

CHAPTER III LAND REVENUE

3.1 Results of audit

Test check of the records of land revenue in District Land and Land Reforms (DL and LR) offices conducted during the year revealed non-realisation of revenue amounting to Rs. 6.15 crore in 44 cases, which fall under the following categories:

(Rupees in crore)			
Sl. No.	Categories	No. of cases	Amount
1.	Loss/non-realisation of revenue due to non-settlement of land	5	2.88
2.	Non-levy and non-realisation of rent and <i>salami</i>	12	1.40
3.	Blockage/loss of revenue due to non-leasing of <i>sairati</i> interest	6	0.15
4.	Other irregularities	21	1.72
Total		44	6.15

During the course of the year, the department accepted observations with money value of Rs. 17.34 crore pertaining to 52 cases, of which 33 cases involving Rs. 5.34 crore were pointed out in audit during the year 2007-08 and the remaining in earlier years. An amount of Rs. 1.42 crore was realised in 13 cases at the instance of audit during the year 2007-08.

A few illustrative cases involving Rs. 70.14 lakh are mentioned in the following paragraphs.

3.2 Loss/non-realisation of revenue due to non-execution of long term lease

Under the provisions of the West Bengal Land and Land Reforms (WBLLR) Manual, 1991, the process of settlement of long term lease is to be completed ordinarily within five months from the date of application. The annual rent is payable at the rate of four *per cent* of market value of the land and *salami* is payable at the rate of 10 times the annual rent.

Scrutiny of the records of three¹ DL and LR offices between February and June 2006 revealed that in three cases, applications for long term lease settlement of 5.03 acres of non-agricultural land were submitted between January 2003 and March 2004. However, the cases could not be finalised till September 2007 even after lapse of period ranging between 42 and 81 months. Thus lack of timely action by the department to settle the land with the applicants resulted in loss of Rs. 3.32 lakh on account of annual rent and non-realisation of Rs. 20.15 lakh of *salami* for different periods falling between 2003-04 and 2005-06.

After the cases were pointed out, the district authorities, Burdwan and Nadia stated between February and June 2006 that as the long term settlement proposals were being processed the question of blocking of revenue did not arise. The reply is not tenable as the Manual stipulates that the process of settlement is to be completed within five months from the date of application and the replies were silent about the inordinate delay on the part of the DL and LR officers in submitting the cases to higher authorities which led to loss of annual rent and non-realisation of *salami*. The district authority, Darjeeling did not furnish any reply.

The cases were reported to the Government between May 2006 and October 2007, followed by reminders issued upto June 2008; their reply has not been received (September 2008).

3.3 Short realisation of cess from *patta* holders

Under the provisions of the Cess Act, 1880, read with the West Bengal Primary Education Act, 1973, road cess, public works cess and education cess at the rate of 41² paise per rupee of land rent are payable by the *raiya*s³. *Raiya*s who are exempted from paying land rent are liable to pay all the above cess. By an order issued in November 2003, the State Government waived the unpaid cess in respect of the exempted *raiya*s for the period from 1385 BS⁴ (1978-79) to 1407 BS (2000-01). However, they were liable to pay cess from 1408 BS (2001-02) onwards. The *bhumi sahayaks*⁵ posted in the revenue inspector's office under the Block Land and Land Reforms (BL and LR) offices are responsible for collection of the cess.

¹ Burdwan (West), Darjeeling and Nadia.

² Road cess: 6 paise; public works cess: 25 paise and primary education cess: 10 paise.

³ *Raiyat* means a person or an institution holding land for any purpose.

⁴ Bengali calendar year commencing from 15 April to 14 April of the following year.

⁵ Employee posted in the Revenue Inspector's office for collection of land revenue, cess and Government dues.

Scrutiny of the records of three⁶ DL and LR offices between May and September 2007 revealed that in 24 BL and LR offices, a total area of 2.34 lakh acres of vested land⁷ was distributed among the landless persons on *raiya* basis for which *pattas*⁸ were given. Although cess of Rs. 19.22 lakh on the notional rent of the land for the period between 1410 BS (2003-04) and 1413 BS (2006-07) was realisable in these cases, the department realised Rs. 3.87 lakh only resulting in short realisation of revenue of Rs. 15.35 lakh.

After the cases were pointed out, the district authorities stated between June and September 2007 that action would be taken for realisation of cess from the *patta* holders. A report on recovery has not been received (September 2008).

The cases were reported to the Government between August and October 2007, followed by reminders issued upto June 2008; their reply has not been received (September 2008).

3.4 Non/short realisation of rent, cess and surcharge

Under the provisions of the West Bengal Land Reforms (WBLR) Act, 1955, *raiya*s using land for different purposes are liable to pay rent as well as cess and surcharge⁹. In case of default in payment of rent, a *raiya* is liable to pay interest at the rate of 6.25 *per cent* on the amount of the rent in arrear. The *bhumi sahayaks* posted in the revenue inspector's office under the BL and LR office are responsible for collection of rent.

