

**Report of the
Comptroller and Auditor General of India
on
Revenue Sector
for the year ended 31 March 2017**



Government of Assam
Report No. 4 of 2018

Presented in the Legislature on: 24 September 2018

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PREFACE

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2017 has been prepared for submission to the Governor of Assam under Article 151 of the Constitution of India.

The Report contains significant findings of audit of Receipts and Expenditure of major Revenue earning Departments under Revenue Sector conducted under the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The instances mentioned in this Report are those, which came to notice in the course of test audit during the period 2016-17 as well as those which came to notice in the earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2016-17 have also been included, wherever necessary.

The Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

OVERVIEW

This Report contains 35 draft paragraphs relating to non/short levy of taxes/duties/royalty, interest and penalty etc., loss of revenue, irregular exemption and other irregularities. It also contains a Performance Audit on ‘Working of Geology and Mining Department, Assam’. Some of the major findings are mentioned below:

I. GENERAL

- The total receipts of the State for the year 2016-17 were ₹ 49,219.81 crore against ₹ 42,457.68 crore in the previous year. Of this, 33 *per cent* was raised by the State Government through tax revenue (₹ 12,079.56 crore) and non-tax revenue (₹ 4,353.13 crore). The balance 67 *per cent* was received from the Government of India in the form of State’s share of net proceeds of divisible Union taxes (₹ 20,188.64 crore) and grants-in-aid (₹ 12,598.48 crore)

(Paragraph 1.1)

- During the year 2016-17, only one Audit Committee meeting in respect of State Excise Department was held in which 27 paragraphs were settled

(Paragraph 1.6.2)

- Test check of records of 92 offices conducted during the year 2016-17 revealed under assessment/short levy/loss of revenue having financial implication of ₹ 404.68 crore

(Paragraph 1.9.1)

II. FINANCE (TAXATION) DEPARTMENT

- A dealer declared a portion of the taxable turnover as exempted sales resulting in non-levy of tax of ₹ 28.46 lakh on which interest of ₹ 14.70 lakh was additionally leviable

(Paragraphs 2.5)

- Failure of the Assessing Officer (AO) to assess the dealers at correct rate of tax resulted in short levy of tax of ₹ 59.52 lakh including interest of ₹ 30.98 lakh

(Paragraphs 2.6)

- Failure of the AO to take into account all available information at the time of assessment resulted in non-detection of escapement of turnover with evasion of tax of ₹ 28.41 lakh

(Paragraphs 2.7)

- Assessment done at incorrect rate of tax resulted in short determination of remission amount by ₹ 6.46 crore to an industrial unit

(Paragraphs 2.8)

- Excess allowance of remission of tax of ₹ 12.99 lakh to an industrial unit and unrealised interest of ₹ 3.90 lakh

(Paragraphs 2.9)

- Grant of concessional rate of tax against fraudulent 'C' forms resulted in short levy of tax of ₹ 1.03 crore and on which interest of ₹ 85.13 lakh was leviable

(Paragraphs 2.10)

- Three dealers were incorrectly allowed concessional rate of tax against invalid 'C' forms furnished by the purchasing dealers which resulted in short levy of tax of ₹ 96.28 lakh and on which interest of ₹ 46.21 lakh was leviable

(Paragraphs 2.11)

- Incorrect grant of concession in respect of two dealers against invalid and obsolete 'C' forms led to revenue of ₹ 24.68 lakh not being realised

(Paragraphs 2.12)

- Failure of the AO to timely issue arrear certificates for ₹ 2.16 crore inspite of issuance of demand notices allowed the dealers to take the benefit of the Assam Taxation (Liquidation of Arrear Dues) (Amendment) Act, 2016, which resulted in non-realisation of government revenue to the tune of ₹ 67.18 lakh

(Paragraphs 2.13)

- Failure of the AO to co-relate records led to non-detection of concealment of taxable import resulted in short levy of Entry Tax of ₹ 32.55 lakh

(Paragraphs 2.14)

- Non-registration of a dealer under the Assam Entry Tax Act resulted in loss of revenue of ₹ 8.60 lakh

(Paragraphs 2.15)

III. EXCISE DEPARTMENT

- Excess allowance of godown wastage over the permissible limit led to non-realisation of revenue of ₹ 1.98 crore

(Paragraph 3.4)

- Non-initiation of action by the Superintendent of Excise (SE) against a contractor resulted in potential loss of revenue of ₹ 91.58 lakh

(Paragraph 3.5)

- Failure of the SE to realise establishment charges of ₹ 63.55 lakh from three licensees
(Paragraph 3.6)
- Non-realisation of annual renewal licence fees amounting to ₹ 56.50 lakh from seven licensees
(Paragraph 3.7)
- Loss of revenue of ₹ 33.53 lakh due to failure of officers to realise the duty coupled with wrong interpretation of Executive Instruction
(Paragraph 3.8)
- Short realisation of licence fees of ₹ 25.35 lakh from six licensees
(Paragraph 3.9)
- ₹ 5.50 lakh short realised as brewery and bottling licence fees
(Paragraph 3.10)
- Non-accountal of consignment in stock register leading to possibility of evasion of government revenue of ₹ 5.35 lakh
(Paragraph 3.11)

IV. TRANSPORT DEPARTMENT

- Failure in raising demands of Motor Vehicle tax amounting to ₹ 53.23 lakh and fine of ₹ 13.02 lakh from 239 commercial vehicle owners
(Paragraph 4.4)
- Non-assignment of local/new registration marks to vehicles entering Assam from other states resulted in non-realisation of ₹ 60.36 lakh from 49 vehicle owners
(Paragraph 4.5)
- Non-realisation of fitness fees of ₹ 39.41 lakh from 1,714 vehicle owners
(Paragraph 4.6)
- Undue financial benefit of ₹ 18.63 lakh to 27 employees due to non-realisation of house rent and payment of House Rent Allowance despite occupying government quarters
(Paragraph 4.7)

V. ENVIRONMENT AND FORESTS DEPARTMENT

- Loss of government revenue amounting to ₹ 56.96 lakh due to non-collection of 'other charges'
(Paragraph 5.4)

- Collection of royalty at pre-revised rate resulted in short realisation of ₹ 11.20 lakh

(Paragraph 5.5)

- Non-realisation of reserve price of ₹ 37.11 lakh on the unauthorised extraction of minor minerals

(Paragraph 5.6)

VI. MINES AND MINERALS DEPARTMENT

A Performance Audit on ‘Working of Geology and Mining Department, Assam’ revealed the following:

- Adequate exploration and mineral investigation was not carried out by the Department to assess the quality and quantity of mineral reserves in the State

(Paragraph 6.2.10)

- Production of petroleum commenced prior to grant of Petroleum Mining Lease (PML) as the Department neither followed nor monitored any timeline for application and grant of PML

(Paragraph 6.2.11.1(i))

- There was short payment of stamp duty of ₹ 158.99 crore for 16 mining leases. Further, there was loss of revenue of ₹ 14.99 lakh due to non-registration of 32 lease deeds

(Paragraphs 6.2.11.7 (i) & (ii))

- The Department did not detect the short/ non-payment of licence fee for 13 Petroleum Exploration Licences (PELs) amounting to ₹ 5.97 crore and did not levy interest of ₹ 38.06 lakh in respect of 16 licensees for delayed payment of licence fee

(Paragraph 6.2.11.8)

- Short deposit of statutory fees in respect of 17 PMLs amounting to ₹ 1.15 crore was not realised

(Paragraph 6.2.11.9)

- Department did not cross check returns for production with annual accounts/other reports resulting in acceptance of lower quantity of production of crude oil and natural gas reported by Oil India Limited and Oil and Natural Gas Corporation Limited which lead to short payment of royalty of ₹ 351.79 crore

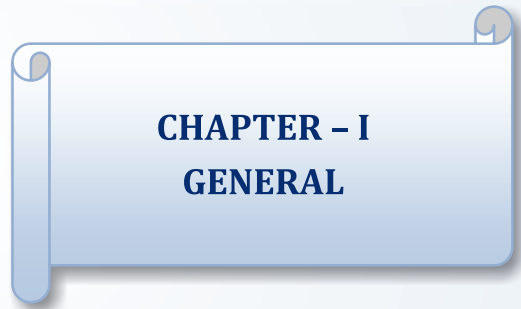
(Paragraph 6.2.12.1 (i) & (ii))

- Surface rent of ₹ 20.34 crore in respect of 39 PMLs was not realised

(Paragraph 6.2.12.4)

- The Department did not levy dead rent amounting to ₹ 14.24 crore in respect of non-operation of mining leases

(Paragraph 6.2.12.7 (i))



CHAPTER - I
GENERAL

CHAPTER - I : GENERAL

1.1 Trend of Revenue Receipts

1.1.1 The tax and non-tax revenue raised by the Government of Assam (GoA) during the year 2016-17, the State's share of net proceeds of divisible Union taxes and duties assigned to State, Grants-in-aid received from the Government of India (GoI) during the year and the corresponding figures for the preceding four years are given in **Table 1.1.1**.

Table 1.1.1
Trend of Revenue Receipts

(₹ in crore)						
Sl. No.	Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
1.	Revenue raised by the State Government					
	• Tax revenue	8,250.21	8,994.92	9,449.81	10,106.49	12,079.56
	• Non-tax revenue	2,473.59	2,705.03	2,412.89	2,741.56	4,353.13
	Total	10,723.80	11,699.95	11,862.70	12,848.05	16,432.69
	Percentage of increase over previous year	2.08	9.10	1.39	8.31	27.90
2.	Receipts from Government of India					
	• Share of net proceeds of divisible Union taxes and duties	10,601.26	11,574.52	12,283.71	16,784.88	20,188.64 ¹
	• Grants-in-aid	9,365.92	8,938.32	14,035.08	12,824.75	12,598.48
	Total	19,967.18	20,512.84	26,318.79	29,609.63	32,787.12
3.	Total receipts of the State Government (1 and 2)	30,690.98	32,212.79	38,181.49	42,457.68	49,219.81
4.	Percentage of 1 to 3	35	36	31	30	33

Source: Finance Accounts.

Table 1.1.1 indicates that during the year 2016-17, the revenue raised by the State Government (₹ 16,432.69 crore) was 33 per cent of the total revenue receipts as against 30 per cent during the previous year. The balance 67 per cent of the receipts during 2016-17 was from the GoI.

¹ Note: For details, please see statement No.14: Detailed accounts of revenue by minor heads in the Finance Accounts (Volume-2) of Government of Assam for the year 2016-17. Figures under the "share of net proceeds assigned to States" under the major heads -0020-corporation tax, 0021- taxes on income and expenditure, 0028- Other Taxes on Income and Expenditure, 0032-taxes on wealth, 0037-customs, 0038-union excise duties, 0044-service tax and 0045-other taxes and duties on commodities and services booked in the Finance Accounts under 'A- tax revenue' have been excluded from revenue raised by the State Government and included in 'State's share of divisible Union taxes' in the above table.

1.1.2 Details of tax revenue raised during the period 2012-13 to 2016-17 is given in **Table 1.1.2**.

Table 1.1.2
Details of Tax Revenue raised

(₹ in crore)

Sl. No.	Head of revenue	2012-13		2013-14		2014-15		2015-16		2016-17		Percentage of increase(+)/ decrease (-) in 2016-17 over 2015-16
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	
1.	Taxes on sales, trade etc.	5,980.76	6,223.13	6,835.05	6,848.01	8,367.50	7,351.25	9,810.55	7,493.72	11,582.67	8,751.64	16.79
2.	State Excise	530.00	568.11	609.05	610.26	763.72	664.99	878.77	807.96	1,299.55	963.81	19.28
3.	Stamp duty and Registration fees	151.18	252.29	211.94	251.51	554.33	188.51	362.19	224.83	478.80	226.78	0.86
4.	Taxes and duties on electricity	46.64	41.83	49.24	40.54	56.44	44.00	58.38	48.64	79.75	49.44	1.64
5.	Taxes on vehicles	335.00	328.09	365.38	351.11	441.31	364.53	505.59	442.73	577.81	521.59	17.81
6.	Taxes on goods and passengers	492.75	369.10	482.11	413.89	504.27	396.94	596.00	583.12	729.18	1,069.81	83.46
7.	Other taxes on income and expenditure – Tax on professions, trades, callings and employments	187.16	168.31	181.08	186.36	235.05	191.28	268.36	182.93	303.20	184.27	0.73
8.	Other taxes and duties on commodities and services	13.32	71.11	36.09	47.60	110.39	54.92	68.54	61.09	107.04	78.97	29.26
9.	Land revenue	160.81	145.91	140.34	155.65	201.64	142.32	224.14	229.46	395.59	210.02	- 8.47
10.	Taxes on agricultural income	111.61	82.33	73.50	89.99	110.77	51.07	119.88	32.01	80.71	23.23	- 27.42
Total		8,009.23	8,250.21	8,983.78	8,994.92	11,345.42	9,449.81	12,892.40	10,106.49	15,634.30	12,079.56	19.52

Source: Annual Financial Statement and Finance Accounts.

The reasons for major variations in respect of tax revenue during 2016-17 over those of 2015-16 as reported by the concerned department(s) were as follows:

State Excise: The increase of revenue was due to restructuring of *ad-valorem* levy, realisation of arrear levy, increase in consumption of liquor and increase of different kinds of fees in respect of label registration, renewal and profile fees.

Taxes on vehicles: The main factors in increase of revenue was registration of vehicles, implementation of new fee structure for temporary registration, agent licence fee (goods and passengers), inspection fee of Motor Vehicles on arrival at dealers' point, inspection and testing fee of Motor Vehicles for new model registration permission and implementation of auction system for allotment of fancy registration mark.

The other Departments had not intimated (February 2018) the reasons for the increase/decrease of their revenue in 2016-17 over 2015-16 despite requests.

1.1.3 Details of non-tax revenue raised during the period 2012-13 to 2016-17 is given in **Table 1.1.3**.

Table 1.1.3
Details of Non-Tax Revenue raised

(₹ in crore)

Sl. No.	Head of revenue	2012-13		2013-14		2014-15		2015-16		2016-17		Percentage of increase(+) / decrease (-) in 2016-17 over 2015-16
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	
1.	Petroleum	2,582.96	1,589.55	2,285.09	1,791.31	3,200.02	1,421.15	3,200.06	1,672.03	3,583.63	3,101.96	85.52
2.	Interest receipts	503.21	510.21	544.09	418.61	628.63	313.99	515.76	298.80	424.93	475.40	59.10
3.	Dairy development	0.25	0.49	0.28	0.48	9.61	0.43	0.59	0.07	0.58	0.39	457.14
4.	Forestry and wild life	158.71	110.56	195.17	100.92	136.22	115.99	124.34	117.30	995.74	215.85	84.01
5.	Non-ferrous mining and metallurgical industries	1.00	1.10	1.08	0.48	1.35	0.96	0.60	3.31	2.56	5.81	75.52
6.	Miscellaneous general services	0.01	0.01	30.15	60.02	0.01	268.50	73.94	4.81	360.67	-6.15	-227.86
7.	Major and medium irrigation projects	0.46	0.38	0.27	0.43	0.47	0.62	0.53	0.84	0.83	0.47	-44.05
8.	Medical and public health	10.19	12.13	13.31	11.29	14.95	11.38	13.91	15.47	15.29	12.33	-20.30
9.	Co-operation	0.89	0.58	0.56	0.63	0.71	0.47	0.78	0.64	0.64	0.57	-10.93
10.	Public works	3.81	3.32	3.63	2.01	4.09	1.14	2.47	3.84	1.54	3.37	-12.24
11.	Police	30.40	36.22	34.42	59.40	44.63	43.54	73.19	52.62	58.49	52.88	0.49
12.	Other administrative services	71.26	56.75	57.51	62.48	69.92	69.25	76.98	329.16	93.02	210.46	-36.06
13.	Coal and lignite	35.52	43.95	50.00	38.76	54.15	51.22	47.75	32.58	55	36.05	10.65
14.	Roads and bridges	27.37	52.62	101.12	50.40	64.83	42.18	62.10	28.69	156.66	41.10	43.26
15.	Others ²	61.41	55.72	82.82	107.81	68.66	72.07	132.86	181.40	96.94	202.64	11.70
Total		3,487.45	2,473.59	3,400.31	2,705.03	4,298.25	2,412.89	4,325.86	2,741.56	5,846.52	4,353.13	58.78

Source: Annual Financial Statement and Finance Accounts.

The reasons for major variations in respect of non-tax revenue during 2016-17 over those of 2015-16 as reported by the concerned department(s) were as follows:

Mines and Minerals Department: The increase in revenue under the head 'Petroleum' was due to receipt of arrear payment of royalty due to discount price of crude oil.

The other Departments had not intimated (February 2018) the reasons for increase/decrease of their receipts in 2016-17 over 2015-16 despite requests.

² Others include 30 major head of accounts.

1.2 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2017 in respect of the Finance (Taxation), State Excise, Mines and Minerals and Transport Departments amounted to ₹ 5,096.10 crore of which ₹ 2,023.51 crore was outstanding for more than five years, as detailed in the **Table 1.2**.

