

CHAPTER-VI
OTHER TAX AND NON-TAX RECEIPTS

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6.1.1 Tax administration

This chapter consists of receipts from Entertainment Duty, Power (Taxes and duties on electricity), Mines and Geology and Land Revenue. The administration is governed by Acts/Rules framed separately for each Department.

6.1.2 Results of audit

Audit check of the records of 52 units during 2014-15 relating to Mines and Geology, Power Department (Taxes and duties on electricity), Land Revenue and Excise and Taxation Department (Entertainment Duty) showed non/short recovery of royalty, non levy of interest and other irregularities involving ₹ 1.26 crore in 4,493 cases, under the following categories in **Table 6.1**.

Table 6.1

(₹ in crore)			
Sr. No.	Categories	Number of cases	Amount
1.	Non/short recovery of <ul style="list-style-type: none">• royalty and interest• electricity installation fees	144 4,273	0.47 0.10
2.	Non deposit of copying and mutation fee	75	0.05
3.	Miscellaneous irregularities (Entertainment Duty)	1	0.64
	Total	4,493	1.26

During the year, the Department accepted underassessment and other deficiencies amounting to ₹ 0.30 crore in 4,280 cases, out of which ₹ 0.21 crore involved in 4,253 cases were pointed out during the year and the rest in earlier years. The Department recovered ₹ 0.10 crore in 40 cases, out of which ₹ 0.01 crore involved in 13 cases relates to the year 2014-15 and the rest to earlier years.

Significant case involving ₹ 24.92 lakh is discussed in following paragraph:

MINES AND GEOLOGY DEPARTMENT

Audit findings

6.2 Non/short recovery of royalty and interest

Royalty and interest amounting to ₹ 24.92 lakh was not recovered from 81 brick kiln owners, who were issued permits between April 2011 and April 2014 in respect of five Districts.

Rule 30 of the Haryana Minor Mineral Concession, Stocking, transportation of Mineral and Prevention of illegal Mining Rules, 2012 provides that brick kiln owners (BKO) shall pay annual amount of royalty at the prescribed rate in advance by 30th April of every year. State Government revised the rates of fixed royalty of various categories of BKOs with effect from 20 June 2012 and the BKOs shall pay annual amount of royalty at the prescribed rate in advance by 1st April of every year. In case payment is made after seven days but up to 30 days of the due date, after 30 days but within 60 days of the due date and beyond 60 days of the due date, interest at the rate of 15, 18 and 21 *per cent* (for the entire period of default) per annum respectively is chargeable for the period of default. BKOs register is maintained at each mining office for levy and collection of royalty. The permits of such BKOs who do not pay royalty are required to be cancelled by the department by giving one month's notice and any sum due from the permit holders on account of royalty and interest thereon is recoverable as arrears of land revenue. The Assistant Mining Engineers (AMEs)/Mining Officers (MOs) are responsible for monitoring recovery of outstanding dues.

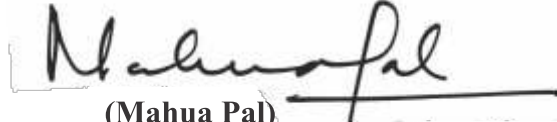
Audit noticed (December 2013 to October 2014) from the records of five offices¹ of MOs/AMEs, that out of 1061 BKOs, 81 BKOs, who were issued permits between April 2011 and April 2014 for the period of two years did not pay due amount of royalty. Though, a period ranging between 21 to 48 months had elapsed upto March 2014, yet royalty of ₹ 15.48 lakh was neither paid by the BKOs nor any action was taken by the department to recover the same. No action to cancel the permits and/or to recover the dues as arrears of land revenue was taken. Lack of action on the part of the department resulted in non-realisation of royalty of ₹ 15.48 lakh besides interest of ₹ 9.44 lakh.

¹ AMEs/MOs: Ambala, Faridabad, Hisar, Jind and Narnaul.

All the AMEs/MOs admitted the facts and stated (February 2014 to April 2015) that an amount ₹ 1.74 lakh had been recovered and notices had been issued to the concerned BKO to recover the outstanding amount of ₹ 23.18 lakh. Further progress report on recovery is awaited (November 2015).


The matter was reported to the Government in May 2015; reply has not been received (November 2015).

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