TABLE OF CONTENTS

	Paragraph	Page			
Preface	-	v			
Executive Summary	-	vii			
CHAPTER I					
ECONOMIC SECTOR (OTHER THAN STATE PUBLIC SECTOR UNDERTAKINGS)					
Introduction	1.1	1			
PERFORMANCE AUDIT					
PUBLIC HEALTH ENGINEERING DEPARTMENT					
Performance Audit on Implementation of National Rural Drinking Water Programme	1.2	3			
COMPLIANCE AUDIT					
PUBLIC HEALTH ENGINEERING DEPARTMENT					
Short realization of water charges	1.3	33			
VETERINARY AND ANIMAL HUSBANDRY DEPARTMI	ENT				
Short realization of royalty	1.4	34			
IRRIGATION AND FLOOD CONTROL DEPARTMENT					
Short realization of water charges	1.5	35			
CHAPTER II					
ECONOMIC SECTOR (STATE PUBLIC SECTOR UNDERTAKE	NGS)				
Functioning of State Public Sector Undertakings	2.1	39			
COMPLIANCE AUDIT					
MANIPUR STATE POWER DISTRIBUTION COMPANY LIMITED					
Outstanding energy charges	2.2	51			
CHAPTER III					
REVENUE SECTOR					
Trend of revenue receipts	3.1	53			
Analysis of arrears of revenue	3.2	55			

Arrears in assessments	3.3	56		
Evasion of tax deducted by Department	3.4	56		
Pendency of refund cases	3.5	56		
Response of the Departments/Government towards audit	3.6	56		
Analysis of the mechanism for dealing with the issues raised by Audit	3.7	59		
Audit Planning	3.8	62		
Results of audit	3.9	62		
Coverage of this Report	3.10	62		
PERFORMANCE AUDIT				
TAXATION DEPARTMENT				
Performance Audit on System of Assessment under Value Added Tax	3.11	63		
COMPLIANCE AUDIT				
TAXATION DEPARTMENT				
Purchase concealed	3.12	83		
Evasion of tax	3.13	84		
Failure to recover tax and penalty	3.14	85		
Blockage of Government revenue	3.15	86		
Outstanding tax and penalty	3.16	87		
Penalty not collected	3.17	87		
Professional tax not levied	3.18	88		
TRANSPORT DEPARTMENT				
Loss of revenue	3.19	90		
Taxes on vehicles not realised	3.20	91		

APPENDICES			
1.1	Funds transferred directly to Implementing Agencies under Economic Sector (Other Than State Public Sector Undertakings)	93	
1.2	Year-wise details of expenditure audited in respect of Economic Sector during 2016-17	94	
1.3	Objectives of NRDWP	95	
1.4	Districts, blocks, GPs and habitations sampled/selected for Performance Audit on NRDWP	96	
1.5	Details of survey of 19 GP/VWSC during Performance Audit of NRDWP	97	
1.6	Target and achievement of habitations during 2012-2017	98	
1.7	Details of survey of 38 habitations during Performance Audit of NRDWP	99	
1.8	Details of survey of 640 households during Performance Audit of NRDWP	100	
1.9	Status of Drinking Water Facility at School	101	
1.10	Status of Drinking Water Facility at Anganwadis	101	
1.11	Details of water charges due, collected and outstanding as of January 2016 in respect of Water Supply Maintenance Division - I, PHED	102	
1.12	Outstanding water charges as of March 2016 in respect of Water Supply Maintenance Division - II, PHED	103	
2.1	Investment made by State Government in SPSUs whose accounts are in arrears	104	
2.2	Summarised financial position and working results of Government Companies and Statutory Corporations as per their latest finalised financial statements as on 30 September 2017	105	
2.3	Details of energy charges billed and collected during 2014-15 to 2016-17	107	
3.1	Part-payment of taxes due as per self-assessed returns	108	
3.2	Interest leviable for delay in payment of taxes as per self-assessed returns	109	
3.3	Suppression of purchase turnover in the self-assessed returns	112	
3.4	Suspected suppression of tax by application of lower rate of 5% on sales leviable at 13.5%	113	
3.5	Huge differences between sales and purchase	115	
3.6	Suppression of purchase turnover in the returns not detected by the Assessing Authorities	119	
3.7	Purchase turnover of dealers who failed to file their tax returns	120	
3.8	Dealers having huge previous stocks and huge purchases but did not file returns	121	
3.9	Dealers liable to pay tax who remained unregistered and unassessed	124	
3.10	Tax not paid even after assessment and serving of demand notices	126	
3.11	Erroneous deductions allowed on sales turnover	135	

3.12	Inadmissible deduction allowed	136		
3.13	Tax deducted at source certificates issued by Departments and	137		
	Authorities without proof of deposition of tax deducted at source			
	Tax deducted at source claimed to have been adjusted through	120		
3.14	Accountant General (A&E), Manipur but not supported with	138		
	documents or references of adjustments			
3.15	Tax deducted at source not remitted into Government accounts	140		
3.16	Registered dealers with sales but did not file their returns	141		
3.17	Recovery certificate issued pending realization of recovery	143		
3.18	Details of items purchased through e-way bills	144		
3.19	Details of outstanding tax and penalty	146		
3.20	Details of items procured through e-way bills	147		
3.21 Details of demand noticed served and outstanding tax and interest		148		
along with amount paid and outstanding amount				
3.22	Details of penalty recovered at the instance of Audit and outstanding penalty for default in audit of accounts	149		
3.23	Details of outstanding Professional Taxes	159		
3.24	Statement showing details of tax due, tax paid and tax outstanding in	166		
3.21	respect of goods vehicles	100		
GLOSSARY				
Glossary of Abbreviations		171		
L				