Table 1.2
Arrears of revenue

(₹ in crore)					
Sl. No.	Heads of Revenue	Name of Department	Total Amount outstanding as on 31 March 2017	Amount outstanding for more than five years as on 31 March 2017	Replies of the Departments
1	Tax on Agricultural Income	Finance (Taxation) Department	52.62	49.26	The total arrear outstanding as on 31 March 2017 of ₹ 5,079.36 crore was attributable to: <ul style="list-style-type: none"> ▪ Some amount of dues become arrears when the amount is not paid by the dealers on due date. The assessing officer issue notices to the defaulters for payment of arrears. ▪ For amount which cannot be realised by the assessing officers <i>in spite of</i> all efforts, arrear certificates are issued by the assessing officers to the <i>bakjai</i> officers for realisation of the amount and these amounts remain as arrear with Superintendent of Taxes (Recovery) till recovery of arrear amount. ▪ Pending of cases, involving arrear of revenue, in High Court/ Supreme Court/ Board of Revenue and with appellate /revision authority. ▪ Untraceability of dealers.
2	Professional Tax		2.03	1.24	
3	Land Revenue		2,080.90	1,046.40	
4	Taxes on sales, trade, etc.		2,844.99	862.18	
5	Taxes on Goods and Passengers		93.50	44.71	
6	Other Taxes on Commodity and Services		5.32	3.01	
7	State Excise	Excise Department	1.58	1.58	Though Excise levies are prepaid, due to non-payment of renewal licence fee by M/s Nixil Pharmaceuticals, Balipara, Tezpur, the total arrear outstanding as on 31 March 2017 was ₹ 1.58 crore. The licensee is now non-functional.
8	Non-ferrous Mining and Metallurgical Industries	Mines and Minerals Department	1.11	1.11	Non-payments of royalty on limestone by NECEM Cements Ltd. and Vinay Cements Ltd.
9	Taxes on vehicles	Transport Department	14.05	14.02	Shortage of Enforcement Personnel/staff and inadequate infrastructure in respect of Enforcement drives.
Total			5,096.10	2,023.51	

The replies of the departments capture the reasons for long standing arrears of revenue. The fact remains that recovery of ₹ 2,023.51 crore was pending for more than five years. Clearance of arrears of such magnitude requires focused efforts from each department and a push for coordination with other departments such as banks, police department and quasi-judicial/ judicial bodies involved in the process of recovery. Total arrears of ₹ 5,096.10 crore were pending with the departmental

authorities as on 31 March 2017. As can be seen from table 1.1.1, this amounts to 31 *per cent* of the total revenue raised by the GoA in 2016-17.

1.3 Arrears in Assessments

The details of arrears in assessments pending at the beginning of the year, cases becoming due for assessments during the year, cases disposed off during the year and number of cases pending for assessment at the end of the year as furnished by the Finance (Taxation) Department in respect of Sales Tax, Motor Spirit Tax, Luxury Tax and Tax on works contracts are given in **Table 1.3**:

Table 1.3
Arrears in assessments

Head of revenue	Arrears of assessment due as on 31 March 2016	New cases due for assessments during 2016-17	Total assessment due	Cases disposed off during 2016-17	Balance at the end of the year	Percentage of disposal (col. 5 to 4)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Sales Tax (AGST/AVAT/CST Acts)	16,834	14,385	31,219	15,952	15,267	51.10
APTC & E Tax Act	25,446	25,639	51,085	23,493	27,592	45.99
Entry Tax Act	3,338	1,382	4,720	1,601	3,119	33.92
Luxury (Hotel & Lodging Houses) Act	425	306	731	301	430	41.18
Electricity Duty Act	2,408	365	2,773	285	2,488	10.28
Taxation (on Specified Lands) Act	514	627	1,141	520	621	45.57
Agricultural Income Tax Act	1,041	762	1,803	465	1,338	25.79
Total	50,006	43,466	93,472	42,617	50,855	45.59

The assessments pending at the end of the year increased over the previous year in respect of all the cases except Sales Tax and Entry Tax. The percentage of disposal against Electricity Duty Act was particularly poor (10.28 *per cent*). Further, the percentage of overall disposal compared to the cases due for assessment was only 45.59 *per cent* which resulted in increase of arrears of assessment. Pendency in assessment may result in non/short realisation of Government revenues and further accumulation in arrears of revenue.

1.4 Evasion of tax detected by the Department

The details of cases of tax evasion detected by the Finance (Taxation) Department and State Excise Department, cases finalised and the demands for additional tax raised as reported by the departments are given in **Table 1.4**.

Table 1.4
Evasion of tax

Head of revenue	Cases pending as on 31 March 2016	Cases detected during 2016-17	Total	Number of cases in which assessment/ investigation completed and additional demand with penalty etc. raised		Number of cases pending for finalisation as on 31 March 2017
				Number of cases	Amount of demand (₹ in crore)	
Sales Tax/ VAT	291	2,442	2,733	2,369	18.27	364
State Excise	04	--	04	04	43.94	00
Total	295	2,442	2,737	2,373	62.21	364

The departments detected 2,442 cases of tax evasion in 2016-17 and raised additional demand of ₹ 62.21 crore during the year. However, the cases pending at the end of the year stood at 364 against 295 cases in the previous year. The departments need to make concerted efforts to clear the pending cases.

1.5 Pendency of refund cases

The number of refund cases pending at the beginning of 2016-17, claims received during the year, refunds allowed during the year and the cases pending at the close of 2016-17, as reported by the Finance (Taxation) Department is given in **Table 1.5**.

Table 1.5
Details of pendency of refund cases

Sl. No.	Particulars	(₹ in crore)	
		No. of cases	Amount
1.	Claims outstanding at the beginning of the year	57	67.83
2.	Claims received during the year	87	109.50
3.	Refunds allowed during the year	85	42.14
4.	Balance outstanding at the end of the year	59	135.19

The Assam Value Added Tax Act provides for the payment of interest at the rate of nine *per cent* per annum in case of refund, if the amount is not refunded to the dealer within 90 days from the date of any order, authorising such refund. The Department, therefore, needs to put in place a mechanism to monitor the pendency of refund cases to ensure that there is no delay in refund of dues, so that payment of interest is avoided.

1.6 Response of Government/departments towards audit

The Accountant General (Audit), Assam (AG) conducts periodical inspection of the Government offices to test check their transactions and verify the maintenance of important accounts and other records as prescribed under the extant rules and procedures. These inspections are followed up with the Inspection Reports (IRs), incorporating irregularities detected during the inspection and not settled on the spot, which are issued to the heads of the offices inspected with copies to the higher authorities for taking prompt corrective action. The heads of the offices are required to promptly comply with the observations contained in the IRs, rectify the defects

and omissions and report compliance through initial replies to the AG within one month from the date of issue of the IRs.

With respect to IRs issued upto December 2016, the position was that 4,018 paragraphs pertaining to 1,005 IRs involving ₹ 7,524.37 crore remained outstanding at the end of June 2017 as shown in **Table 1.6**, alongwith the corresponding figures for the preceding two years.

Table 1.6
Details of pending IRs

	June 2015	June 2016	June 2017
Number of IRs pending for settlement	867	918	1,005
Number of outstanding audit paragraphs	3,281	3,521	4,018
Amount of revenue involved (₹ in crore)	6,943.11	7,169.23	7,524.37

1.6.1 The department-wise details of the IRs and paragraphs outstanding as on 30 June 2017 and the amounts involved is given in **Table 1.6.1**.

Table 1.6.1
Department-wise details of outstanding IRs

Sl. No.	Name of the Department	Nature of receipts	Numbers of outstanding IRs	Numbers of outstanding audit paragraphs	(₹ in crore)
					Money value involved
1.	Finance (Taxation)	Taxes on sales, trade etc.	243	1,568	718.88
		Agricultural Income Tax	14	37	7.89
		Other Taxes	94	307	77.96
2.	Excise	State Excise	106	463	300.32
3.	Transport	Taxes on Motor Vehicles	129	456	53.97
4.	Stamp and Registration	Stamps and Registration fees	106	222	8.92
5.	Mines and Minerals	Non-ferrous mining and metallurgical industries	13	66	6,169.27
6.	Environment and Forests	Forestry and Wild Life	300	899	187.16
Total			1,005	4,018	7,524.37

Audit did not receive even the first replies from the heads of offices within one month from the date of issue of the IRs in respect of 91 IRs issued during 2016-17. Further, the large pendency of IRs/paragraphs due to non-receipt of replies is indicative of the fact that the heads of offices did not initiate action to rectify the defects, omissions and irregularities pointed out by the AG in the IRs.

1.6.2 Departmental Audit Committee meetings

The Government set up audit committees to monitor and expedite the progress of the settlement of the IRs and paragraphs. The details of the audit committee meetings held during 2016-17 and the paragraphs settled as a consequence thereof is given in **Table 1.6.2**.

Table 1.6.2
Details of Departmental ACMs

Sl. No.	Head of revenue	Number of meetings held	Number of paras settled	(₹ in crore)
				Amount
1.	State Excise	01	27	0.40
	Total	01	27	0.40

During the year only one ACM was held in which 208 paras were discussed and 27 paras (13 *per cent*) were dropped on the basis of replies furnished by the Excise Department.

Further, in view of the increasing trend of outstanding IRs/audit paragraphs (refer para 1.6.1), the Government may consider fixing a minimum of one Audit Committee Meeting (ACM) to be conducted each year for every department to facilitate timely disposal of audit IRs/paragraphs.

1.6.3 Response of the Departments to the draft audit paragraphs

The draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India are forwarded by the AG to the Principal Secretaries/Secretaries of the concerned Department, drawing their attention to audit findings and requesting them to send their response within six weeks. The fact of non-receipt of the replies from the Government/Department is invariably indicated at the end of such paragraphs included in the Audit Report.

Between April and August 2017, 37 draft paragraphs and a Performance Audit (PA) on 'Working of Geology and Mining Department, Assam' were sent to the Principal Secretaries/Secretaries of the respective Departments by name. The replies furnished by the Departments/Directorates have been appropriately incorporated in the respective paragraphs. In respect of one draft paragraph involving money value of ₹ 16.84 lakh regarding concealment of import of taxable goods, the amount had been fully recovered from the dealer. The Departments/Directorates did not provide replies to 10 draft paragraphs and the same have been featured in this Report without the response of the concerned Department/Directorate.

1.6.4 Follow up on the Audit Reports

The internal working system of the Public Accounts Committee (PAC), notified in August 2001 and September 2014, laid down that after the presentation of the Report of the Comptroller and Auditor General of India in the Legislative Assembly, the departments shall initiate action on the audit paragraphs and the action taken explanatory notes thereon should be submitted by the Government within three months of tabling the Reports, for consideration of the Committee. In spite of these provisions, the explanatory notes on audit paragraphs of the Reports were being delayed inordinately. 168 paragraphs included in the Reports of the Comptroller and Auditor General of India on the Revenue Sector of the Government

of Assam for the years ended 31 March 2012-16 were placed before the State Legislature between August 2013 and May 2017. In none of the cases, action taken explanatory notes of the Departments were received within the stipulated time line.

During 2016-17, the PAC discussed 22 paragraphs in respect of Agricultural Income Tax under Finance (Taxation) Department for the Audit Reports 1990-91, 1991-92, and 1992-93 and the recommendations of the PAC were received in March 2017.

1.7 Analysis of the mechanism for dealing with the issues raised by Audit

To analyse the system of addressing the issues highlighted in the IRs/Audit Reports by the departments/Government, the action taken on the paragraphs and PAs included in the Audit Reports of the last five years for one department is evaluated in detail and included in this Audit Report.

Paragraphs 1.7.1 and 1.7.2 discuss the performance of **Excise Department** in respect of the cases detected in the course of local audit during the last five years and also the cases included in the Audit Reports for years 2011-12 to 2015-16.

1.7.1 Position of Inspection Reports

The summarised position of IRs issued during the last five years, paragraphs included in these IRs and their status as on 31 March 2016 in respect of Excise Department are tabulated in **Table 1.7.1**.

Table 1.7.1

Position of Inspection Reports

(₹ in crore)

Year	Opening Balance			Addition during the year			Clearance during the year			Closing Balance		
	IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value
2011-12	52	166	7.85	11	71	55.90	-	05	0.03	63	232	63.72
2012-13	63	232	63.72	10	60	20.10	08	62	1.59	65	230	82.23
2013-14	65	230	82.23	18	93	15.48	16	63	1.16	67	260	96.55
2014-15	67	260	96.55	21	103	198.30	-	23	17.15	88	340	278.00
2015-16	88	340	278.00	19	129	19.82	08	29	1.50	99	440	296.00

It is evident from the above table that, against 52 outstanding IRs with 166 paragraphs at the beginning of 2011-12, the number of outstanding IRs increased to 99 with 440 paragraphs at the end of 2015-16.

Five ACMs between the Department and AG's office were held to settle the old paragraphs during 2011-16 as a result of which 113 paragraphs could be settled. This was out of a total of 182 paragraphs cleared during the same period.

1.7.2 Recovery of accepted cases

The position of paragraphs included in the Audit Reports of the last five years, those accepted by Excise Department and the amount recovered there against are given in **Table 1.7.2**.

Table 1.7.2

						(₹ in crore)
Year of Audit Report	Number of paragraphs included	Money value of the paragraphs	Number of paragraphs accepted	Money value of accepted paragraphs	Amount recovered	Cumulative position of recovery of accepted cases as of 31 March 2016
2011-12	09	45.19	--	--	--	0.045
2012-13	01 ³	1,115.43	--	--	--	
2013-14	08	1.84	01	0.30	0.005	
2014-15	09	176.56	02	0.71	0.03	
2015-16	08	3.13	03	0.80	0.01	

It is evident from the above table that the progress of recovery even in accepted cases was very slow during the last five years. The Department should take immediate action to pursue and monitor recovery of the dues involved at least in the accepted cases.

1.7.3 Action taken on the recommendations accepted by the Government/Departments.

The PAs conducted by the AG are forwarded to the concerned departments with a request to furnish their replies. These PAs are further discussed at an exit conference and the department's views received during the exit conference and at other points of time are included while finalising the PAs for the Audit Reports. Besides, Audit also makes recommendations against any specific issues brought out in the PAs wherever appropriate.

During 2012-13, a PA on 'Receipts under State Excise' was carried out wherein 24 recommendations were suggested to the Excise Department. The Department reported that action was taken against the recommendations and also against other paragraphs featured in the PA (details are given in *Appendix – I*). It is observed that overall, the Department had taken positive steps to streamline its system and procedures in the light of audit concerns brought out in the said PA. In this regard, Audit suggests that the Department may expedite the approval of the government where required, with respect to those issues brought out in the PA.

³ PA on 'Receipts under State Excise'.

1.8 Audit Planning

For the purposes of audit, the offices under various departments are categorised as 'high', 'medium' and 'low' risk units according to their quantum of revenue collection, past nature and trends of audit observations and other parameters. The annual audit plan of the AG is prepared on the basis of risk analysis which *inter-alia* includes critical issues in government revenue and tax administration i.e. budget speech, white paper on state finances, Reports of the Finance Commission (State and Central), recommendations of the Taxation Reforms Committee, statistical analysis of revenue earnings during the past five years, factors in tax administration and audit coverage and its impact during past five years.

During 2016-17, against a total of 342 auditable offices, 108 offices were due for audit during the year as against which the annual audit plan provided for the audit of 92 offices. The details are given in *Appendix – II*.

Besides, the above audits, one Performance Audit (featured in paragraph 6.2 of this Report) was also taken up during the year.

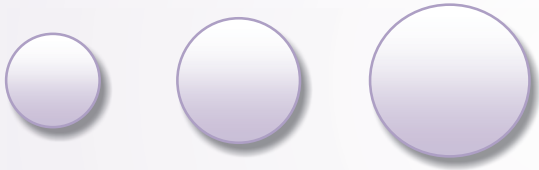
1.9 Results of Audit

1.9.1 Position of audit conducted during the year

Test check of records of 92 offices of Finance (Taxation), State Excise, Transport, Environment and Forests and other departmental offices conducted during 2016-17 detected under assessment/short levy/loss of revenue aggregating ₹ 404.68 crore in 632 cases. During the course of the year, the departments concerned accepted under assessment and other deficiencies of ₹ 3.46 crore involving 71 cases pointed out in audit during 2016-17. The departments collected ₹ 0.49 crore in 31 cases during 2016-17, pertaining to the audit findings of previous years.

1.9.2 Coverage of this Report

This Report contains 35 paragraphs suitably clubbed into appropriate captions and a PA on 'Working of Geology and Mining Department, Assam', having a total financial effect of ₹ 1,418.93 crore of which the departments accepted cases involving revenue of ₹ 1,413.77 crore and recovered revenue of ₹ 2.02 crore. In addition, financial irregularities of ₹ 0.19 crore was accepted by the Transport Department.



CHAPTER - II
FINANCE (TAXATION)
DEPARTMENT

CHAPTER – II :

FINANCE (TAXATION) DEPARTMENT

2.1 Tax administration

The Finance (Taxation) Department is responsible for the administration of taxes on sales, trade etc. in the State. The Commissioner of Taxes (CT), Assam is the Head of the Department and responsible for administration of all taxation measures and for general control and supervision over the zonal and unit offices and the staff engaged in collection of taxes and to guard against evasion of taxes. He is also the authority for disposing of revision petitions under all taxation acts and laws besides providing clarifications under the Assam Value Added Tax (AVAT) Act, 2003. He is assisted by Additional Commissioners of Taxes, Joint Commissioners of Taxes (JCT), Deputy Commissioners of Taxes (DCT), Assistant Commissioner of Taxes (AsCT), Superintendents of Taxes, Inspectors of Taxes both at the Headquarters and zonal/unit levels. The Commissionerate of Taxes had one Head Office/Commissioner's Office, 10 Zonal Offices, five Appellate Offices, 34 Unit Offices, 23 Recovery Offices and 10 check posts.

The functioning of the Department is governed by the provisions of the AVAT Act, 2003 (*w.e.f.* 1 May 2005); the Central Sales Tax (CST) Act, 1956; the Assam Entry Tax (AET) Act, 2008 (*w.e.f.* 1 June 2008); the Assam Professions, Trades, Callings and Employments Taxation Act, 1947; the Assam Tax on Luxuries (Hotels and Lodgings Houses) Act, 1989; the Assam Amusement and Betting Taxation Act, 1939; the Assam Electricity Duty Act, 1964; the Assam Taxation (on Specified Lands) Act, 1990; the Assam Agricultural Income Tax Act, 1939; the Assam Health Infrastructure and Services Development Fund Act (*w.e.f.* 1 July 2015) and various administrative orders issued from time to time.

