

CHAPTER VI: FOREST RECEIPTS

6.1 Results of audit

Test check of the records of forest receipts during 2007-08 revealed loss of revenue amounting to Rs. 91.59 crore in 117 cases which can be categorised as under:

(Rupees in crore)

Sl. No.	Category	Number of cases	Amount
1.	Non-realisation of revenue due to non-exploitation of bamboo/timber coupes	13	9.48
2.	Short realisation due to low yield of timber/bamboo against estimated yield	19	6.66
3.	Non-realisation due to deterioration/shortage of forest produce	08	1.37
4.	Short realisation of revenue due to re-measurement of timber	03	0.45
5.	Short realisation due to sale below upset price	05	0.22
6	Other irregularities	69	73.41
Total		117	91.59

During the year 2007-08, the department accepted loss of Rs. 95 lakh in seven cases. All these cases were pointed out during 2007-08. An amount of Rs. 43,000 was recovered in one case.

A few illustrative cases involving Rs. 82.55 lakh are mentioned in the following paragraphs.

6.2 Loss of revenue due to low yield of timber

The timber coupes that are due for exploitation as per the working plan are marked by the territorial division and handed over to production division alongwith the records containing the estimated yield of coupes. The departmental instructions (January 1984) allow variations upto a maximum of 10 *per cent* between the estimated and actual yield of timber. Further, the departmental instructions of March 2004 prescribe that revision in estimated yield may be done after a joint inspection of coupes by gazetted officers of territorial and production divisions if any variation is found between estimated and actual yield at the time of exploitation.

Test check of the records of the Divisional Forest Officers (Production), Khandwa and West Sidhi in October 2007 and December 2007 revealed that 21,172 trees were marked and felled in six coupes during 2006-07 and against the estimated yield of 1,446 cubic meter (cum.) of timber and 2,008 cum. of fuel stacks, the actual yield was 607 cum. and 1,616 cum. respectively. Even after allowing 10 *per cent* variation, the shortfall in actual yield was 694 cum. for timber and 191 cum. for fuel stacks. The percentage of shortfall after allowing 10 *per cent* variation was 48 *per cent* for timber whereas it was 9.5 *per cent* for fuel stacks. No action was taken to reconcile the variations as required under the departmental instructions of March 2004. As a result of low yield of timber, the Government suffered a loss of Rs. 73.02 lakh. The figures of estimated and actual yield, shortfall and percentage of shortfall for two divisions are as mentioned below.

Sl. No.	Forest division	No. of coupes	No. of trees		Yield (cum.)				Shortfall in actual yield after allowing 10 <i>per cent</i> variation		Percentage of shortfall after allowing 10 <i>per cent</i> variation		Loss of revenue (Rs. in lakh)
			Marked	Felled	Estimated		Actual		Timber	Fuel stacks	Timber	Fuel Stacks	
					Timber	Fuel stacks	Timber	Fuel stacks					
1.	Khandwa	4	10,190	10,190	955	1,031	392	768	467	160	49	16	56.76
2.	West Sidhi	2	10,982	10,982	491	977	215	848	227	31	46	3	16.26
	Total	6	21,172	21,172	1,446	2,008	607	1,616	694	191	--	--	73.02

After the case was pointed out, the Divisional Forest Officer (Production), Khandwa replied (October 2007) that action for recovery would be taken for two coupes in which there was shortfall of 55 cum. of timber and 24 fuel stacks and reasons would be investigated after joint inspection for the remaining two coupes. The DFO (Production), West Sidhi replied (December 2007) that joint inspection would be done and results reported to audit accordingly. The replies are not acceptable as joint inspections were required to be done at the time of exploitation under departmental instructions.

The matter was reported to the Principal Chief Conservator of Forest and the Government (January and March 2008); their replies have not been received (December 2008).

6.3 Loss of revenue due to low yield of bamboo in flowered bamboo area

The departmental instructions regarding working in flowered bamboo area clarify that exploitation in flowered bamboo area is done through clear felling and bamboo is obtained in large quantity. As per the departmental procedure, the estimated quantity of bamboo is determined by the territorial division by survey, demarcation and drawing sample plots in the bamboo coupes due for felling, and handed over to the production division. The departmental instructions (January 2003) also prescribe that after taking over the charge of coupe by the staff of production division, if any necessity in change of estimated quantity is required, the territorial division may be informed accordingly.

Test check of the records of the Divisional Forest Officer (Production) {DFO (P)} Mandla, in October 2007 revealed that the DFO territorial division determined the estimated yield of 755.750 notional tonnes (NT) of industrial bamboo and 6.804 NT of commercial bamboo from five compartments of flowered bamboo area of Motinala range during 2006-07 and handed over to the DFO (P). It was, however, noticed that the actual yield was 32.804 NT of industrial bamboo only. The percentage of shortfall in actual production ranged between 70 and 100 *per cent* in respect of industrial and commercial bamboo respectively. This resulted in short realisation of revenue of Rs. 9.53 lakh due to short production of 729.75 NT bamboo.

After this was pointed out, the DFO (P) Mandla stated in March 2008 that the overall actual production of bamboo during 2006-07 was more than the estimated quantity, whereas audit has considered only the figures of those compartments in which the production was short. The reply is not in consonance with the departmental circular of January 2005 which prescribed that coupe wise loss should be worked out in case of short production against estimated yield instead of all coupes of the division. Further, the fact of variation between the estimated and actual yield was also not taken up with the territorial division as per departmental circular of January 2003.

The mater was reported to the Principal Chief Conservator of Forest and Government in January 2008 and March 2008; their replies have not been received (December 2008).