

CHAPTER – VI

NON-TAX RECEIPTS

6.1 Results of audit

Test check of the assessment records in the offices of Commissioner of Geology and Mining and field offices and the office of Director General of Police and subordinate offices during 2006-07 disclosed short recoveries amounting to Rs. 26.91[§] crore in 79 cases. These cases fall under the following categories:

(Rupees in crore)			
Sl. No.	Category	No. of cases	Amount
1.	Police receipts	3	23.57
2.	Mining receipts	76	3.34
Total		79	26.91

A few illustrative cases involving Rs.26.91 crore are mentioned in the following paragraphs:

[§] Accepted and recovered figures from concerned department is nil.

MINING RECEIPTS

6.2 Short levy of royalty, dead rent and surface rent

The Mines and Minerals (Regulation and Development) Act, 1957 and rules made thereunder provide that a lease holder is liable to pay royalty or dead rent whichever is higher. Further, surface rent for surface area used in the operation is also payable by him. If the dues are not paid by the prescribed period, interest at the rate of 24 *per cent* per annum is leviable.

Test check of the records of 20⁵⁰ offices of Geologists revealed that 39 lease holders of major minerals and 300 lease holders of minor minerals did not pay royalty, dead rent and surface rent of Rs. 3.34 crore including interest of Rs. 90.02 lakh for the period 2002-03 to 2005-06.

After the cases were pointed out (June 2006), the department accepted the audit observations in 271 cases involving Rs. 2.18 crore and recovered Rs. 95.61 lakh in 59 cases. Report on recovery of the balance amount and reply in the remaining cases has not been received (October 2007).

The matter was reported to the Government (January 2007); their reply has not been received (October 2007).

POLICE RECEIPTS

6.3 Non-recovery of police charges

Para 528 (Part III) of the Gujarat Police Manual, 1975 as amended in October 1999 stipulates that police charges should be collected in advance at double the rates of pay and allowances from banks, public sector undertakings, and private institutions. Further, section 48(2) of the Bombay Police Act, 1951, as adapted by the State of Gujarat, lays down that cost of additional police force deployed at any place of amusement or entertainment should be borne by the concerned party/organisation. The Home Department clarified (April 2007) that charges for the deployment of police for cricket matches had to be recovered in advance at twice the rate of pay and allowances. In case of police personnel deployed in other states, borrowing states should deposit Rs. 50 lakh per quarter which should be adjusted against the final audited figures.

Test check of the records in the offices of the Director General Police (DGP), four⁵¹ Commissioners of Police (CsP) and five⁵² Superintendents of Police (SsP) disclosed that police force was deployed for various periods between April 2001 and March 2006 even though the concerned departments did not make the payments in advance. The dues recoverable from various organisations are mentioned below:

⁵⁰ Ahmedabad, Amreli, Bharuch, Bhavnagar, Bhuj, Gandhinagar Godhra, Himatnagar, Jamnagar, Junagadh, Mehsana, Nadiad, Navsari, Palanpur, Porbandar, Rajkot, Surat, Surendranagar, Vadodara and Valsad.

⁵¹ Ahmedabad, Rajkot, Surat and Vadodara

⁵² Ahmedabad, Bharuch, Gandhinagar, Rajkot and Western Railways, Vadodara

Sl. No.	Organisations	No. of offices/ units	Amount (Rupees in crore)	Reasons
1.	Government department	5	3.01	Failure to recover cost of police in advance
2.	Other State Governments	9	9.94	-do-
3.	Local bodies	7	2.54	-do-
4.	Private bodies	9	1.26	-do-
5.	Commercial institutions	32	7.54	-do-
6.	Railways	1	17.65	Due to non-settlement of disputes (2001-02 to 2002-03) and non-obtaining of audit certificate (2003-04 to 2005-06).
Total		63	41.94	

This was brought to the notice of the department during July 2006 to April 2007 and to the Government in July 2007; their reply has not been received.

6.4 Short recovery of police charges

For the purpose of calculating police charges, pay, dearness allowance, leave salary and pension contribution are to be considered. These charges are to be recovered at double the rates from banks, public sector undertakings, and private institutions.

Audit examination of the records at the offices of four⁵³ CsP and five⁵⁴ SsP revealed that police charges were recovered at incorrect rates from 100 units. This resulted in short recovery of police charges amounting to Rs. 23.57 crore for the period from April 2001 to March 2006 as mentioned below:

Sl. No.	Organisations	No. of units	Amount (Rupees in crore)	Reason
1.	Commercial institutions	99	18.96	Police charge was recovered at single rate instead of the double the rate.
2.	Railways	1	4.61	Pension contribution was not included in the police charges.
Total		100	23.57	

⁵³ Ahmedabad, Rajkot, Surat and Vadodara

⁵⁴ Bharuch, Gandhinagar, Rajkot, Surat and Western Railways, Vadodara

After the cases were pointed out, the department during July 2006 to April 2007 accepted the audit observations involving Rs. 2.69 crore in respect of 23 organisations. Reply in the remaining cases has not been received (October 2007).

The matter was reported to Government (July 2007); their reply has not been received (October 2007).

**Ahmedabad,
The**

**(NIRANJAN PANT)
Principal Accountant General (C&RA)
Gujarat**

Countersigned

**New Delhi,
The**

**(VINOD RAI)
Comptroller and Auditor General of India**