2.2 Working of internal audit wing

Internal audit, a vital component of internal control mechanism, functions as the 'eyes and ears' of the Department and is a vital tool which enables the management to assure itself that prescribed systems are functioning reasonably well.

It was observed that although an internal audit wing was created by the Government in May 1988 with staff strength of eight internal auditors in the office of the CT, Assam, no personnel was posted in the wing during 2016-17. This situation defeated the very purpose for which the internal audit wing was created.

2.3 Results of audit

In 2016-17, test check of records of 22 offices (out of total 83 offices) relating to VAT/Sales tax assessments and other records showed turnover escaping assessment of tax and other irregularities involving ₹ 342.49 crore in 303 cases. The details are given in **Table 2.1**.

Table 2.1
Results of Audit

Sl. No.	Categories	Number of cases	Amount (₹ in crore)
Assam Value Added Tax/Central Sales Tax			
1.	Turnover escaping assessment	04	2.88
2.	Irregular grant of Input Tax Credit (ITC)	17	20.22
3.	Concealment of turnover	41	71.23
4.	Short levy of tax and interest	33	22.06
5.	Non-levy of tax and interest	29	6.60
6.	Irregular allowance of concessional rate of tax	18	16.66
7.	Other irregularities	119	181.53
Total		261	321.18
Other Taxes			
1.	Short/non-levy of Entry Tax	15	18.60
2.	Short/non-payment of interest	03	0.12
3.	Short/non-levy of Professional Tax	16	0.36
4.	Other irregularities	08	2.23
Total		42	21.31
Grand Total		303	342.49

During the course of the year, the Department accepted underassessment and other deficiencies of ₹ 2.72 crore in 37 cases which were pointed out in audit during 2016-17 and earlier years. An amount of ₹ 0.24 crore was recovered in 13 cases during the year 2016-17 pertaining to earlier years.

A few cases involving ₹ 14.34 crore are discussed in the succeeding paragraphs.

2.4 Compliance Audit observations

Scrutiny of records relating to value added tax (VAT)/central sales tax/entry tax in the Finance (Taxation) Department revealed several cases of provisions of Acts/Rules/departmental orders not being observed and other cases as brought out in the following paragraphs. These cases are illustrative and are based on a test

check carried out by Audit. Some of the omissions on the part of assessing officers (AOs) are pointed out in audit each year, but not only do the irregularities persist, these remain undetected till next audit is conducted. It is a matter of concern as these observations are also sent to the higher authorities including the Secretary each time these are detected. Government and the Department need to strengthen measures to effectively monitor the cases, arrest recurrence of the irregularities and improve the internal control system including internal audit so that such mistakes and omissions are detected, corrected and avoided.

SECTION : A
VALUE ADDED TAX/CENTRAL SALES TAX

ASSAM VALUE ADDED TAX (AVAT) ACT

Section 40 of the AVAT Act, 2003, provides that where after a dealer is assessed under Section 34, 35, 36 or 37 of this Act for any year or part thereof, the prescribed authority has reason to believe that whole or any part of the turnover of the dealer in respect of any period has (a) escaped assessment; or (b) been under assessed; or (c) been assessed at a rate lower than the rate at which it is assessable; or (d) been wrongly allowed any deduction therefrom; or (e) been wrongly allowed any credit therein, the prescribed authority may, after giving the dealer a reasonable opportunity of being heard and after making such enquiries as he considers necessary, proceed to assess to the best of his judgment, the amount of tax due from the dealer in respect of such turnover, and the provisions of this Act shall, so far as may be, apply accordingly within a period of eight years. Further, Section 30 of the Act *ibid* provides that if any dealer fails to pay the amount of tax due within the time prescribed for its payment, such dealer shall, in addition to the tax, be liable to pay simple interest, at the rate of 1.5 *per cent*, per month on the amount of tax not so paid or on any less amount thereof remaining unpaid during such period.

2.5 Taxable turnover declared as exempted sales

A dealer declared a portion of the taxable turnover as exempted sales resulting in non-levy of tax of ₹ 28.46 lakh on which interest of ₹ 14.70 lakh was additionally leviable

[ACT, Tezpur; November - December 2013]

The item 'De-oiled Rice Bran' was taxable at four *per cent* under Schedule II of the AVAT Act, 2003 upto 30 October 2009 and five *per cent* thereafter.

Audit observed that M/s Sonitpur Solvex Ltd. disclosed total intra-State sales turnover during 2008-09 to 2011-12 as ₹ 16.33 crore out of which the dealer declared ₹ 11.90 crore as exempted sales. Audit noticed that out of ₹ 11.90 crore declared as exempted sales, ₹ 6.29 crore was sales of 'De-oiled Rice Bran' which

was a taxable item. The dealer, thus, misclassified taxable sales aggregating ₹ 6.29 crore as exempted sales which was not detected by the AO during assessment under Section 36 of the AVAT Act, 2003. This resulted in short levy of tax by ₹ 28.46 lakh⁴ and on which interest of ₹ 14.70 lakh (calculated upto November 2013) under Section 30 of the AVAT Act, 2003 was also leviable.

The JCT, Assam stated (September 2017) that the ACT, Tezpur has since assessed the dealer accordingly and issued demand notices for the above mentioned periods. In response, the dealer had filed an appeal before the DCT (Appeal), Nagaon. The petition was turned down and revised petition filed before the CT, Assam was also turned down. The dealer, thereafter, filed an appeal before the Assam Board of Revenue, Guwahati which was also turned down on 11 February 2016. The dealer then filed a revision petition before the Hon'ble Gauhati High Court against the judgement of the Assam Board of Revenue. Further developments in the case was awaited (February 2018).

2.6 Short levy of tax due to misclassification of goods

Failure of the AO to assess the dealers at correct rate of tax resulted in short levy of tax of ₹ 59.52 lakh including interest of ₹ 30.98 lakh

[ACT, Guwahati Unit –A; September - December 2015]

The item 'Chocolate and Bournvita' was taxable at 12.5 per cent upto 30 October 2009 and 13.5 per cent with effect from 31 October 2009 as the item falls under Schedule V⁵ and not under Schedule II⁶ of the AVAT Act, 2003.

2.6.1 Audit observed that M/s Cadbury India Ltd. while submitting the return for the year 2009-10 classified 'Chocolate and Bournvita' under two different Schedules i.e. Schedule II and Schedule V and calculated tax at four/five per cent on turnover of ₹ 1.95 crore and at 12.5/13.5 per cent on turnover of ₹ 24.78 crore out of total turnover of ₹ 26.73 crore. This is a case of misclassification of goods. The AO also while assessing the dealer under Section 36 of the AVAT Act, 2003 in January 2011 for the year 2009-10 accepted the application of lower rate of tax. The failure of the AO to assess the dealer at correct rate of tax resulted in short levy of tax of

	(Amount in ₹)				
	2008-09 (@4%)	2009-10 (@4% minimum)	2010-11 (@5%)	2011-12 (@5%)	Total
Turnover of 'De-oiled Rice Bran' declared as exempted sales	97,46,145	2,00,32,100	1,78,18,447	1,52,77,328	6,28,74,020
Tax leviable @ 4 per cent / 5 per cent	3,89,846	8,01,284	8,90,922	7,63,866	28,45,918
Interest leviable @ 1.5 per cent per month upto November 2013	3,21,623 (55 months)	5,16,828 (43 months)	4,14,279 (31 months)	2,17,702 (19 months)	14,70,432

⁵ List of goods taxable at 12.5 per cent upto 30 October 2009 and 13.5 per cent from 31 October 2009 onwards and not covered by any other Schedules as per the AVAT Act, 2003

⁶ List of essential commodities taxable at four per cent upto 30 October 2009 and five per cent from 31 October 2009 onwards.

₹ 16.60 lakh⁷ and on which interest of ₹ 17.83 lakh (calculated upto December 2015) under Section 30 of the AVAT Act, 2003 was also leviable.

The JCT, Assam stated (September 2017) that lower rate of four/five *per cent* were rightly applied on turnover against CSD sales and accordingly, assessment for the year 2009-10 was completed under Section 40 of the AVAT Act, 2003 raising demand of ₹ 57.52 lakh including interest of ₹ 32.56 lakh. However, against claim of CSD sales no documentary evidence has been furnished by the Department. Moreover, turnover on which tax of ₹ 57.52 lakh was levied during assessment under Section 40 was neither mentioned nor furnished by the Department. Thus, in absence of such vital information, it was not clear to Audit how the tax and interest was calculated by the AO as the same had not been matched with the figures mentioned in the Annual Return furnished by the dealer and which was accepted and found correct by the AO during assessment. The status of recovery of tax and interest was awaited (February 2018).

[ACT, Tezpur; November - December 2013]

2.6.2 The item ‘Rusk’ was an unspecified item and taxable at 12.5 *per cent* from 1 May 2005 under Schedule V of the AVAT Act, 2003. The CT, Assam also clarified⁸ in April 2008 that the item ‘Rusk’ was taxable at 12.5 *per cent* under Schedule V.

Audit observed that M/s Shree Krishna Food Products while submitting the returns classified ‘Rusk’ under Schedule II and calculated tax at four *per cent* for the years 2006-07 and 2007-08 on a turnover of ₹ 75.73 lakh and ₹ 64.69 lakh respectively. The AO also while assessing the dealer under Section 36 of the AVAT Act, 2003 in September 2009 and June 2011 for the above mentioned years accepted the application of lower rate of tax at four *per cent* instead of 12.5 *per cent*. Failure of the AO to assess the dealer at correct rate of tax thus resulted in short levy of tax of ₹ 11.94 lakh⁹ and on which interest of ₹ 13.15 lakh (calculated upto November 2013) under Section 30 of the AVAT Act, 2003 was also leviable.

(Amount in ₹)			
	2009-10		Total
	Upto 30 October 2009	From 31 October 2009	
Taxable turnover determined at lower rate	1,40,60,571	54,67,360	1,95,27,931
Tax determinable @ 12.5/13.5 <i>per cent</i>	17,57,571	7,38,094	24,95,665
Tax determined @ 4/5 <i>per cent</i>	5,62,422	2,73,368	8,35,790
Short levy of tax	11,95,149	4,64,726	16,59,875
Interest leviable @ 1.5 <i>per cent</i> per month upto December 2015	13,08,688 (73 m)	4,74,021 (68 m)	17,82,709

⁷ No. CTS-76/2007/32 dated 29 April 2008

(Amount in ₹)			
	2006-07	2007-08 (upto 3 February 2008)	Total
Sale of ‘Rusk’	75,73,240	64,68,954	
Tax determinable @ 12.5 <i>per cent</i>	9,46,655	8,08,619	
Tax determined @ 4 <i>per cent</i>	3,02,930	2,58,758	
Tax short determined	6,43,725	5,49,861	11,93,586
Interest leviable @ 1.5 <i>per cent</i> per month upto November 2013	7,62,814 (79 m)	5,52,610 (67 m)	13,15,424

The JCT, Assam stated (September 2017) that the dealer had deposited tax at four *per cent* by considering the item ‘Rusk’ as ‘a light dry Biscuits’ and there was no short levy of tax. The reply of the Department is not tenable as the CT, Assam had unequivocally clarified in April 2008 that ‘sliced bread’ undergoes a manufacturing process i.e. baking, to produce a new commodity ‘Rusk’ which was taxable at 12.5 *per cent* as it falls under Schedule V of the AVAT Act, 2003.

2.7 Escapement of turnover

Failure of the AO to take into account all available information at the time of assessment resulted in non-detection of escapement of turnover with evasion of tax of ₹ 28.41 lakh

[*ST, Hailakandi; June 2013*]

2.7.1 The item ‘paper’ was taxable at four *per cent* under Schedule II of the AVAT Act, 2003 with effect from 1 May 2005.

M/s Hindustan Paper Corporation Ltd., dealing in manufacture and trading of ‘paper’, disclosed a turnover of ₹ 276.09 crore in its annual return for 2008-09. The AO accordingly completed the assessment in December 2011. Audit however, noticed that the dealer had an actual turnover of ₹ 278.17 crore during 2008-09 as per the audited accounts/Manufacturing Accounts (Annexure-III) attached with the annual return.

Failure of the AO to take into account all available information at the time of assessment under Section 36 of the AVAT Act, 2003 resulted in escapement of turnover of ₹ 2.08 crore which led to short determination of tax of ₹ 8.31 lakh and on which interest of ₹ 6.11 lakh (calculated upto May 2013) under Section 30 of the AVAT Act, 2003 was also leviable.

The JCT, Assam stated (September 2017) that difference between annual return and manufacturing account was due to stock transfer which is not a sale. The reply of the Department is not tenable as the sale of finished goods in manufacturing accounts was declared as ₹ 278.17 crore during 2008-09.

[*ST, Mangaldoi; July 2013*]

2.7.2 The items ‘sauce, jam, pickles, papad’ were taxable at four *per cent* with effect from 8 August 2005 and five *per cent* from 31 October 2009 onwards under Schedule II of the AVAT Act, 2003.

M/s Sanskar Recipes Pvt. Ltd. dealing in manufacture and trading of ‘sauce, jam, pickle, papad’ disclosed in its annual returns a turnover of ₹ 7.30 crore and ₹ 9.83 crore for 2009-10 and 2010-11 respectively. The AO completed the assessment under Section 36 of the AVAT Act, 2003 in August 2011 and April 2013 respectively. Audit observed from the audited accounts that the dealer had an actual turnover of ₹ 8.68 crore and ₹ 10.60 crore in 2009-10 and 2010-11 respectively. Failure of the AO to take into account all available information at the time of assessment resulted in escapement of turnover of ₹ 2.15 crore which led to short determination of tax of ₹ 9.35 lakh¹⁰ on which interest of ₹ 4.64 lakh (calculated upto June 2013) under Section 30 of the AVAT Act, 2003 was also leviable.

The JCT, Assam stated (September 2017) that the audited accounts meant for income tax authorities include the sales of its branch offices outside the State and the audited accounts in forms 47 and 48 under AVAT Act, 2003 reflect the sale of the firm in Assam only. The reply is not tenable as it was silent about the cross-checking of transactions and inspections of accounts, documents of the dealer with its branches outside the State as per Sections 73 and 74 of the AVAT Act, 2003 since the dealer’s principal place of business was registered under the ST, Mangaldoi, Assam.

2.8 Short determination of tax

Assessment done at incorrect rate of tax resulted in short determination of remission amount by ₹ 6.46 crore to an industrial unit

[ST, Mangaldoi; December 2015]

The CT, Assam clarified (March 2007¹¹) that a drink that contains apart from fruit juice, many other ingredients such as sugar, herbs and citric acid cannot be treated as fruit juice and is taxable as unspecified item under Schedule V of the AVAT Act, 2003.

M/s Trinity Fructa Pvt. Ltd. manufactures RTS¹² drinks with product names ‘ORS-L Apple Drink, ORS-L Lemon Drink, ORS-L Plus Orange Drink’.

10 (Amount in ₹)

Period	As per Annual Return				Total Sales	Actual Turnover as per Audited Accounts	Suppression of turnover	Short levy of tax	Interest leviable (upto June 2013)
	Manufacturing Unit		Trading						
	Sales turnover under AVAT	Sales turnover under CST	Sales turnover under AVAT	Sales turnover under CST					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8=7-6)	(9)	(10)
2009-10	4,71,70,929	1,90,95,718	49,22,918	18,44,984	7,30,34,549	8,67,84,695	1,37,50,146	5,50,006	3,13,503 (38 m)
2010-11	7,57,17,281	1,96,15,480	29,36,825	Nil	9,82,69,586	10,59,79,209	77,09,623	3,85,481	1,50,337 (26 m)
Total							2,14,59,769	9,35,487	4,63,840

¹¹ No. CTS-53/2006/44 date 23 March 2007

¹² RTS – Ready to Serve.

The AO assessed the unit under Section 36 of the AVAT act, 2003 for the years 2012-13 to 2014-15 where the dealer had claimed and classified the above drinks as ‘Fruit Juice’ under Schedule II of the AVAT Act, 2003 and determined tax of ₹ 3.68 crore and granted remission of ₹ 2.91 crore after adjustment of ITC of ₹ 74.78 lakh.

Further, the industrial unit was granted a tax exemption of ₹ 13.60 crore by the Taxation Department under the Assam Industries (Tax Exemption) Scheme, 2009¹³, for the period June 2012 to May 2019 for its finished products. However, as verified by audit from the packaging of the product, the drinks contain purified water, sugar, dextrose, citric acid, potassium chloride, added flavour and synthetic fruit flavour apart from fruit juice (only 10 per cent). Hence, the ‘ORS-L’ drinks cannot be considered as fruit juices for the purposes of assessment under Schedule II of AVAT Act, 2003. Failure of the AO to verify the veracity of the dealer’s claim had resulted in short determination of remission amount to the extent of ₹ 6.46 crore¹⁴.

Thus, due to incorrect determination of tax rate, there has been short determination of the commensurate remission amount to be granted which would lead to M/s Trinity Fructa Pvt. Ltd. availing remission for more number of years than is rightfully due to the unit. This would also lead to loss of state revenue as the State would not be able to collect the full tax amount till the tax exemption limit of ₹ 13.60 crore is exhausted.

The AO admitted (February 2017) that it was wrong to accept the lower rate of tax of ‘ORS-L’ under Schedule II in the original assessment. In light of the audit observation, the unit was re-assessed and issued (February 2017) demand notice for ₹ 6.52 crore for the years 2012-13 to 2014-15 against sales of ‘ORS-L’. The JCT, Assam informed (September 2017) that the dealer preferred a revision petition for the years 2012-13 to 2014-15 before the Revisional Authority. Further development in the matter was awaited (February 2018).