Scrutiny of the records of three¹⁰ DL and LR offices between March and September 2007 revealed that 724 *raiya*s under nine BL and LR offices used 5,324.69 acres of land for different purposes between 2002-03 and 2006-07. In case of 11 *raiya*s, the district authority realised revenue of Rs. 1.41 lakh instead of Rs. 2.25 lakh realisable while in case of the remaining 713 *raiya*s, rent, cess and surcharge of Rs. 11.31 lakh was neither paid by the *raiya*s nor was any action taken by the department to realise the dues. Besides, interest of Rs. 60,000 was also leviable on the unpaid dues. This resulted in non/short realisation of revenue of Rs. 12.76 lakh.

After the cases were pointed out, the district authorities stated between March and September 2007 that the concerned block offices would be asked to realise the Government dues. A report on recovery has not been received (September 2008).

The cases were reported to the Government between April and October 2007, followed by reminders issued upto June 2008; their reply has not been received (September 2008).

⁶ Burdwan (East), Dakshin Dinajpur and North 24 Parganas.

⁷ The property acquired becomes a property of the Government without any condition or limitation either as to title or as to the possession.

⁸ A document evidencing lawful possession of land by a person.

⁹ Road cess: 6 paise; public works cess: 25 paise; education cess: 10 paise; rural employment cess: 30 paise and surcharge: 15 paise.

¹⁰ Dakshin Dinajpur, Murshidabad and North 24 Parganas.

3.5 Loss of revenue due to non-settlement of *sairati* interest

Under the provisions of the WBLLR Manual, *sairati* interests¹¹ like big water areas, *khal*¹², fisheries etc. vested in the Government should be settled on lease basis with a registered co-operative society of fishermen. The Collector of a district is required to fix the economic rent and realise 25 *per cent* of the lease rent at the time of settlement of the *sairati* interests and the balance before the beginning of the year. The Commissioner of Jalpaiguri division in January 2003 directed the district authorities to resume the *sairati* interests having an area of more than five acres that had been handed over to the *panchayat* bodies and fix minimum production of such water body at Rs. 1 lakh per hectare per annum and economic rent at 10 *per cent* of annual production i.e. Rs. 10,000.

Scrutiny of the records of the DL and LR office, Uttar Dinajpur in September 2007 revealed that in four cases, water areas of 39.87 acres were not resumed from the *panchayat* bodies and in two cases water areas of 22 acres were not leased out during the period from 2003-04 to 2006-07. This resulted in loss of revenue of Rs. 10.02 lakh.

After the cases were pointed out, the district authority in respect of two cases involving Rs. 3.56 lakh stated that the matter was being processed. In respect of the remaining four cases involving Rs. 6.46 lakh it was stated that the *sairati* interests had been handed over to the *panchayat* bodies. The reply was silent regarding the reasons for failure to resume the *sairati* interests from the *panchayat* bodies despite specific directive of the Commissioner.

The cases were reported to the Government in October 2007, followed by reminders issued upto June 2008; their reply has not been received (September 2008).

3.6 Undue allowance of rebate

Under the provisions of the Kolkata Land Revenue Act, 2003 as amended from time to time, *raiya*ts using land for mill, factory, workshop or other commercial purposes situated in municipal areas outside the jurisdiction of the Kolkata and Howrah Municipal Corporations and Bidhannagar Municipality are liable to pay rent at the rate of Rs. 175 per decimal¹³. Besides, rural employment surcharge of 15 paise per rupee is also realisable on land rent payable by the *raiya*ts. The Act also provides that *raiya*ts who make payment of revenue within the prescribed period shall be entitled to a rebate of five *per cent* on the amount of revenue paid. The *bhumi sahayaks* posted in the revenue inspector's office under the BL and LR office are responsible for the collection of rent.

Scrutiny of the records of DL and LRO, North 24 Parganas in August 2007 revealed that a demand of Rs. 6.42 crore including rent of Rs. 1.70 crore on

¹¹ Derived from the word *sair*. The duties which the owners of *hat*, *bazaar*, markets, ferries, fisheries etc. used to levy on commodity sold or benefits derived from those places were designated as *sair* collection. Such *hat*, ferries etc. are known as *sairati* interests.

¹² Large water channel.

¹³ One decimal is equal to 456.2 square feet.

975.49 acres of land for the year 1413 BS (2006-07) after allowing a rebate of Rs. 8.54 lakh was raised on the International Airports Authority of India (IAAI), Kolkata on 21 November 2006. Of this, the IAAI paid Rs. 1.18 crore only on 2 April 2007 leaving a balance of Rs. 5.24 crore. As per the provision of the Act, to avail of the rebate, the IAAI was required to pay the balance amount by 14 April 2007 which was not paid. Further scrutiny revealed that at the time of issuing the demand notice for 1414 BS (2007-08), opening balance of arrear was shown as Rs. 5.24 crore instead of Rs. 5.33 crore i.e. after disallowing the rebate of Rs. 8.54 lakh, which resulted in short raising of demand of Rs. 8.54 lakh.

After the case was pointed out, the district authority stated in August 2007 that the block office had been asked to issue fresh demand notice after disallowing the rebate. A report on recovery has not been received (September 2008)

The case was reported to the Government in September 2007, followed by reminders issued upto June 2008; their reply has not been received (September 2008).