of Indian Forest Act, 1927. Government of India, Ministry of Environment and Forest in the light of Hon'ble Supreme Court's judgment entrusted PCCF of the States to delegate powers under relevant acts to all forest officers for trial of encroachers and completion of proceedings through summary trials in time bound manner. Further under Indian Forest Act, 1927 the forest officers have already been delegated all the magisterial powers under the Bihar Public Land Encroachment (BPLE) Act 1956 to evict the encroachment of forest land.

Test check of records of Bokaro Forest Division in February 2004 disclosed that 93.906 hectare of forest land was being illegally utilised by Central Coalfields Ltd (CCL) which was detected by the Department in January 2004 and involved royalty of Rs 3.88 crore and compensation of Rs 7.77 crore for the damage of forest produce. In contravention of the order of Hon'ble Supreme Court, the Department neither stopped the illegal mining operation nor realised the amount of royalty and compensation from the user agency. Failure of the Department in taking action for eviction of forest land from encroachment and sending the case directly to the court without exercising the powers conferred to it under BPLE Act resulted in loss of revenue of Rs 11.65 crore.

This was pointed out in February 2004; the Department did not furnish any reply (January 2006).

The case was reported to Government (April 2005); reply has not been received (January 2006).

WATER RATES

8.4 Non raising of demand due to non preparation of *khatiani*

Under the provisions of Bengal Irrigation Act, 1876 and Rules framed thereunder as adopted by Government of Jharkhand, preparation of statement of land irrigated (*sudkar*), preparation of detailed measurements cultivator-wise (*khesra*) and preparation of demand statement (*khatiani*) is required to be completed within the stipulated period of 99 days in respect of *kharif* and 68 days for *rabi* crops for the purpose of recovery of water rates.

Scrutiny of assessment records of the Executive Engineer (EE), Water ways Division, Hazaribagh revealed in January 2005 that out of the total area of 33,565.74 acres of irrigated land during the years 2000-01 to 2003-04, *khatiani* in respect of 23,559.92 acres of land was not prepared and despatched to Revenue Division for raising demand and collection of revenue in time. This resulted in non raising of demand of water rates amounting to Rs 16.49 lakh.

After this was pointed out in January 2005, the EE Water Ways Division, Hazaribagh attributed non preparation of *khatiani* to shortage of staff. The reply is not tenable as priority should have been given for preparation of *khatiani* in the interest of revenue. Further reply has not been received (January 2006).

The matter was reported to Government in April 2005; reply has not been received (January 2006).

**Ranchi
The**

**(Mukesh P Singh)
Accountant General (Audit)
Jharkhand**

Countersigned

**New Delhi
The**

**(Vijayendra N. Kaul)
Comptroller and Auditor General of India**