¹³ As per the Assam Industries (Tax Exemption) Scheme, 2009, the industrial unit is entitled to avail remission of 99 per cent of the tax payable in accordance with tax return and the balance one per cent of the tax payable be deposited into the government account.

¹⁴

(Amount in ₹)								
Year	Turnover on which tax levied at lower rate	Tax levied @ 5 %	Adjustment of Input Tax Credit	Remission granted on @ 5% tax rate	Tax Actually leviable @ 13.5%/ 14.5 %	Adjustment of Input Tax Credit	Actual Remission to be granted on @ 13.5%/ 14.5% tax rate	Short determination of remission amount (Col. 8 - Col.5)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2012-13	19,24,60,546	96,23,027	31,02,220	64,55,599	2,59,82,174	31,02,220	2,26,51,154	1,61,95,555
2013-14	28,11,23,739	1,40,56,187	28,51,918	1,10,92,226	3,79,51,705	28,51,918	3,47,48,789	2,36,56,563
2014-15	26,30,87,030	1,31,54,352	15,23,926	1,15,14,121	3,81,47,619	15,23,926	3,62,57,456	2,47,43,335
Total	73,66,71,315	3,68,33,566	74,78,064	2,90,61,947	10,20,81,498	74,78,064	9,36,57,399	6,45,95,453

2.9 Excess remission of tax

Excess allowance of remission of tax of ₹ 12.99 lakh to an industrial unit and unrealised interest of ₹ 3.90 lakh

[ST, Mangaldoi; December 2015]

The Assam Industries Sales (Tax Exemption for Pipe Line Unit) Orders, 2005 provides that an industrial unit will enjoy benefit of tax remission of 99 per cent for a period of nine years subject to a maximum limit of 100 per cent of the fixed capital investment. To avail such exemption, the intending industrial unit shall have to obtain an entitlement certificate from the concerned Sales Tax office on the basis of an eligibility certificate issued by the Industries Department.

The CT, Assam in his circular of July 2008 intimated that in a number of cases, the AO irregularly and irresponsibly had allowed more time or financial limit than mentioned in the eligibility certificate issued by the Industries Department. The CT, Assam further directed that in case of units which have exhausted the financial limit or the time period, the due taxes should be realised immediately.

M/s Sunandaram Foods Pvt. Ltd. a manufacturer of ‘cakes’, was granted an eligibility certificate by Industries Department for a period of nine years from May 2007 to May 2016 subject to a maximum capital investment of ₹ 14.75 crore. Taxation Department, on the basis of the eligibility certificate, issued entitlement certificates for granting exemption from tax *w.e.f.* 10 May 2007 to 9 May 2016. Scrutiny of records revealed that the industrial unit enjoyed remission/exemption of ₹ 14.88 crore¹⁵ (upto March 2014) instead of the ceiling of ₹ 14.75 crore resulting in excess remission/non-realisation of tax of ₹ 12.99 lakh and on which interest of ₹ 3.90 lakh (calculated upto December 2015), under Section 30 of the AVAT Act, 2003 was leviable.

The AO while accepting the audit observation stated (February 2017) that the industrial unit was re-assessed under Section 40 of the AVAT Act, 2003 on the basis of which it was determined that the excess remission actually availed by the

¹⁵

Period	(Amount in ₹) Remission availed/allowed
10.05.2007 to 31.03.2008	62,16,509
01.04.2008 to 31.03.2009	93,25,878
01.04.2009 to 31.03.2010	1,47,61,180
01.04.2010 to 31.03.2011	2,19,25,882
01.04.2011 to 31.03.2012	2,80,93,679
01.04.2012 to 31.03.2013	3,04,48,128
01.04.2013 to 31.03.2014	3,80,19,908
Total Remission availed/allowed	14,87,91,164
Less: Maximum ceiling of remission available	14,74,92,083
Excess remission availed	12,99,081
Interest leviable upto December 2015 for 20 months	3,89,724

unit was ₹ 14.16 lakh, on which interest of ₹ 4.25 lakh was charged and accordingly demand notice was issued.

The JCT, Assam, further stated (September 2017) that the dealer filed a revision petition before the Revisional Authority who admitted the petition and stayed (April 2017) the further payment of tax and interest. Further development was awaited (February 2018).

CENTRAL SALES TAX (CST) ACT

As per Section 8 of the CST Act, 1956, as it stood during the relevant years, inter-State sales of goods, to registered dealers supported by valid and duly filled in 'C' form were taxable at the concessional rate of two *per cent*. Otherwise, tax was leviable at the rate of tax applicable to sale of such goods within the State. Further, as per Rule 12 of the CST (Registration and Turnover) Rules, 1957 (Amended), 'C' form is to be submitted on quarterly basis from 1 October 2005 onwards. Section 9 of the CST Act, 1956 read with Section 30 of the AVAT Act, 2003 provides that if a dealer fails to pay tax in time he is liable to pay interest at the rate of 1.5 *per cent* per month on the amount of tax not so paid or any less amount thereof remaining unpaid during such period.

The CT, Assam instructed (May and September 1999)¹⁶ all the Assessing Authorities (AAs) to examine very carefully the claims of inter-State sales and to cross verify CST declaration forms submitted by dealers to ensure that no false claim of such inter-State sales is accepted.

Further, the CT, Assam vide circular of August 2014¹⁷ instructed that the AOs should not only rely upon 'C' forms but also verify the actual movement of goods in order to confirm the genuineness of such transactions. In such cases the officers concerned must verify the financial transactions, movement of goods from concerned check-post, relevant excise and other statutory documents and authentication of vehicle numbers.

¹⁶ CT, Assam vide Circular Nos. 14/99 and 5/99 issued on 6 May and 22 September 1999 respectively instructed the AAs to examine very carefully the claims of inter-State sale to neighbouring North Eastern States, while making the assessment and ensure that no false claim of such inter-States sale is accepted. For this purpose, the particulars of the 'C' forms submitted by the dealer have to be cross-verified with concerned transporters and also with records of the nearest check gate.

¹⁷ No. CTS-81/2007/382 dated 8 August 2014

2.10 Incorrect assessment of tax at concessional rate

Grant of concessional rate of tax against fraudulent ‘C’ forms resulted in short levy of tax of ₹ 1.03 crore and on which interest of ₹ 85.13 lakh was leviable

[ST, Mangaldoi; December 2015]

The CT, Assam apprehended¹⁸ (August 2010) that many bonded warehouses were showing local sale of India Made Foreign Liquor (IMFL) as inter-State sale thereby evading tax at 27 per cent over and above the excise duty payable. The CT, Assam hence instructed the AOs not to rely only upon ‘C’ forms produced by the dealer but to insist on proof of receipt of payment of goods, proof of dispatch, proof of payment of freight to transporter, proof of movement through concerned check post, relevant document of importing State, etc.

Under the provision of the AVAT Act, 2003, ‘IMFL, Wine and Beer’ is taxable at 27 per cent under Sl. No. 1 of Schedule V from 1 April 2008.

M/s P. B. Bonded Warehouse dealing in ‘IMFL, Wine and Beer’ was assessed in July 2013 for the year 2010-11 and allowed concessional rate of tax at two per cent on turnover of ₹ 7.14 crore. Audit scrutiny of five ‘C’ forms submitted by the dealer showed that three forms involving turnover of ₹ 4.12 crore were defective/irregular in nature. The purchasing dealer M/s Royal Bonded Ware House, Bordumsa, Changlang¹⁹ though registered under Superintendent of Tax & Excise (STE), Changlang District, Arunachal Pradesh (AP) submitted ‘C’ forms to the selling dealer issued by the STE, Naharlagun, Papum Pare District, AP. Verification through Tax Information Exchange System (TINXSYS) revealed that the purchasing dealer used the CST registration No. 12120079268 of M/s Rankah Enterprise, Injan, Kharsang, Changlang District, AP. The AO failed to detect fraudulent use of declaration forms during his assessment which resulted in short levy of tax of ₹ 1.03 crore²⁰ and on which interest of ₹ 85.13 lakh (calculated upto November 2015) was also leviable.

¹⁸ No. 15/2010 dated 23 August 2010

¹⁹ ‘C’ form Nos. GG 269733, GG 269734 and GG 269735 involving ₹ 57.27 lakh, ₹ 155.85 lakh and ₹ 198.99 lakh respectively issued by the purchasing dealer M/s Royal Bonded Ware House, Bordumsa, Changlang District, AP.

²⁰

	(Amount in ₹)
Irregular allowance of concessional rate on turnover against defective/ irregular ‘C’ forms	4,12,11,715
Tax leviable @ 27 per cent	1,11,27,163
Tax already levied @ 2 per cent	8,08,073
Short levy of tax	1,03,19,090
Interest leviable @ 1.5 per cent per month upto November 2015 for 55 months	85,13,249
Total short levy of tax & interest	1,88,32,339

The AO stated (February 2017) that the dealer was re-assessed in January 2017 consequent on which, total transactions of inter-State sales of ₹ 7.14 crore against five 'C' forms of both the dealers²¹ of AP was rejected as the AO noticed during cross-check with exit checkgate that goods had not crossed the checkgate of Assam. The AO accordingly levied tax of ₹ 1.17 crore and interest of ₹ 84.95 lakh.

JCT, Assam informed (September 2017) that the dealer failed to deposit the demanded tax and interest following which the AO issued arrear certificate for ₹ 1.88 crore to the Recovery Officer for recovery of arrear dues. The report on recovery of arrear dues was awaited (February 2018).

2.11 Incorrect allowance of concessional rate of tax against invalid declaration forms

Three dealers were incorrectly allowed concessional rate of tax against invalid 'C' forms furnished by the purchasing dealers which resulted in short levy of tax of ₹ 96.28 lakh and on which interest of ₹ 46.21 lakh was leviable

[ACT, Guwahati Unit-C; November 2015 - January 2016]

The CT, Manipur vide Notification of July 2012²² intimated the CTs of all States that every registered dealer shall make online requisition for declaration forms and all offline issuance of these forms shall be discontinued with effect from 30 September 2012. The CT, Manipur further clarified that the declaration forms issued to the dealers prior to the notification *ibid* shall remain valid for use upto 31 October 2012 and any forms remaining unutilised in the custody of the dealers shall stand obsolete and invalid with effect from 1 November 2012.

The item 'Medicine' was taxable at the rate of five *per cent* and the items 'Furniture', 'Washing Machine' and 'Motor Vehicle' were taxable at the rate of 13.5 *per cent* with effect from 31 October 2009.

2.11.1 M/s Glaxosmithkline Pharmaceuticals Ltd. dealing in 'Medicine' made inter-State sales of ₹ 50.78 crore during 2012-13 and claimed concessional rate of tax by submitting manually issued 'C' forms. The AO while assessing the dealer in August 2015 accepted the inter-State turnover and assessed the dealer accordingly. Audit noticed that transactions of ₹ 8.80 crore against six²³ manually issued 'C' forms furnished by the dealers²⁴ of Manipur were invalid since these transactions took place between 15 November 2012 and 30 March 2013, *i.e.*, after 31 October 2012. The AO failed to detect the transactions against these six obsolete and invalid

²¹ M/s Royal Bonded Warehouse, Bordumsa, Changlang and M/s Dekrom Beverages, Banderdewa of AP

²² Tax/4(31)/CST/2012/113 dated 25 July 2012

²³ 95C 0257120, 95C 0271994, 95C 0262038, 95C 0272177, 95C 0271995 and 95C 0262039

²⁴ M/s International Deptl. Store, Imphal, M/s Jaipur Medical Store, Imphal and M/s Khalsa Medicos, Imphal of Manipur.

manually issued forms. This resulted in short levy of tax of ₹ 26.40 lakh²⁵ and on which interest of ₹ 12.67 lakh (calculated upto December 2015) was also leviable.

The JCT, Assam, stated (September 2017) that M/s Glaxosmithkline Pharmaceuticals Ltd. had replaced the defective forms with fresh electronically issued ‘C’ forms issued by the Taxation Authority, Manipur. The reply was not tenable. As per CT, Assam’s guidelines of August 2014, fresh ‘C’ forms alone do not establish the authenticity of the transaction. The details in ‘C’ forms were also not cross-checked as per CT, Assam’s instruction of May and September 1999, with data of the concerned check-post to establish the actual movement of goods. As the reply was silent on such cross-verification, audit could not vouchsafe the authenticity of the inter-State transactions.

2.11.2 M/s Godrej & Boyce Manufacturing Co. Ltd. dealing in ‘Furniture, Washing Machine’ made inter-State sales of ₹ 63.26 crore during 2012-13 and claimed concessional rate of tax by submitting manually issued ‘C’ forms. The AO while assessing the dealer in May 2015 accepted the inter-State turnover and assessed the dealer accordingly. Audit noticed that transactions of ₹ 3.12 crore against three²⁶ manually issued ‘C’ forms furnished by the dealers²⁷ of Manipur were invalid since these transactions took place between 12 January and 31 March 2013, *i.e.*, after 31 October 2012. The AO failed to detect the transactions against these three invalid manually issued forms. This resulted in short levy of tax of ₹ 35.18 lakh²⁸ on which interest of ₹ 16.89 lakh (calculated upto December 2015) was also leviable.

The JCT, Assam, stated (September 2017) that M/s Godrej & Boyce Manufacturing Co. Ltd. had replaced two out of the three invalid forms with the fresh electronically issued ‘C’ forms which were issued by the Taxation Authority, Manipur and paid tax including interest of ₹ 1.54 lakh for short submission of one electronically issued form for ₹ 8.30 lakh. The reply was not tenable. As per CT, Assam’s guidelines of August 2014, fresh ‘C’ forms alone do not establish the authenticity of the

²⁵

(Amount in ₹)

M/s Glaxosmithkline Pharmaceuticals Ltd.	
Gross Invalid Turnover	8,79,83,731
Less u/s 8A	--
Net Turnover	8,79,83,731
Tax leviable @ 5 per cent	43,99,186
Tax levied @ 2 per cent	17,59,674
Short levy of tax	26,39,512
Interest leviable @ 1.5 per cent per month upto December 2015 for 32 months	12,66,965

²⁶ 95C 0268658, 95C 0256896 and 95C 0253210

²⁷ M/s L. Kulabidhu Singh & Co., Imphal, M/s Jalan Electronics, Imphal and M/s Niranjan Electronics, Imphal of Manipur.

²⁸

(Amount in ₹)

M/s Godrej & Boyce Manufacturing Co. Ltd.	
Gross Invalid Turnover	3,12,03,860
Less u/s 8A	6,11,840
Net Turnover	3,05,92,020
Tax leviable @ 13.5 per cent	41,29,922
Tax levied @ 2 per cent	6,11,840
Short levy of tax	35,18,082
Interest leviable @ 1.5 per cent per month upto December 2015 for 32 months	16,88,679

transaction. The details in ‘C’ forms were also not cross-checked as per CT, Assam’s instruction of May and September 1999, with data of the concerned check-post to establish the actual movement of goods. As the reply was silent on such cross-verification, audit could not vouchsafe the authenticity of the inter-State transactions.

2.11.3 M/s Mahindra & Mahindra Ltd. dealing in ‘Motor Vehicles’ made inter-State sales of ₹ 174.56 crore during 2012-13. The AO while assessing the dealer in November 2015 accepted the turnover and assessed the dealer accordingly. Audit noticed that transactions of ₹ 3.08 crore against four²⁹ manually issued ‘C’ forms furnished by M/s Nilo Motors, Imphal, Manipur were invalid since these transactions took place between 8 November 2012 and 29 March 2013, *i.e.*, after 31 October 2012. The AO failed to detect the transactions against these four invalid manually issued ‘C’ forms. This resulted in short levy of tax of ₹ 34.70 lakh³⁰ on which interest of ₹ 16.65 lakh (calculated upto December 2015) was also leviable.

The JCT, Assam stated (September 2017) that the AO re-assessed the dealer on the basis of anomaly noticed by audit. The dealer in turn filed a revision petition before the Revisional Authority. Report on outcome of the revision petition was awaited (February 2018).

2.12 Incorrect grant of concession against invalid and obsolete ‘C’ forms

Incorrect grant of concession in respect of two dealers against invalid and obsolete ‘C’ forms led to revenue of ₹ 24.68 lakh not being realised

[ACT, Guwahati Unit-C; November 2015 - January 2016]

The CT, Nagaland vide Notification of October 2011³¹ intimated to CTs of all States regarding cancellation of a series of ‘C’ forms as obsolete and invalid with effect from 23 July 2009 as the forms were lost from the custody of the CT.

The items ‘Refrigerator’, ‘Washing Machine’, ‘Set Top Box’ and ‘Dish’ were taxable at the rate of 13.5 *per cent* as unspecified items under Schedule V of AVAT Act, 2003.

²⁹ 95C 0272163, 95C 0272161, 95C 0272164 and 95C 0272165

³⁰

(Amount in ₹)

M/s Mahindra & Mahindra Ltd.	
Gross Invalid Turnover	3,07,73,206
Less u/s 8A	6,03,396
Net Turnover	3,01,69,810
Tax leviable @ 13.5 <i>per cent</i>	40,72,924
Tax levied @ 2 <i>per cent</i>	6,03,396
Short levy of tax	34,69,528
Interest leviable @ 1.5 <i>per cent</i> per month upto December 2015 for 32 months	16,65,373

³¹ Notification No. CT/STS/1/01 dated 31 October 2011

2.12.1 The AO while assessing M/s Whirlpool of India Ltd. for the years 2009-10 and 2010-11 on 18 March 2013 allowed concessional rate of tax at two *per cent* on turnover of ₹ 11.56 crore and ₹ 11.71 crore respectively on inter-State sales. Audit noticed that the dealers³² of Nagaland furnished 18³³ ‘C’ forms involving turnover of ₹ 63.71 lakh³⁴ which were among the series of forms declared invalid by the CT, Nagaland. The AO, however, failed to detect these invalid declaration forms while completing the assessment and incorrectly allowed concessional rate on these forms. This resulted in short levy of tax of ₹ 7.18 lakh³⁵ and on which interest of ₹ 7.06 lakh (calculated upto December 2015) was also leviable.

