

Summary of recommendations

For augmentation of the excise receipts, efficient revenue collection and effective check on the production and sale of liquor in order to ensure proper working of the State Excise Department, we recommend the following:

❖ **Non-fixation of norms for production of spirit from grains**

The Government may consider to specify the norms for production of alcohol from grains and expedite devising the procedure to ensure production of alcohol from molasses vis-a-vis the revised norms.

(Para 3.2)

❖ **Injudicious allotment additional quota at concessional rates**

The Government may review the matter of allotment of additional quota of liquor at concessional rates so as to either dispense with it or to revise the rate commensurate with the benefits derived from such concessions.

(Para 4.1)

❖ **Absence of provisions for levy of interest against delayed payments of fees**

The Government may issue instructions to collect the license fee etc in time and incorporate a provision in the relevant rules for charging interest and penalty in case of delayed payments of all forms of fee/revenue.

❖ **Non-utilisation of Development Cess**

The Government may ensure timely utilisation of the funds collected, for the stated objectives of improving the Departmental Infrastructure.

(Para 2.6)

❖ **Non-transfer of Education Cess to the Education Development Fund**

A suitable mechanism should be developed to ensure timely transfer of the Education development cess to the Education development fund to ensure that the funds are utilised for the stated objectives.

(Para 2.7)

❖ **Shortage of manpower**

The Government may consider strengthening the human resources of the Department, if necessary by setting up a separate dedicated wing/Department for the State excise so as to have focused attention to improve the earnings from State Excise.

Weak Internal Controls

The Department may strengthen internal controls relating to the receipt and accountal of government money, reconciliation of the receipts with treasury records and by strengthening the Internal Audit functions.

(Para 5.1)