

Chapter -IV STATE EXCISE

4.1 Trend of receipts

Actual receipts from State Excise during the years 2006-07 to 2010-11 along with the total tax receipts during the same period is exhibited in the following table:

(₹ in crore)

Year	Budget estimates	Actual receipts	Variation excess (+)/ shortfall (-)	Percentage of variation	Total tax receipts of the State	Percentage of actual receipts vis-a-vis total tax receipts
2006-07	223.00	212.80	(-) 10.20	(-) 5	1798.97	11.83
2007-08	225.00	244.15	(+) 19.15	9	2558.18	9.54
2008-09	245.00	238.67	(-) 6.33	(-) 3	2682.96	8.90
2009-10	260.00	293.78	(+) 33.78	13	3027.32	9.70
2010-11	280.00	337.24	(+) 57.24	20	3482.58	9.68

The percentage of State Excise receipts vis-a-vis total tax receipts of the State remained between 8.90 per cent to 11.83 per cent during 2006-07 to 2010-11.

4.2 Cost of collection

The figures of gross collection in respect of State Excise, expenditure incurred on collection and the percentage of such expenditure to gross collection during the years 2008-09, 2009-10 and 2010-11 are mentioned below:

(₹ in crore)

Head of revenue	Year	Gross collection	Expenditure on collection of revenue	Percentage of cost of collection to gross collection	All India average percentage for the previous year
State excise	2008-09	238.67	11.10	4.65	3.34
	2009-10	293.78	12.37	4.21	3.66
	2010-11	337.24	14.38	4.26	3.64

The percentage of cost of collection during 2008-09 to 2010-11 was higher than the

national average.

4.3 Results of Audit

During 2010-11, out of 36 auditable units, 14 units were audited which is 39 per cent of the total auditable units. Test-check of the records of 14 audited units revealed underassessment/short levy/loss of revenue aggregating ₹ 7.74 crore in 29 cases, which fall under the following categories:

(₹ in crore)

Sl.No	Category	No.of cases	Amount
1	Short levy of additional licence fees	9	7.72
2	Other irregularities	20	0.02
Total		29	7.74

During the course of audit, the Department concerned accepted underassessment and other deficiencies of ₹ 1.25 lakh involved in 03 cases pointed out in 2010-11 and earlier years.