The JCT, Assam stated (September 2017) that ACT, Guwahati Unit-C re-assessed M/s Whirlpool of India Ltd. for the years 2009-10 and 2010-11. In response, the dealer preferred an appeal petition and the appellate authority accepted the fresh ‘C’ forms submitted by the dealer consequent on which, the appellate authority re-assessed the dealer. Reply was not acceptable as ‘C’ forms furnished by the dealer at the time of original assessments were not issued to any dealer of Nagaland as these forms were lost from the custody of the Taxation authority of Nagaland. Acceptance of ‘C’ forms was irregular as per CT, Assam’s guidelines of August 2014, fresh ‘C’ forms alone do not establish the authenticity of the transaction. The details in ‘C’ forms were also not cross-checked as per CT, Assam’s instruction of May and September 1999, with data of the concerned check-post to establish the actual movement of goods. As the reply was silent on such cross-verification, audit could not vouchsafe the authenticity of the inter-State transactions.

2.12.2 The AO while assessing M/s Dish TV India Ltd. for the year 2010-11 on 24 February 2014 allowed concessional rate of tax at two *per cent* on turnover of ₹ 4.15 crore on inter-State sales. Audit noticed that the dealer³⁶ of Nagaland furnished four³⁷ ‘C’ forms involving turnover of ₹ 50.33 lakh which were among the series of forms declared invalid by the CT, Nagaland. The AO, however, failed to detect these invalid declaration forms while completing the assessment and incorrectly allowed concessional rate on these ‘C’ forms. This resulted in short levy

³² M/s Digital Electronics, Dimapur, M/s Panickers Enterprise, Dimapur and M/s Shree Ganesh Enterprise, Dimapur of Nagaland.

³³ 2009-10 : NL 098336, NL 098339, NL 098340 to NL 098341, NL 098420 to NL 098422 and NL 098580 to NL 098583 = 11 forms and 2010-11 : NL 098342 to NL 098343, NL 098347 to NL 098348, NL 098578 to NL 098579 and NL 098584 = 7 forms.

³⁴ 2009-10 : ₹ 50.57 lakh and 2010-11 : ₹ 13.14 lakh

(Amount in ₹)			
M/s Whirlpool of India Ltd.			
Particulars	2009-10	2010-11	Total
Gross Turnover	50,57,079	13,13,939	
Less under Section 8A	99,158	25,763	
Taxable Turnover	49,57,921	12,88,176	
Tax leviable @ 13.5 <i>per cent</i>	6,69,319	1,73,904	
Tax paid @ 2 <i>per cent</i>	99,158	25,763	
Short levy of Tax	5,70,161	1,48,141	7,18,302
Interest leviable @ 1.5 <i>per cent</i> per month upto December 2015	5,81,564 (68 months)	1,24,438 (56 months)	7,06,002

³⁶ M/s C. K. Enterprise, Dimapur, Nagaland.

³⁷ 2010-11: NL 099180 to NL 099183 = 4 forms.

of tax of ₹ 5.67 lakh³⁸ and on which interest of ₹ 4.77 lakh (calculated upto December 2015) was also leviable.

The JCT, Assam stated (September 2017) that ACT, Guwahati Unit-C accepted fresh 'C' forms in lieu of invalid forms for commensurate amount. The ACT, Guwahati Unit-C also claimed that there was no loss of revenue as fresh 'C' forms were genuine. Reply was not acceptable as 'C' forms furnished by the dealer at the time of original assessments were not issued to any dealer of Nagaland as these forms were lost from the custody of the Taxation authority of Nagaland. Acceptance of 'C' forms was irregular as per CT, Assam's guidelines of August 2014, fresh 'C' forms alone do not establish the authenticity of the transaction. The details in 'C' forms were also not cross-checked as per CT, Assam's instruction of May and September 1999, with data of the concerned check-post to establish the actual movement of goods. As the reply was silent on such cross-verification, audit could not vouchsafe the authenticity of the inter-State transactions.

38

(Amount in ₹)

M/s Dish TV India Ltd.	
Particulars	2010-11
Gross Turnover	50,33,047
Less under Section 8A	98,687
Taxable Turnover	49,34,360
Tax leviable @ 13.5 per cent	6,66,139
Tax paid @ 2 per cent	98,687
Short levy of Tax	5,67,452
Interest leviable @ 1.5 per cent per month upto December 2015	4,76,660 (56 months)

**SECTION : B
OTHER TAXES**

ASSAM ENTRY TAX (AET) ACT

The Assam Entry Tax (AET) Act was enacted on 1 June 2008 and came into force retrospectively from 1 October 2001. Section 2(1)(c) of AET Act, 2008 defines ‘Entry Tax’ as a tax on the entry of goods into Assam for consumption, use or sale. As per Section 2(1)(f) of the AET Act, 2008, ‘import/purchase value’ determined on the basis of the value of goods specified in the Schedule, appended with the Act, as ascertained from the original invoice and includes the charges paid or payable for insurance, excise duty, freight charges and all other charges incidentally levied on the purchase of such goods. Section 9 of the AET Act, 2008 stipulates that the applicability of certain sections of AVAT Act, 2003 and Rules made thereunder, orders, notifications issued thereunder shall *mutatis mutandis* apply to an importer in respect of Entry Tax levied and payable under this Act.

2.13 Non-realisation of government revenue

Failure of the AO to timely issue arrear certificates for ₹ 2.16 crore in spite of issuance of demand notices allowed the dealers to take the benefit of the Assam Taxation (Liquidation of Arrear Dues) (Amendment) Act, 2016, which resulted in non-realisation of government revenue to the tune of ₹ 67.18 lakh

Section 9 of the AET Act, 2008 read with Section 43 of the AVAT Act, 2003 requires every registered dealer to submit a return of turnover under Section 29 of AVAT Act, 2003 and to pay the admitted tax within the prescribed date. The Acts further provide that if the dealer fails to pay the tax demanded within one month from the date of service of demand notice, the AO would proceed to recover the dues as arrears of land revenue. The AET (Amendment) Act, 2011 further provides that if a dealer fails to pay tax in time, he is liable to pay interest³⁹ at the rate of 1.5 *per cent* per month on the amount of tax not so paid or on any less amount thereof remaining unpaid during such period.

The CT, Assam in August 2009⁴⁰ directed all the AAs to take immediate steps to realise Entry Tax in respect of coke units bringing coal from outside the State (mostly from Meghalaya) to produce coke.

³⁹ Notified vide Government notification No. LGL.3/2007/97 dated 28 February 2011.

⁴⁰ Circular No. 22/2009 dated 1 August 2009.

[ACT, Guwahati Unit – C; November 2015 - January 2016]

2.13.1 Audit observed that the AO assessed M/s J. D. B. Coke in November 2009 and raised demand of ₹ 1.56 crore as Entry Tax for 2005-06, 2006-07 and 2007-08. After issue of demand notices on 23 November 2009, the dealer made payment of ₹ 78.20 lakh but failed to pay the remaining Entry Tax of ₹ 78.20 lakh. The AO, however, did not initiate any further steps to realise the balance amount as arrears of land revenue through *Bakijai*⁴¹ process.

The non-initiation of action by the AO as per provision of the Acts and CT's instruction resulted in non-realisation of revenue of ₹ 78.20 lakh⁴² on which interest of ₹ 68.04 lakh was also realisable.

The JCT, Assam stated (September 2017) that the dealer had taken recourse under the Assam Taxation (Liquidation of Arrears Dues) (Amendment) Act, 2016⁴³. Under the said Act, the dealer opted to pay the balance arrear of Entry Tax of ₹ 78.20 lakh before 31 December 2016⁴⁴ and paid accordingly. The dealer also paid interest of ₹ 8.31 lakh being 10 *per cent* of up-to-date interest of ₹ 83.09 lakh calculated by the ACT, Guwahati Unit-C and availed relief of 90 *per cent* under the scheme.

Thus, non-initiation of timely action by the ACT paved the way for the dealer to take benefit under the aforementioned Act and resulted in loss of revenue of ₹ 59.73 lakh (as calculated by audit upto December 2015) being interest amount due to the Government exchequer on account of arrear of Entry Tax which otherwise would have been payable.

[ACT, Guwahati Unit – C; June - August 2014]

2.13.2 Audit observed that the AO assessed M/s Balaji Coke Industry in October 2009 and raised demand of ₹ 99.72 lakh as Entry Tax for 2005-06, 2006-07 and 2007-08. After issue of demand notices on 13 October 2009, the dealer made payment of ₹ 50 lakh but failed to pay the remaining amount of ₹ 49.72 lakh. The AO, however, did not initiate any further steps to realise the balance dues as arrears of land revenue through *Bakijai* process.

⁴¹ *Bakijai* is a process of realisation of Government revenue as arrears of land revenue through issuance of warrant, arrest, detention, attachment of property etc. of defaulting person by a *Bakijai* Officer

⁴²

	2005-06	2006-07	2007-08	Total
Tax levied as per demand notice	63,08,692	40,76,467	52,55,702	1,56,40,861
Tax already paid for all the periods	31,54,346	20,38,233	26,27,851	78,20,430
Balance Payable	31,54,346	20,38,234	26,27,851	78,20,431
Interest leviable for the balance payable from 28 February 2011 to 31 December 2015 (58 months)	27,44,281	17,73,263	22,86,230	68,03,774

⁴³ The Assam Taxation (Liquidation of Arrears Dues) (Amendment) Act, 2016 came into effect from 26 August 2016.

⁴⁴ The Assam Taxation (Liquidation of Arrears Dues) (Amendment) Act, 2016 specified that if 100 *per cent* of due tax has been paid on or before 31 December 2016 then 10 *per cent* of interest on the amount of due tax is to be paid.

The non-initiation of action by the AO as per provision of the Acts and CT's instruction resulted in non-realisation of revenue of ₹ 49.71 lakh⁴⁵ on which interest of ₹ 20.51 lakh was also realisable (calculated upto June 2013).

The JCT, Assam stated (September 2017) that the dealer had taken recourse under the Assam Taxation (Liquidation of Arrears Dues) (Amendment) Act, 2016. Under the said Act, the dealer opted to pay the balance arrear of Entry Tax of ₹ 49.72 lakh before 21 March 2017⁴⁶ and paid accordingly. The dealer also paid ₹ 13.05 lakh being 25 per cent of up-to-date interest of ₹ 52.20 lakh calculated by the ACT, Guwahati Unit-C and availed relief of 75 per cent under the scheme.

Thus, non-initiation of timely action by the ACT paved the way for the dealer to take benefit under the aforementioned Act and resulted in loss of revenue of ₹ 7.46 lakh (as calculated by audit upto June 2013) being interest amount due to the Government exchequer on account of arrear of Entry Tax which otherwise would have been payable.

2.14 Evasion of Entry Tax

Failure of the AO to co-relate records led to non-detection of concealment of taxable import resulted in short levy of Entry Tax of ₹ 32.55 lakh

[ACT, Guwahati Unit –A; September - December 2015]

Section 9 of the AET Act, 2008 read with Section 40 of the AVAT Act, 2003 provides that if the prescribed authority has reason to believe that any part of the turnover has been under-assessed, he may proceed to assess the amount of tax due from the dealer in respect of such turnover within a period of eight years. The AET (Amendment) Act, 2011 further provides that if a dealer fails to pay tax in time, he is liable to pay interest⁴⁷ at the rate of 1.5 per cent per month on the amount of tax not so paid or on any less amount thereof remaining unpaid during such period.

The item 'lime stone' was taxable at four per cent *w.e.f.* 3 December 2005 and 'clinker' was taxable at eight per cent *w.e.f.* 20 December 2005 under the AET Act, 2008.

⁴⁵

(Amount in ₹)

Assessment year	Tax Assessed	Tax Paid	Balance tax payable	Interest for the balance payable from 28 February 2011 to 1 June 2013 (upto the date of issue of reminder by the AO)	Total dues
2005-06	27,44,140	13,75,000	13,69,140	5,64,770	19,33,910
2006-07	29,55,154	14,80,000	14,75,154	6,08,501	20,83,655
2007-08	42,72,324	21,45,000	21,27,324	8,77,521	30,04,845
Total	99,71,618	50,00,000	49,71,618	20,50,792	70,22,410

⁴⁶ The Assam Taxation (Liquidation of Arrears Dues) (Amendment) Act, 2016 specified that if 100 per cent of due tax has been paid on or before 21 March 2017 then 25 per cent of interest on the amount of due tax is to be paid.

⁴⁷ Notified vide Government notification No. LGL.3/2007/97 dated 28 February 2011.

M/s Barak Industries Limited engaged in manufacture of ‘cement’ was assessed in June 2013 for the years 2006-07, 2007-08 and 2008-09. The AO determined taxable import of ‘lime stone’ and ‘clinker’ as ₹ 1.56 crore. Audit scrutiny of the Profit & Loss accounts attached with the audited accounts indicated that the dealer actually imported ‘lime stone’ and ‘clinker’ from outside the State worth ₹ 7.79 crore. The information on import of taxable goods was available in the case records. The AO, however, failed to co-relate the records which resulted in underassessment of taxable import of ₹ 6.23 crore and consequent short collection of Entry Tax of ₹ 32.55 lakh⁴⁸ for which interest of ₹ 27.83 lakh (calculated upto November 2015) was also leviable.

The JCT, Assam stated (September 2017) that the AO re-assessed the dealer in December 2016 under Section 40 of the AVAT Act, following which the dealer paid the demanded tax of ₹ 24.88 lakh under the Assam Taxation (Liquidation of Arrear Dues) (Amendment) Act, 2016⁴⁹ for the year 2007-08 and 2008-09 before 31 December 2016⁵⁰ and paid interest of ₹ 2.39 lakh being 10 per cent of demanded interest of ₹ 23 lakh and availed relief of 90 per cent under the scheme. The Department also stated that assessment was not done for the year 2006-07 as it had become time barred. Non-initiation of timely action by the taxation authority thus resulted in loss of revenue of ₹ 14.23 lakh (including interest) pertaining to the year 2006-07.

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(Amount in ₹)

	2006-07	2007-08		2008-09		Total
	Lime Stone	Lime Stone	Clinker	Lime Stone	Clinker	
	@4%	@4%	@8%	@4%	@8%	
Import value of goods as per Profit & Loss Accounts	2,12,38,375	1,82,34,856	1,13,12,224	1,00,44,010	1,70,82,124	7,79,11,589
Import value brought to assessment	20,62,500	24,50,238	92,91,544	18,30,983	NIL	1,56,35,265
Turnover escaped assessment	1,91,75,875	1,57,84,618	20,20,680	82,13,027	1,70,82,124	6,22,76,324
Tax leviable	7,67,035	6,31,385	1,61,654	3,28,521	13,66,569	32,55,164
Total Tax leviable during the year	7,67,035	7,93,039		16,95,090		
Interest from 28/2/2011 to 11/2015 (57 months)	6,55,815	6,78,048		14,49,302		27,83,165

⁴⁹ The Assam Taxation (Liquidation of Arrears Dues) (Amendment) Act, 2016 came into effect from 26 August 2016.

⁵⁰ The Assam Taxation (Liquidation of Arrears Dues) (Amendment) Act, 2016 specified that if 100 per cent of due tax has been paid on or before 31 December 2016 then 10 per cent of interest on the amount of due tax is to be paid.

2.15 Loss of revenue due to non-levy of Entry Tax

Non-registration of a dealer under the Assam Entry Tax Act resulted in loss of revenue of ₹ 8.60 lakh

[ACT, Guwahati Unit– D; April - June 2014]

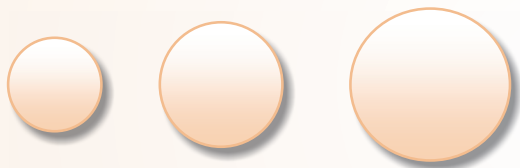
As per Section 9 of the AET Act, 2008 read with Section 29 of the AVAT Act, 2003, every registered dealer liable to pay tax under the Act shall submit to the Assessing Officer his monthly statement of such purchase along with the evidence of payment of tax before the expiry of the next succeeding month. As per Rule 5(3) of the AET Rules, 2008, an unregistered dealer liable to pay tax shall submit a statement of purchase along with evidence of payment of tax within ten days of purchase of such goods and the AA shall verify the correctness of the statement soon after its submission. The CT, Assam instructed (January 2007) all the AAs to complete scrutiny of returns within 15 days of filing of such return.

The item ‘chemical’ was taxable at two *per cent* during the relevant periods under the AET Act, 2008.

Audit observed that M/s Excellent Foams Pvt. Ltd, manufacturer of ‘foams’, imported ‘chemicals’ from outside the State valued at ₹ 4.30 crore⁵¹ between 2005-06 and 2008-09. Despite the fact that the item ‘chemicals’ was taxable under the AET Act, 2008, the dealer had not applied for registration under the AET Act, 2008. The dealer had also not paid the due tax of ₹ 8.60 lakh on the turnover of ₹ 4.30 crore on the imported goods. The information on import of taxable goods was available in the Entry Tax case records. The AO, however, did not initiate any action to register the dealer and assess the entry tax payable on best judgment basis as per the extant provisions. The dealer, thus, evaded entry tax of ₹ 8.60 lakh. The dealer intimated on 12 June 2013 to the ACT, Guwahati Unit-D that he had discontinued his business. The AO thus has the only option of resorting to assess the dealer under Section 40 of the AVAT Act, 2003 read with AET Act, 2008 and proceed to recover the tax through recovery proceedings.

