REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

FOR THE YEAR ENDED 31 MARCH 2013

(REVENUE SECTOR)

GOVERNMENT OF CHHATTISGARH

Report No.5 of the year 2013

Table of contents

	Paragraph	Page
Preface		V
Overview		vii-x
PART A – RECEIPTS		
Chapter-I: General		
Executive summary		1
Trend of revenue receipts	1.1	5
Variations between the budget estimates and actuals	1.2	8
Analysis of arrears of revenue in terms of total outstanding and outstanding for more than five years	1.3	9
Evasion of tax	1.4	10
Refunds	1.5	10
Response of the Government Departments towards Audit	1.6	11
Compliance to Audit Observations	1.7	12
Departmental Audit Committee Meetings	1.8	12
Response of the Departments to the draft audit paragraphs	1.9	13
Follow up on the Audit Reports - summarised position	1.10	13
Analysis of the mechanism for dealing with the issues raised by Audit	1.11	14
Impact of Audit	1.12	17
Amendments made at the instance of Audit	1.13	19
Chapter-II: Commercial Tax		
Executive summary		21
Tax administration	2.1	23
Trend of revenue receipts from taxes on sales, trade, etc.	2.2	23
Analysis of arrears of revenue	2.3	24
Collection of VAT per assessee	2.4	24

Arrears in assessment	2.5	24
Cost of collection	2.6	25
Analysis of collection	2.7	25
Internal Audit	2.8	26
Impact of Audit	2.9	26
Audit observations	2.10	28
Incorrect/excess allowance of Input Tax Rebate	2.11	29
Non/Short levy of Value Added Tax	2.12	31
Non levy of penalty for unauthorised use of 'C' Form	2.13	33
Non levy of entry tax on explosive	2.14	34
Non levy of entry tax on Schedule III goods	2.15	34
Non levy of entry tax on Extra Neutral Alcohol	2.16	36
Non-levy of entry tax	2.17	37
Incorrect grant of exemption of entry tax	2.18	38
Non levy of entry tax on mobile handset	2.19	40
Chapter-III: Stamps and Registration	n Fees	
Executive summary		41
Impact of Audit	3.1	43
"Levy and Collection of Stamp Duty and Registration Fees" – A review	3.2	44
Chapter-IV: Land Revenue		
Executive summary		77
Tax administration	4.1	79
Trend of revenue receipts from Land Revenue	4.2	79
Analysis of arrears of revenue	4.3	80
Internal Audit	4.4	80
Impact of Audit	4.5	80
Audit observations	4.6	83
Short recovery of cost of proceedings	4.7	83
Chapter-V: Taxes on Vehicles		
Executive summary		85
Tax administration	5.1	87

Analysis of budget preparation	5.2	87
Trend of revenue receipts from Taxes on Vehicles	5.3	87
Analysis of arrears of revenue	5.4	88
Internal Audit	5.5	88
Cost of collection	5.6	89
Impact of Audit	5.7	89
Audit observations	5.8	91
Embezzlement of Government Money	5.9	91
Non/Short levy of fee on issuing trade certificate	5.10	92
Non-realisation of tax from owners of goods and passenger vehicles	5.11	93
Chapter-VI: State Excise		
Executive summary		95
Tax administration	6.1	97
Trend of revenue receipts from State Excise	6.2	97
Analysis of arrears of revenue	6.3	98
Cost of collection	6.4	98
Internal Audit	6.5	98
Impact of Audit	6.6	99
Audit observations	6.7	101
Incorrect fixation of reserve price	6.8	101
Incorrect fixation of Minimum Guarantee Quota of country liquor	6.9	102
Incorrect fixation of Minimum Guarantee Quota of foreign liquor	6.10	103
Chapter-VII: Other Non-tax Recei	pts	
SECTION - A: Non-ferrous Mining and Metallu	rgical Industr	ies
Executive summary		105
Tax administration	7.1	107
Trend of revenue receipts from Non-ferrous Mining and Metallurgical Industries	7.2	107
Analysis of arrears of revenue	7.3	108
Internal Audit	7.4	109

Impact of Audit	7.5	109		
Audit observations	7.6	111		
Short realisation of royalty	7.7	111		
Non-realisation of dead rent and interest	7.8	112		
SECTION - B: Forestry and Wild Life (Receipts)				
Executive summary		113		
Tax administration	7.9	115		
Trend of revenue receipts from Forestry and Wild Life	7.10	115		
Analysis of arrears of revenue	7.11	116		
Internal Audit	7.12	116		
Impact of Audit	7.13	117		
Audit observations	7.14	119		
Non recovery of cost of bamboos and poles	7.15	119		
Chapter-VIII: Forestry and Wild Life (Ex	penditure)			
Executive summary		121		
Introduction	8.1	123		
Trend of expenditure in the Forest Department	8.2	123		
Impact of Audit	8.3	123		
Chhattisgarh State Compensatory Afforestation, Management and Planning Authority (Chhattisgarh State CAMPA) – A Review	8.4	126		
Audit observations	8.5	160		
Unfruitful expenditure on plantation work	8.6	160		
Avoidable expenditure on regeneration work	8.7	161		
Avoidable expenditure on rehabilitation of degraded forests	8.8	162		
Irregular expenditure from Calamity Relief Fund	8.9	164		
Appendices		167		