

## CHAPTER VI FOREST RECEIPTS

### 6.1 Results of audit

Test check of records of offices of the Forest Department conducted during 2005-06 revealed non levy/short realisation of revenue amounting to Rs 11.62 crore in 19 cases, which may broadly be categorised as under:

(In crore of rupees)

Sl. No.	Category	Number of cases	Amount
1.	Non/short demand of lease rent/ penal interest due on forest land	10	10.95
2.	Non/short realisation of sales tax/income tax	2	0.03
3.	Other lapses	7	0.64
	<b>Total</b>	<b>19</b>	<b>11.62</b>

During 2005-06, the department accepted non/short demand of lease rent/penal interest of Rs 1.11 lakh involved in two cases of which one case involving Rs 0.04 lakh was pointed out during 2005-06 and the other during earlier period. During the year the department recovered an amount of Rs 1.68 lakh in two cases of which one case involving Rs 0.04 lakh was pointed out during 2005-06 and the other during 2000-01.

An illustrative case involving Rs 2.18 lakh is given below:

**6.2 Non realisation of revenue due to reauction**

According to the terms and conditions for auction sale of timber, firewood, etc., by Forest Department, the successful bidder should remit the bid amount and remove the items within the specified time. In the event of breach of any of the conditions by the successful bidder, the items would be reauctioned and the bidder shall make good to Government any loss due to reauction and the expenditure incurred for such reauction.

Test check of records in Mannarkkad and Thenmala forest divisions revealed that in auctions conducted between August 2002 and February 2004 three bidders failed to remove timber after remitting the entire bid amount. The items were reauctioned between September 2003 and November 2004, but the department did not raise demand for loss due to reauction and expenditure thereof against the defaulters. This resulted in non realisation of Rs 2.18 lakh.

After this was pointed out to the department in January 2004 and March 2005 and reported to Government in February 2006, Government stated in July 2006 that revenue recovery steps had been taken to realise the dues from the defaulters. Further report has not been received (December 2006).

Thiruvananthapuram,  
The

**(JAYANTA CHATTERJEE)**  
Principal Accountant General (Audit), Kerala

Countersigned

New Delhi,  
The

**(VIJAYENDRA N. KAUL)**  
Comptroller and Auditor General of India