The JCT, Assam stated (September 2017) that the ACT, Guwahati Unit-D directed the area Inspector of Taxes to submit report about the existence of the dealer. The Department also directed the area Inspector of Taxes to make efforts to realise the entry tax. Report on recovery of dues was awaited (February 2018).

⁵¹ 2005-06 : ₹ 1,39,94,988; 2006-07 : ₹ 1,26,29,566; 2007-08 : ₹ 1,54,00,348 and 2008-09 : ₹ 9,51,386.



CHAPTER - III
EXCISE DEPARTMENT

CHAPTER – III : EXCISE DEPARTMENT

3.1 Administration

The State Excise Department is responsible for collection of revenue under Assam Excise Act and enforcement of Excise laws on prohibition of illicitly distilled liquor, *Ganja*, *Bhang* and Opium. In addition, the Department is also responsible for enforcing the provisions of Narcotic Drugs and Psychotropic Substances Act and the Medicinal and Toilet Preparation Act. The Commissioner of Excise (CE), Assam is the head of the Department. He is primarily responsible for administration and execution of Excise policies and programmes of the State Government. He is assisted by an Additional Commissioner of Excise, a Joint Commissioner of Excise and two Deputy Commissioners of Excise, one at Headquarters' and another for Bodoland Territorial Area.

Source of excise revenue comes from *ad-valorem* levy, establishment charges, various kinds of licence fees on foreign liquor/beer, country spirit, rectified spirit, etc. Further, import pass fee, export pass fee, transport pass fee, underbond pass fee, brand and label registration/renewal fee also generate revenue for the Government exchequer.

During 2016-17, the Department restructured *ad-valorem* levy, revised licence fee of various excise licences, increased different kinds of fees in respect of label registration/renewal and profile fee and replaced the Assam Excise Act, 1910 and the Assam Excise Rules, 1945 by the Assam Excise Act, 2000 and the Assam Excise Rules, 2016 *w.e.f* 1 September 2016 respectively. The point of levy of Excise Duty was shifted to the level of first point of transaction made within the State ensuring that only duty paid liquor comes out from the manufactories. This change has helped in curbing leakage of excise revenue.

3.2 Working of internal audit wing

Internal audit, a vital component of internal control mechanism, functions as the 'eyes and ears' of the Department and is a vital tool which enables the management to assure itself that prescribed systems are functioning reasonably well.

The Department stated that there is no internal audit wing but that the officers of the department conduct periodical inspections of different establishments at different levels. The Department did not furnish any inspection reports despite request (February 2018).

3.3 Results of audit

In 2016-17, test check of the records of 15 offices (out of total 30 offices) relating to excise duty, license fee receipts, etc., detected 65 cases of non/short realisation of excise duty/license fee/renewal fee and other irregularities involving ₹ 16.77 crore, as shown in **Table 3.1**.

Table 3.1
Results of Audit

(₹ in crore)

Sl. No.	Category	Number of cases	Amount
1.	Non-payment of annual licence fee	07	1.15
2.	Evasion of <i>ad-valorem</i> levy and VAT	01	0.12
3.	Loss of Excise duty and VAT	03	3.97
4.	Non realisation of revenue on wastage beyond permissible limit	02	0.19
5.	Short realisation of revenue on transit loss beyond permissible limit	03	0.12
6.	Short realisation of transport/import fee	02	0.07
7.	Non realisation of Establishment Charges	02	0.14
8.	Loss of revenue due to warehouse going dry	01	1.13
9.	Other Irregularities	44	9.88
Total		65	16.77

During the course of the year, the Department accepted under-assessment and other deficiencies of ₹ 1.85 crore in 55 cases which were pointed out in earlier years and during 2016-17. An amount of ₹ 0.25 crore was recovered in 15 cases during the year 2016-17.

A few cases involving revenue of ₹ 4.79 crore are discussed in the succeeding paragraphs.

Audit observations

3.4 Excess allowance of godown wastage over permissible limit

Excess allowance of godown wastage over the permissible limit led to non-realisation of revenue of ₹ 1.98 crore

[*Superintendent of Excise (SE), Kamrup, Guwahati; October - December 2015*]

Rule 37 of the Assam Bonded Warehouse (ABW) Rules, 1965 (Amended⁵²) provides that the SE or the officer-in-charge of the bonded warehouse shall take stock of all spirits in the warehouse on the last day of the quarter and the licensee shall pay duty at prescribed rates on all spirits on account of wastage in excess of an allowance of one *per cent*. Further, as per Assam Gazette (Extraordinary) notification of June 2015⁵³, minimum levy of excise duty on beer was ₹ 300 per case.

Audit noticed that during the quarter ended June 2015, M/s Master (India) Brewing Company claimed godown wastage of 67,494 cases of beer against the admissible wastage of 1,543 cases⁵⁴. The fact that the licensee claimed excess and inadmissible wastage of 65,951 cases of beer escaped the notice of the SE and led to non-realisation of revenue of ₹ 1.98 crore⁵⁵ (calculated at the minimum rate of excise duty on beer).

The matter was reported to the Department in January 2016 and followed up in April 2017; reply was awaited (February 2018).

⁵² Assam Gazette (Extraordinary) Notification no. EX.340/2001/Pt.III/104 dated 18 March 2005.

⁵³ Assam Gazette (Extraordinary) Notification no. EX. 178/2014/353 dated 1 June 2015.

⁵⁴ Calculated at one *per cent* of the closing stock of 1,54,332 cases.

⁵⁵

Name of the licensee	Closing stock of Beer as on 30 June 2015 (in cases)	Godown wastage permissible at one <i>per cent</i> of closing stock (in cases)	Godown wastage claimed (in cases)	Excess Godown wastage claimed (in cases)	Minimum rate of excise duty leviable per case (in ₹)	Total excise duty leviable (in ₹)
(1)	(2)	(3)	(4)	(5) = (4) – (3)	(6)	(7)
M/s Master (India) Brewing Company	1,54,332	1,543	67,494	65,951	300	1,97,85,300

3.5 Failure to maintain minimum stock of spirit in Warehouse

Non-initiation of action by the SE against a contractor resulted in potential loss of revenue of ₹ 91.58 lakh

[SE, Cachar, Silchar; November - December 2014]

Rule 106 of the Assam Excise (AE) Rules, 1945 provides that the contractor shall maintain at each warehouse such minimum stock of spirit as may, from time to time, be fixed by the CE and notified by him in writing to the contractor. The contractor shall be liable to compensate any loss to government revenue which may be incurred owing to his failure to maintain adequate stock and the amount of such compensation shall be fixed by the CE.

Audit noticed that closing balance of the Silchar Excise Warehouse became zero for 183 days during the period between 9 January 2014 and 22 November 2014. This resulted in potential loss of government revenue (i.e. excise duty, vend fee⁵⁶ and VAT) to the tune of ₹ 91.58 lakh⁵⁷ calculated by officer-in-charge of Silchar Excise Warehouse, Silchar based on the revenue collection of corresponding period of previous year. Further, the officer-in-charge of Silchar Excise Warehouse intimated about the 'nil' stock of spirit to the SE on 12 May 2014, 4 June 2014 and 22 November 2014. The SE did not initiate any action against the contractor M/s Barkha Traders and failed to recover the revenue of ₹ 91.58 lakh from him.

The Department stated (October 2017) that the CE, Assam cancelled the licence of the contractor M/s Barkha Traders on 6 August 2014 and debarred it from taking part in any future tenders in the Department. The CE, Assam also informed that revenue due to the government would be recovered from the bills due to the contractor and security deposit. The status of recovery was awaited (February 2018).

⁵⁶ 'Vend fee' means the fee per case of excisable goods which a licenced vendor pays for the privilege of selling the goods by retail in the case of those shops which are settled on the vend fee system.

⁵⁷

Dry Period (days)	No. of days Date of intimation sent to SE	Excise duty	Vend fee	VAT	Total
9 January to 12 January 2014 (4)	72 12 May 2014	19,00,800	6,34,118	13,88,529	39,23,447
6 February to 12 February 2014 (7)					
13 March to 31 March 2014 (19)					
1 April to 30 April 2014 (30)					
1 May to 12 May 14 (12)					
13 May to 24 May 2014 (12)	12 4 June 2014	3,16,800	1,05,686	2,31,421	6,53,907
16 August to 31 August 2014 (16)	99 22 November 2014	24,50,000	10,73,944	10,57,182	45,81,126
1 September to 30 September 2014 (30)					
1 October to 31 October 2014 (31)					
1 November to 22 November 2014 (22)					
Total	183				91,58,480

3.6 Establishment charges not realised

Failure of the SE to realise establishment charges of ₹ 63.55 lakh from three licensees

Rule 7 of ABW Rules, 1965, provides that the CE shall appoint such Excise Officers and establishment as he thinks fit to the charge of the bonded warehouse. The licensee shall pay to the State Government at the end of each calendar month, such establishment charges as may be determined from time to time by the CE. Further, the CE in December 2009⁵⁸ instructed all SsE to realise the establishment charges of the officers and staff posted in bonded warehouse, bottling plants and breweries etc.

[SE, Kamrup, Guwahati; August - October 2014]

3.6.1 Audit observed that seven excise personnel were posted at two distilleries⁵⁹ during the period between June 2011 and September 2014 against which licensees owed ₹ 50.43 lakh⁶⁰ as establishment charges. Further, Audit noticed that demand notices were not issued regularly to the concerned licensees for making payment of establishment charges.

The matter was reported to the Department in December 2014 and followed up in April 2017; reply was awaited (February 2018).

⁵⁸ Letter No. III-15/2006-07/Pt/148 dated 10 December 2009.

⁵⁹ M/s N.V Distilleries and Breweries (North East) Pvt. Ltd. and M/s Himalayan Distillery.

⁶⁰

Name of the distillery/ Bonded Warehouse	Period (Months)	No. of Excise officers and staffs posted	Date on which demand notice issued	Amount of establishment charges realisable per month (in ₹)	Total amount of establishment charges realisable (in ₹)
M/s N.V Distilleries and Breweries (North East) Pvt. Ltd., Kamrup, Guwahati	June 2011 to May 2012 (12 months)	4	Not available	76,921	9,23,052
	June 2012 to September 2014 (28 months)		20 July 2012 (issued for June 2012 only)	1,32,236	37,02,608
M/s Himalayan Distillery, Guwahati	March 2014 (one month)	3	10 April 2014	78,266	4,16,953
	April 2014 (one month)		12 May 2014	81,908	
	May 2014 (one month)		5 June 2014	92,877	
	June 2014 and July 2014 (2 months)		7 July 2014 (issued for June 2014 only)	81,951	
Total					50,42,613

[SE, Dima Hasao, Haflong; February 2016]

3.6.2 Audit observed that seven excise personnel were posted at M/s M. K. Bonded Warehouse during the period between November 2007 and February 2013 against which the licensee owed ₹ 13.12 lakh as establishment charges as evident from a letter of the SE (1 April 2013⁶¹) to the concerned licensee. Thereafter, SE did not issue any demand notice to realise ₹ 13.12 lakh till the date of audit (February 2016).

The Department while accepting (October 2017) the audit observation stated that steps had been taken to realise the outstanding establishment charge; further development was awaited (February 2018).

3.7 Annual renewal of licence fee not realised

Non-realisation of annual renewal licence fees amounting to ₹ 56.50 lakh from seven licensees

[SE, North Lakhimpur; May - June 2015]

Rule 244 of the AE Rules, 1945 provides that a retail 'OFF' licensee⁶⁴ is required to pay annual licence fees in advance, before the commencement of the financial year at the rate prescribed by the government time to time.

Amount of annual licence of a retail 'OFF' licence (₹ in lakh)	Effective date of notification
1.00	1 April 2011 ⁶²
3.00	1 April 2015 ⁶³

Rule 243 of the AE Rules, 1945 provides that a wholesale licensee⁶⁸ is required to pay annual licence fees in advance, before the commencement of the financial year at the rate prescribed by the government time to time.

Amount of annual licence of a wholesale licence (₹ in lakh)	Effective date of notification
1.00	8 February 2002 ⁶⁵
2.00	1 April 2011 ⁶⁶
5.00	1 April 2015 ⁶⁷

Further, Rule 6 of ABW Rules, 1965 provides that the licence of a bonded warehouse⁷² may be renewed annually at the discretion of the Government.

Amount of annual licence of a bonded warehouse licence (₹ in lakh)	Effective date of notification
1.00	8 February 2002 ⁶⁹
2.50	1 April 2011 ⁷⁰
7.50	1 April 2015 ⁷¹

⁶¹ Letter No. NCH/EX-85/2012-13/1-3 dated 1 April 2013

⁶² No. EX.340/2001/Pt-III/331 dated 29 September 2010

⁶³ No. EX.178/2014/365 dated 13 August 2015

⁶⁴ Retail 'OFF' licence – where IMFL/beer can be sold but cannot be consumed in the premises of the licensee

⁶⁵ No. EX.133/92/152 dated 8 February 2002

⁶⁶ No. EX.340/2001/Pt-III/331 dated 29 September 2010

⁶⁷ No. EX.178/2014/365 dated 13 August 2015

⁶⁸ Wholesale licence – the holder of a licence can sale foreign liquor to retailers

⁶⁹ No. EX.133/92/153 dated 8 February 2002

⁷⁰ No. EX.340/2001/Pt-III/329 dated 29 September 2010

⁷¹ No. EX.178/2014/348 dated 1 June 2015

⁷² Bonded warehouse – the premises approved and licensed for deposit or storage of spirits on which excise duty has not been paid

Audit examined the records of SE, North Lakhimpur and found that six retail ‘OFF’ licensees and M/s R.N. Bonded Warehouse (a wholesale and a bonded warehouse licence holder) did not pay their annual renewal licence fees. This resulted in non-realisation of annual renewal licence fees of ₹ 56.50 lakh for the years between 2010-11 and 2015-16 as shown in *Appendix-III*. All the licensees neither paid the licence fees nor any demand raised by the SE for recovery of revenue till the date of audit (June 2015).

The Department stated (October 2017) that four⁷³ retail ‘OFF’ licensees paid ₹ 6 lakh instead of outstanding dues of ₹ 14 lakh. The Department also stated (October 2017) that steps would be taken to cancel both the licences of M/s R. N. Bonded Warehouse as it failed to pay outstanding dues. Report on cancellation of licence/recovery of balance licence fees of ₹ 50.50 lakh was awaited (February 2018).

3.8 Irregular remission of government revenue

Loss of revenue of ₹ 33.53 lakh due to failure of officers to realise the duty coupled with wrong interpretation of Executive Instruction

[SE, Kamrup, Guwahati; October-December 2015]

Rule 43 of the ABW Rules, 1965 provides that if spirits stored in a bonded warehouse are found to be of inferior quality or otherwise unsuitable for the purpose for which they were stored, they may be rejected or destroyed or otherwise dealt with under the orders of the CE. However, Rule 32 of the ABW Rules specifically mentions that the State Government shall not be held responsible for the destruction, loss or damage of any spirits stored in warehouse by fire or by any other cause whatever. Further, as per Executive Instruction No. 229 under the Assam Excise Act, 1910, the CE is authorised to sanction the remission of irrecoverable excise revenue.

Audit observed that the CE on 3 July 2012 ordered the disposal/destruction of sedimented/unsuitable unfit quantity of 3,773 cases Old Tavern Whisky and 18,585 Bulk Litre (BL) Blended Alcohol in Vat⁷⁴ of M/s Spey Bottlers Pvt. Ltd. as well as to realise ₹ 33.53 lakh⁷⁵ as chargeable excise duty. Accordingly, the officer-in-charge of M/s Spey Bottlers Pvt. Ltd. on 24 February 2014 informed the CE that his ordered to destroy the aforesaid quantity of Whisky and Blended Alcohol had been carried out. The SE as well as Officer-in-charge however, did not realise the excise duty despite orders/reminders of the CE between 26 September 2012 and 9 January 2014.

⁷³ M/s Kiranjyoti Chutia, M/s Hiralal Saikia, M/s Dipen Dutta and M/s Lalit Saikia

⁷⁴ ‘Vat’ means any vessel used for blending, reducing or storage of spirit

⁷⁵ As per CE’s letter no. III-201/2011-12/23 dated 3 July 2012

Further, the CE remitted (6 August 2014) the excise duty amounting to ₹ 33.53 lakh against the destroyed quantities citing Executive Instruction No. 229 which was incorrect as the remission of revenue may be sanctioned only in case of an irrecoverable situation. Thus, due to wrong interpretation of ABW Rules and Executive instruction, there was loss of ₹ 33.53 lakh.

The matter was reported to the Department in January 2016 and followed up in April 2017; reply was awaited (February 2018).

3.9 Short realisation of bonded warehouse licence fee

Short realisation of licence fees of ₹ 25.35 lakh from six licensees

Rule 5 of ABW Rules, 1965 provides that an applicant of a bonded warehouse shall execute a hypothecation deed in the form prescribed in these rules pledging the warehouse with the stock of foreign liquor therein for the due discharge of all payments which may become due to the State Government by way of duty, fees, rents, fines, penalties or otherwise under the provisions of his licence or to which the applicant may be liable by law or rules or under any agreement or bond into which he may have entered. The amount given in the bond is termed as ‘bond limit’ and the hypothecation deed of an equal amount is to be executed.

Rule 6 of ABW Rules, 1965 provides that the licence for a bonded warehouse may be renewed annually at the discretion of the government. From 1 June 2015, the bonded warehouses were required to pay licence fee at enhanced rate depending upon the bond limits as shown in the inset.

Bond limit	Licence Fees
Upto ₹ 50 lakh	₹ 1.50 lakh (upto 31 May 2015) and ₹ 4.50 lakh (from 1 June 2015)
From ₹ 50 lakh to ₹ 1 crore	₹ 2.50 lakh (upto 31 May 2015) and ₹ 7.50 lakh (from 1 June 2015)
₹ 1 crore and above	₹ 5 lakh (upto 31 May 2015) and ₹ 10 lakh (from 1 June 2015)

[SsE, Nagaon and Dhemaji; October 2015 - February 2016]

3.9.1 Audit observed that four bonded warehouses under the above SsE had paid licence fees at the lower rate for the year 2015-16. This resulted in short realisation of revenue of ₹ 16.68 lakh as shown in **Table 3.3**.

Table 3.3

(₹ in lakh)

Name of the licensees	Licence renewal fee payable as per revised rate	Licence renewal fee paid	Short realisation
M/s Dynasty Bonded Warehouse, Nagaon	9.17	5.00	4.17
M/s A.B Bonded Warehouse, Nagaon	9.17	5.00	4.17
M/s D.S Bonded Warehouse, Dhemaji	6.67	2.50	4.17
M/s Pegu Bonded Warehouse, Dhemaji	6.67	2.50	4.17
Total			16.68

The Department stated (October 2017) that the CE, Assam had initiated action regarding payment of licence fee for the year 2015-16 in respect of bonded warehouses under SE, Dhemaji. However, no reply was received in respect of the bonded warehouses under SE, Nagaon. Report on recoveries was awaited (February 2018).

[SE, Nagaon; October - November 2015]

3.9.2 Audit observed that the following two bonded warehouses paid annual licence fees at lower rate for the year 2014-15 though the stock of India Made Foreign Liquor/Beer/Wine crossed the bond limit of ₹ 50 lakh during 2014-15. Further, M/s United Enterprise Bonded Warehouse paid annual licence fee at lower rate for the year 2015-16 though the bond limit was enhanced from ₹ 1 crore to ₹ 5 crore during 2015-16. This resulted in short realisation of licence fees of ₹ 8.67 lakh as shown in **Table 3.4**.

Table 3.4

(₹ in lakh)

Name of the Bonded Warehouse	Financial year	Bond limit	Licence fee realisable	Licence fee realised	Short realisation of licence fee
M/s United Enterprise Bonded Warehouse	2014-15	50 (bond limit crossed on February 2015)	2.50	1.50	1.00
	2015-16	500	9.17 ⁷⁶	2.50	6.67
M/s Dynasty Bonded Warehouse	2014-15	50 (bond limit crossed on December 2014)	2.50	1.50	1.00
Total			14.17	5.50	8.67

The matter was reported to the Department in December 2015 and followed up in April 2017; reply was awaited (February 2018).

3.10 Short realisation of brewery and bottling licence fee

₹ 5.50 lakh short realised as brewery and bottling licence fees

[SE, Kamrup, Guwahati; October - December 2015]

As per Government notification of September 2010⁷⁷, a licensee operating a brewery and bottling plant shall pay annual licence fees depending upon the production capacity of beer as shown in the inset.

Production Capacity	Amount of Annual Licence Fee (₹)
Upto 80 lakh BL of beer per annum	Brewery licence fee ₹ 10,00,000 and Bottling licence fee of ₹ 1,50,000
More than 80 lakh BL of beer per annum	Brewery licence fee ₹ 15,00,000 and Bottling licence fee of ₹ 2,00,000

⁷⁶ Licence fees for the period April - May 2015 at old rates - ₹ 83,333 and for the rest of the period from June 2015 to March 2016 - ₹ 8,33,333 (pro-rata of ₹ 10 lakh payable as annual licence fees as revised).

⁷⁷ Notification No. EX.340/2001/Pt-III/330 dated 29 September 2010 w.e.f 1 April 2011.

Audit noticed that M/s Master (India) Brewing Company enhanced the annual production capacity of its brewery to 3 crore BL from 14 December 2012⁷⁸. The licensee paid annual brewery and bottling licence fees at lower rate during 2015-16. This resulted in short realisation of ₹ 5.50 lakh as shown in **Table 3.5**:

Table 3.5

(₹ in lakh)

Type of licence	Licence fee realisable	Licence fee realised	Short realisation of licence fee
Brewery licence	15.00	10.00	5.00
Bottling licence	2.00	1.50	0.50
Total	17.00	11.50	5.50

The matter was reported to the Department in January 2016 and followed up in April 2017; reply was awaited (February 2018).

3.11 Non-accountal of consignment in stock register

Non-accountal of consignment in stock register leading to possibility of evasion of government revenue of ₹ 5.35 lakh

[SE, Dhemaji; February 2016]

Rule 19 of ABW Rules, 1965 stipulates that on arrival of a consignment at the bonded warehouse, the officer-in-charge shall open the consignment and enter into the stock register after verifying the same with the passes (transport passes) covering the consignment.

Audit examined the records of M/s D.S Bonded Warehouse and noticed that a permit⁷⁹ of 4,194 BL of IMFL of Luxury Brand arrived on 28 June 2014. The officer-in-charge did not record/enter the same into the stock register. Due to non-recording of 4,194 BL of IMFL in the stock register the possibility of evasion of excise duty and VAT to the extent of ₹ 5.35 lakh, as given in **Table 3.6**, could not be ruled out:

Table 3.6

Quantity despatched (in BL)	Transit Loss (in BL)	Quantity received (in BL)	Quantity received (in cases)	Excise duty at rate ₹ 598.90 per case on Luxury Brand as per Notification of September 2010 ⁸⁰	VAT at rate 30 per cent (i.e. ₹ 554.37 ⁸¹ per case)	Total evasion of revenue (in ₹)
4,194	20,909	4,173.091	463.676 ⁸²	2,77,698 ⁸³	2,57,048	5,34,746

⁷⁸ As intimated (18 December 2012) by the licensee to the CE, Assam.

⁷⁹ Permit No. III-143/2011-12/Pt-I/386 dated 12 June 2014.

⁸⁰ Notification No. EX.34/2001/Pt-III/328 dated 29 September 2010.

⁸¹

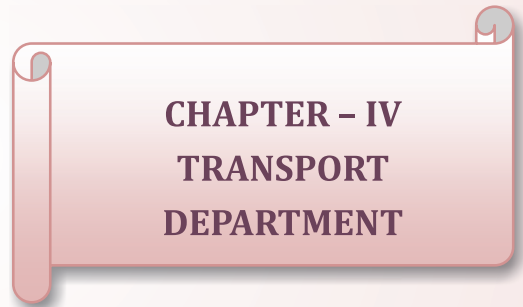
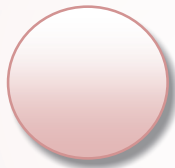
(Amount in ₹)

Cost price of Luxury Brand	Transport Pass fee	Excise duty	Total	Amount of VAT at 30 per cent
(1)	(2)	(3)	(4 = 1+2+3)	(Col.4 X 30 per cent)
1,199	50	598.90	1,847.90	554.37

⁸² 4,173.091 BL/ 9 BL = 463.676 cases.

⁸³ 463.676 cases X ₹ 598.90 per case on luxury brand = ₹ 2,77,698.

The Department stated (October 2017) that the concerned SE issued demand notice and the licensee promised to pay the amount due to government. Report on recovery was awaited (February 2018).

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**CHAPTER - IV
TRANSPORT
DEPARTMENT**

CHAPTER – IV : TRANSPORT DEPARTMENT

4.1 Administration

The Transport Department is responsible for collection of taxes, fees and fines on motor vehicles in Assam. Motor vehicle tax is realised primarily from all vehicles registered in the State and One Time Tax of 15 years is realised in case of private vehicles. For commercial vehicles, motor vehicle tax is realised every year and the vehicle owner has the option to pay it quarterly, half yearly or annually. Besides, composite fee *in lieu of* motor vehicle tax is also collected from commercial vehicles bearing national permit/tourist permit of other States plying in the State. Further, there is provision for levy and collection of fines for various offences which are imposed under the respective Acts and Rules.

4.2 Working of internal audit wing

Internal audit, a vital component of the internal control mechanism, functions as the ‘eyes and ears’ of the Department and is a vital tool which enables the management to assure itself that prescribed systems are functioning reasonably well.

The Department stated that no internal audit wing has been put in place in Transport Department.

4.3 Results of audit

Test check of records in 16 offices (out of total 52 offices) of the Transport Department during 2016-17 revealed non/short levy and realisation of fine/motor vehicles taxes amounting to ₹ 22.15 crore in 97 cases as shown in **Table 4.1**.

Table 4.1
Results of Audit

Sl. No.	Categories	Number of cases	Amount (₹ in crore)
1.	Non-realisation of motor vehicle tax and fine	17	2.40
2.	Outstanding fitness fee & fine	08	17.98
3.	Non-reassignment of new registration number	07	1.47
4.	Other irregularities	65	0.30
Total		97	22.15

During the course of 2016-17, the Department accepted 14 cases involving revenue of ₹ 63.52 lakh and recovered ₹ 6,000 in three cases during 2016-17.

A few cases involving revenue of ₹ 1.66 crore and financial irregularities of ₹ 0.19 crore are discussed in the succeeding paragraphs.

Audit Observations

4.4 Motor Vehicle (MV) tax and fine not realised

Failure in raising demands of MV tax amounting to ₹ 53.23 lakh and fine of ₹ 13.02 lakh from 239 commercial vehicle owners

Section 5 of the Assam Motor Vehicle Taxation (AMVT) Act, 1936 provides that MV tax is to be paid on commercial vehicle in advance each year or the vehicle owner has the option to pay it quarterly, half yearly and annually. The rate of MV tax was revised in May 2011. Further, every owner of a motor vehicle who fails to pay the appropriate road tax in time shall be liable to pay a fine of ₹ 5 per day of such delayed payment.

Section 44 of the AMVT Act, 1936 provides that the licencing officer shall maintain a Combined Register of all vehicles plying in his jurisdiction in Form III⁸⁴ to watch the recovery of MV tax. The licencing officer is also required to review the register at periodic intervals and issue demand notices to defaulters.

Rule 49(2) of the Assam Motor Vehicles (AMV) Rules, 2003 provides that a vehicle owner, if he desires to withdraw his vehicle off the road for repairs etc. for a period more than 30 days continuously, is required to submit an application in Form 'H' in triplicate along with the documents of the vehicle/number plates, before the Registering Authority for temporary exemption of taxes.

[District Transport Officers (DTOs), Nalbari, Karbi Anglong and Lakhimpur; June 2013 - June 2014]

Audit noticed that 239 commercial vehicle owners under the following three DTOs did not pay MV tax of ₹ 56.28 lakh between July 2008 and June 2014. Audit also noticed that the Combined Register was not reviewed periodically by these DTOs. In absence of periodical review of the Combined Registers, the 239 vehicles continued to ply in public places without payment of MV tax. There was also nothing on records to show that the owners of these vehicles surrendered the licences or submitted 'H' forms. Failure of the DTOs to review the Combined Register at periodical intervals and issue demand notices to the defaulters resulted in non-realisation of MV tax of ₹ 56.28 lakh on which fine of ₹ 13.24 lakh from the owners of the vehicles was also leviable. The details are given in **Table 4.2**.

⁸⁴ All the particulars relating to vehicle such as Registration No., Date of registration, Date of purchase, Date of validity of Registration, Engine No., Chassis No. and Name and address of vehicle owner, etc. are noted in Combined Register.

Table 4.2

(₹ in lakh)

Name of DTO	Period	No. of commercial vehicles	Road Tax due	Fine due
DTO, Nalbari	Between January 2009 and April 2014	79 (Appendix - IV)	27.05	4.92 (calculated upto April 2014)
DTO, Karbi Anglong, Diphu	Between July 2008 and June 2014	50 (Appendix - V)	20.04	4.25 (calculated upto June 2014)
DTO, Lakhimpur	Between April 2009 and May 2013	110 (Appendix - VI)	9.19	4.07 (calculated upto May 2013)
Total		239	56.28	13.24

DTO, Lakhimpur stated (April 2016) that out of MV tax of ₹ 9.19 lakh and fine of ₹ 4.07 lakh of 110 vehicles, MV tax of ₹ 3.05 lakh and fine of ₹ 0.22 lakh had been realised partially from 32 commercial vehicles and two vehicles were not in his jurisdiction. Replies of DTOs, Nalbari and Karbi Anglong, Diphu were awaited (February 2018).

The Department stated (August 2017) that instructions were issued to all three DTOs to realise outstanding MV tax of ₹ 53.23 lakh and fine of ₹ 13.02 lakh from 239 vehicles owners and also to review the Combined Register at regular intervals. Report of further recovery was awaited (February 2018).

4.5 Non-realisation of reassignment fee and fine

Non-assignment of local/new registration marks to vehicles entering Assam from other states resulted in non-realisation of ₹ 60.36 lakh from 49 vehicle owners

Section 47 of the Motor Vehicles (MV) Act, 1988 stipulates that a motor vehicle registered in one State and kept in another State for a period exceeding 12 months, must be registered in the latter State. The AMV Rules, 2003 prescribes that if the owner of the vehicle of the other State fails to apply for assignment of a new registration under Section 47 of the MV Act, he shall be liable to pay a fine of ₹ 100 if the application is not submitted within seven days after the expiry of the prescribed period. Further, if the vehicle is not reassigned within seven days of detection of not being registered in the new State by the Department, a fine of ₹ 300 shall be leviable after lapse of seven days and this procedure can be repeated after every seven days till the vehicle is assigned a new registration number.

[DTO, Karbi Anglong and Lakhimpur; June 2013 - June 2014]

Audit noticed from the Combined Registers of DTOs, Karbi Anglong, Diphu and Lakhimpur that 49 commercial vehicles of other States were plying within the State of Assam for more than one year. The owners also failed to apply for a new registration. The DTOs neither took any action to register the vehicles nor review the Combined Registers periodically. This resulted in non-realisation of reassignment fee of ₹ 0.22 lakh on which fine of ₹ 60.39 lakh from the owners of the vehicles was also leviable. The details are given in **Table 4.3**.

Table 4.3

(₹ in lakh)

Name of DTO	No. of commercial vehicles	Reassignment fee due	Fine due
DTO, Karbi Anglong, Diphu	25 (Appendix - VII)	0.15	50.26 (calculated upto May 2014)
DTO, Lakhimpur	24 (Appendix - VIII)	0.07	10.13 (calculated upto March 2013)
Total	49	0.22	60.39

DTO, Lakhimpur stated (April 2016) that reassignment fee of ₹ 0.06 lakh was realised partially from 20 vehicles owners and fine of ₹ 0.19 lakh from one vehicle owner. Reply of the DTO, Karbi Anglong was awaited (February 2018).

No further reply was received from the DTOs regarding realisation of balance amount of reassignment fee of ₹ 0.16 lakh and fine of ₹ 60.20 lakh from 49 vehicle owners.

The Department stated (August 2017) that the DTOs of Karbi Anglong, Diphu and Lakhimpur were instructed to take effective steps. Report on further developments was awaited (February 2018).

4.6 Non-realisation of fitness fees

Non-realisation of fitness fees of ₹ 39.41 lakh from 1,714 vehicle owners

[DTO, Nalbari; October 2015]

Under Section 56 of the MV Act, 1988, a transport vehicle shall not be deemed to be validly registered for the purpose of registration, unless it carries a certificate of fitness in such form containing such particulars and information as may be prescribed by the Central Government. As per Rule 62 of the Central Motor Vehicle Rules, 1989, the certificate of fitness issued at the time of registration of a new commercial vehicle is valid for two years and it is to be renewed every year on payment of renewal fee of ₹ 100 and inspection fee ranging between ₹ 100 and ₹ 400 depending on category of vehicles. Similarly, after 15 years from the date of registration, non-commercial vehicles are required to be inspected and certificates of

fitness required to be issued on payment of prescribed fees. In case of non-renewal of the certificate of fitness, fine of minimum of ₹ 2,000 is leviable from the vehicle owners under Section 192 of the MV Act.

Audit noticed from the data of VAHAN software that the DTO Nalbari failed to inspect fitness of 1,545 commercial vehicles and 169 non-commercial/private out of 31,495 vehicles till the date of audit (October 2015). This resulted in non-realisation of ₹ 5.13 lakh⁸⁵ as fitness fee and ₹ 34.28 lakh as fine and from 1,714 motor vehicles⁸⁶ which were plying without valid fitness certificates since March 2013 onwards.

The Department stated (August 2017) that the DTO, Nalbari was instructed to verify fitness certificates as well as to furnish an action taken report. Report on further developments was awaited (February 2018).

4.7 Undue financial benefit to the government employees

Undue financial benefit of ₹ 18.63 lakh to 27 employees due to non-realisation of house rent and payment of House Rent Allowance despite occupying government quarters

[DTO, Kokrajhar; June 2014]

As per Office Memorandum (O.M.) of 19 February 2010⁸⁷ of Finance (Audit and Fund) Department, GoA, every government servant shall have to furnish a certificate to the Drawing and Disbursing Officer identifying the mode of accommodation availed by him, such as, rented house/own house/Government quarter. The O.M. *ibid* further stipulates that the State Government employees residing in a government quarter will be required to pay house rent equivalent to 10 *per cent* of his basic pay or the standard rent whichever is less. Further, rate of House Rent Allowances (HRA) was revised for employees serving in District/Sub-Divisional Headquarters at the rate of 12 *per cent* of basic pay with minimum of ₹ 1,000 and maximum of ₹ 4,800 per month with effect from 4 February 2010⁸⁸ by GoA.

Audit noticed that 32 officers/officials were posted during March 2011 and March 2014 under the DTO, M.V. Checkgate, Srirampur, out of which 27 officers/officials were staying in government quarters. Scrutiny of records revealed that the DTO paid an amount of ₹ 10.16 lakh at the rate of 12 *per cent* of basic pay as HRA to these officers/officials. Thus, the payment of HRA to the tune of ₹ 10.16 lakh was irregular. Further, the DTO did not realise house rent of

⁸⁵ Total fitness fee and fine = ₹ 5,12,900 (fitness fee on 1,714 vehicles at different rate) + ₹ 34,28,000 (fine of ₹ 2,000 per vehicle X 1,714 vehicles) = ₹ 39,40,900.

⁸⁶ As certified by DTO, Nalbari on 15 October 2015.

⁸⁷ O.M. No. FM. 5/2010/02 dated 19 February 2010.

⁸⁸ Notification No. FPC. 85/2009/1 dated 4 February 2010.

₹ 8.47 lakh at the rate of 10 *per cent* of basic pay or the standard rent from the pay and allowances of the 27 officers/officials. This resulted in undue financial benefit of ₹ 18.63 lakh to 27 employees as shown in **Appendix - IX**.

The DTO, Kokrajhar (July 2015) intimated that some of the officers/officials were since transferred from his jurisdiction and requested the Commissioner of Transport, Assam to take necessary step to recover the government moneys from the officers/officials. Status of realisation was awaited (February 2018).

The Department stated (August 2017) that the DTO, Kokrajhar was instructed to furnish a detailed report on the matter; further development was awaited (February 2018).



CHAPTER - V
ENVIRONMENT AND
FORESTS DEPARTMENT

CHAPTER – V : ENVIRONMENT AND FORESTS DEPARTMENT

5.1 Administration

The Principal Chief Conservator of Forests and Head of Forests Force (PCCF and HoFF), Assam who is in overall charge of the Department is assisted by four Principal Chief Conservators of Forests (PCCF), 11 Additional Principal Chief Conservators of Forests (APCCF), 11 Chief Conservators of Forests (CCF) and nine Conservators of Forests (CF). In addition, there were 68 forest divisions each headed by a Deputy Conservator of Forests (DCF)/ Divisional Forest Officers (DFOs). The divisions were further divided into ranges and beats for ensuring effective control and supervision of the forests of the State.

The principal act, regulation and rules which govern the functioning of Department of Environment and Forests are the Assam Forest Regulation, 1891; Assam Sale of Forest Produce, Coupes and *Mahals* Rules, 1977; Forest (Conservation) Act, 1980; Assam Minor Minerals Concession Rules, 1994; and, Rules and notifications/orders issued thereunder, from time to time.

5.2 Working of internal audit wing

Internal audit, a vital component of the internal control mechanism, functions as the ‘eyes and ears’ of the Department and is a vital tool which enables the management to assure itself that prescribed systems are functioning reasonably well.

It was observed that the internal audit wing in the Department comprised of only one internal auditor, which would have made it extremely challenging for the one-man team to discharge its assigned responsibility in any meaningful and effective manner in what is one of the largest departments of the GoA.

5.3 Results of audit

In 2016-17, test check of the records of 29 offices (out of total 92 offices) relating to forest receipts showed non/short recovery of royalty, non-levy of interest/VAT/extension fee and other irregularities involving ₹ 22.94 crore in 136 cases, which fall under the following categories in as shown in **Table 5.1**.

Table 5.1
Results of Audit

Sl. No.	Category	Number of cases	Amount (₹ in crore)
1.	Non/short recovery of royalty	10	1.33
2.	Non-levy of interest/ VAT	12	0.36
3.	Non realisation of Mines and Minerals Development, Restoration and Rehabilitation Fund	14	1.90
4.	Non-disposal of timber	12	1.98
5.	Other irregularities	88	17.37
Total		136	22.94

A few cases involving ₹ 1.05 crore are discussed in the succeeding paragraphs.

Audit observations

5.4 Mines and Minerals Development, Restoration and Rehabilitation Fund not being realised

Loss of government revenue amounting to ₹ 56.96 lakh due to non-collection of 'other charges'

As per Rule 38 (5) and 59 (1) of the Assam Minor Mineral Concession (AMMC) Rules, 2013, the lessee/contractor operating the mining area shall be charged an additional amount equal to 10 *per cent* of the due dead rent/royalty/contract money along with instalments in the nature of 'other charges' towards Mines and Minerals Development, Restoration and Rehabilitation (MMDRR) Fund.

[DFO, Kamrup East Division, Guwahati; August - September 2016]

5.4.1 Audit noticed that between 2013-14 and 2015-16, Range Officers under the DFO, Kamrup East Division issued 144 permits for extraction of stone and earth. Accordingly, Range Officers under the jurisdiction of the Division realised royalty of ₹ 4.13 crore against these permits from the contractors/lessees. Examination of the permit registers however, revealed that the lessees/contractors did not pay the MMDRR Fund of ₹ 41.30 lakh (10 *per cent* of the royalty amount of ₹ 4.13 crore) resulting in non-realisation of government revenue to this extent as shown in **Table 5.2**.

Table 5.2

(₹ in lakh)

Year/period	No. of permits issued as per permit registers	Amount of royalty collected	Non realisation of MMDRR Fund (i.e. 10 per cent of royalty amount)
Stone			
2013-14	12	54.60	5.46
2014-15	72	107.07	10.71
2015-16	32	126.20	12.62
Earth			
2014-15 (March 2015)	1	3.75	0.38
2015-16	27	121.35	12.13
Total	144	412.97	41.30

The matter was reported to the Department in September 2016 and followed up in June 2017; reply was awaited (February 2018).

[DFO, Kamrup West Division, Bamunigaon; October - November 2016]

5.4.2 Scrutiny of records of the DFO, Kamrup West Division, Bamunigaon revealed that in 2014-15 and 2015-16, MMDRR fund of ₹ 17.43 lakh was realised from six lessees against ₹ 33.09 lakh which was to be actually realised. This resulted in loss/short realisation of government revenue of ₹ 15.66 lakh towards the MMDRR Fund as shown in *Appendix - X*. Further, it was noticed that lease period of five leases had expired/terminated between 11 December 2015 and 4 April 2016 which therefore, virtually ruled out the possibility of realisation of ₹ 9.84 lakh from five lessees out of the ₹ 15.66 lakh.

The matter was reported to the Department in December 2016 and followed up in June 2017; reply was awaited (February 2018).

5.5 Forest royalty collected at pre-revised rate

Collection of royalty at pre-revised rate resulted in short realisation of ₹ 11.20 lakh

[DFO, Kamrup East Division, Guwahati; August - September 2016]

Under the AMMC (Amendment) Rules, 2015, the rate of royalty on building stone was revised to ₹ 200 per cum from 17 June 2015⁸⁹.

Audit noticed that between July 2015 and March 2016, DFO, Kamrup East Division issued three permits to a contractor for extraction of 13,000 cum of building stone and accordingly, realised royalty against these permits at the pre-revised rate of ₹ 130 per cum instead of ₹ 200 per cum. This resulted in short realisation of government revenue of ₹ 11.20 lakh as shown in *Appendix - XI*.

⁸⁹ Notification No. PEM.83/2009/Pt-VII-A/39 dated 17 June 2015.

The matter was reported to the Department in December 2016 and followed up in June 2017; reply was awaited (February 2018).

5.6 Unauthorised extraction of minor minerals

Non-realisation of reserve price of ₹ 37.11 lakh on the unauthorised extraction of minor minerals

[DFO, Kamrup East Division, Guwahati; August - September 2016]

Under Rule 5 of AMMC Rules, 2013, contractors engaged for works/projects of the government departments/agencies shall be granted mining permit for the required quantity as specified in the detailed project report for the execution of the works/projects subject to payment of royalty/dead rent/fee, etc. in advance as notified by the government.

Further, as per Rule 63 of the AMMC Rules, any person undertaking any mining operations without taking prior permission and advance payment of royalty shall be deemed to be indulging in illegal or unauthorised mining. Rule 64, *ibid*, provides that any illegal and unauthorised mining and removal of forest produces shall be regularised only upon realisation of the payment of the price of the mineral (i.e. reserved price fixed by the Department) and the applicable royalty for the mineral extracted alongwith fine.

The minimum reserve price of sand and stone was ₹ 187 per cum and ₹ 215 per cum respectively at Sonapur Range under DFO, Kamrup East Division, Guwahati.

Audit noticed from the records of the DFO, Kamrup East Division that a contractor, M/s RVR Projects Pvt. Ltd., Visakhapatnam utilised 6,141.80 cum of sand and 11,919.24 cum of stone between March 2013 and December 2014 in a project at Digaru. Accordingly, the Chief Construction Engineer (R&D), Ministry of Defence, GoI, deducted ₹ 28.73 lakh as royalty from contractor's bill as per the prevailing rates of royalty. Further, Audit noticed that the DFO had neither issued a permit nor Forest Royalty Clearance Certificate to the contractor for extraction/utilisation of sand and stone. Thus, the entire extraction of sand and stone was illegal and unauthorised and the contractor was liable to pay reserve price of ₹ 37.11 lakh as shown in *Appendix - XII*.

The matter was reported to the Department in December 2016 and followed up in June 2017; reply was awaited (February 2018).



CHAPTER - VI
MINES AND MINERALS
DEPARTMENT

CHAPTER – VI : MINES AND MINERALS DEPARTMENT

6.1 Results of Audit

A Performance Audit (PA) on ‘Working of Geology and Mining Department, Assam’ was conducted between April 2017 and July 2017 with revenue implication of ₹ 1,396.90 crore.

**Table 6.1
Results of Audit**

Sl. No.	Categories	Number of cases	Amount (₹ in crore)
1	A Performance Audit on ‘Working of Geology and Mining Department, Assam’	01	1,396.90
Total		01	1,396.90

The PA on ‘Working of Geology and Mining Department, Assam’ is discussed in the succeeding paragraphs.

6.2 Performance Audit on ‘Working of Geology and Mining Department, Assam’

EXECUTIVE SUMMARY

Minerals are valuable natural resources. Being finite and non-renewable, their exploitation is guided by long term national goals and perspectives. Management of mineral resources is the responsibility of both the Central Government and the State Governments as ‘minerals’ is listed in the Union List (List I) and also the State List (List II) under the Seventh Schedule of the Constitution of India.

Receipts from minerals and mineral oils mainly consist of royalty which is levied either on specific or *ad valorem* basis on the quantity removed or consumed from mines. Other receipts are application fees, licence fees, prospecting charges, surface rent, dead rent, penalties and interest for delayed/belated payments of dues, etc. Rates of royalty and dead rent in respect of major minerals are prescribed by the Central Government but collected and utilised by the State Government, whereas rates of royalty and dead rent in respect of minor minerals are determined by the State Government and also collected and utilised by the State Government.

Assam is mineral-rich and blessed with minerals and mineral oils such as crude oil, natural gas, coal, limestone, granite, china clay, iron ore, glass sand, fuller's earth, sillimanite, etc. Receipts from mining are one of the main components of the non-tax revenue of the State. During 2011-12 to 2016-17, it ranged between 61.06 and 72.22 per cent of total non-tax revenue and constituted between 3.86 and 7.28 per cent of the State's total revenue.

A Performance Audit (PA) was conducted on 'Working of Geology and Mining Department' in Assam to ascertain whether the provisions of the Acts and Rules governing administration of minerals and mineral oils were being implemented effectively for processing of leases/licences, assessment, realisation and remittance of revenue, prevention of illegal mining and leakage of revenue; that steps taken by the Department were adequate and effective to ensure that mining activities were being carried out with due regard to the approved mining plan and with due consideration to environmental aspects; and, the internal control mechanism including Information Technology (IT) systems in the department were sufficient and effective to ensure an adequate degree of oversight and monitoring of the Department's activities.

Highlights

- Adequate exploration and mineral investigation was not carried out by the Department to assess the quality and quantity of mineral reserves in the State

(Paragraph 6.2.10)
- Production of petroleum commenced prior to grant of Petroleum Mining Lease (PML) as the Department neither followed nor monitored any timeline for application and grant of PML

(Paragraph 6.2.11.1(i))
- There was short payment of stamp duty of ₹ 158.99 crore for 16 mining leases. Further, there was loss of revenue of ₹ 14.99 lakh due to non-registration of 32 lease deeds

(Paragraphs 6.2.11.7 (i) & (ii))
- The Department did not detect the short/ non-payment of licence fee for 13 Petroleum Exploration Licences (PELs) amounting to ₹ 5.97 crore and did not levy interest of ₹ 38.06 lakh in respect of 16 licensees for delayed payment of licence fee

(Paragraph 6.2.11.8)
- Short deposit of statutory fees in respect of 17 PMLs amounting to ₹ 1.15 crore was not realised

(Paragraph 6.2.11.9)

- Department did not cross check returns for production with annual accounts/other reports resulting in acceptance of lower quantity of production of crude oil and natural gas reported by Oil India Limited and Oil and Natural Gas Corporation Limited which lead to short payment of royalty of ₹ 351.79 crore

(Paragraph 6.2.12.1 (i) & (ii))

- Surface rent of ₹ 20.34 crore in respect of 39 PMLs was not realised

(Paragraph 6.2.12.4)

- The Department did not levy dead rent amounting to ₹ 14.24 crore in respect of non-operation of mining leases

(Paragraph 6.2.12.7 (i))

6.2.1 Introduction

Mineral exploration and development is closely linked with the development of economy and upliftment of the local population. As the exploitation of minerals adversely affects the environment, a balance is to be maintained between its development and conservation.

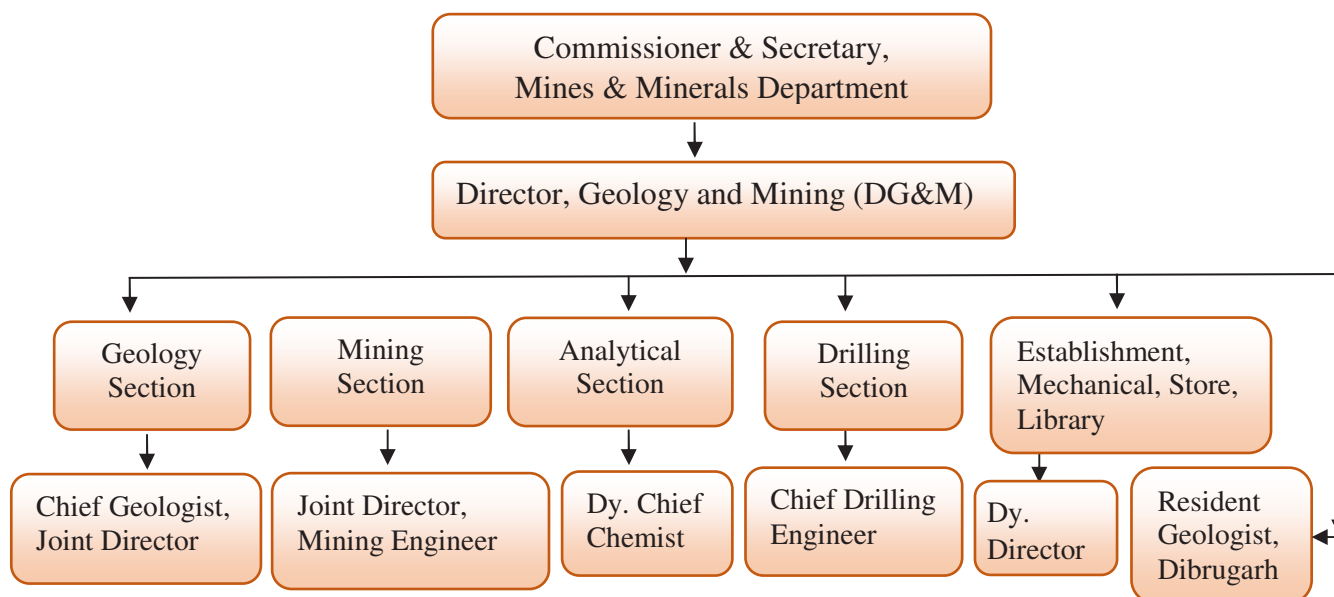
The Geology and Mining Department of Government of Assam is responsible for the investigation/exploration of the State's minerals and groundwater resources. It also administers exploitation and development of these naturally endowed assets. Coal, crude oil, natural gas, limestone, etc., are the chief mineral resources of the State.

The management of mineral resources is the responsibility of both the Central and the State Governments.

To ensure the conservation, systematic development and regulation of mining activities in the country, Government of India (GoI) enacted the Oilfield (Regulation and Development) Act, 1948; the Petroleum and Natural Gas Rules, 1959; the Mines and Minerals (Development and Regulation) Act, 1957; the Mineral Concession Rules, 1960; the Mineral Conservation and Development Rules, 1988; the Mines Act, 1952; and, the Colliery Control Rules, 2004. The Government of Assam (GoA) has adopted these Acts and Rules.

6.2.3 Organisational structure

The Mines and Minerals Department, GoA is headed by a Commissioner & Secretary. He is assisted by a Director of Geology & Mining (DG&M). The Directorate does not have any office in the districts other than the one at Dibrugarh for receiving the returns from Oil India Limited (OIL), Oil and Natural Gas Corporation Limited (ONGCL) and Coal India Limited (CIL). The organisational structure of the Department is as under:



6.2.4 Rationale for selecting the topic

Mining receipts contributed 5.35 *per cent* of the total revenue and 67.16 *per cent* of the total non -tax revenue collected during the period 2011-2017 (calculation based on details given in **Table 6.2**).

A PA on ‘Mining Receipts-assessment, levy and collection of royalty, fees and rent’ was included in C&AG’s Audit Report for the year ending 31 March 2010. The Public Accounts Committee (PAC) discussed (January 2014) this PA and gave suitable recommendations on the systemic and compliance deficits which were pointed out.

Keeping in view the above aspects, a need was felt to conduct the present PA on ‘Working of the Geology & Mining Department’.

6.2.5 Audit Objectives

The PA was undertaken with a view to examine whether:

- the provisions of the Acts and Rules governing administration of mines and minerals were being implemented effectively for processing of leases/licences, assessment, realisation and remittance of revenue, prevention of illegal mining and leakage of revenue;
- the steps taken by the Department were adequate and effective to ensure that mining activities were being carried out with due regard to the approved mining plan and with due consideration to the environmental aspects; and,

- the internal control mechanism including Information Technology (IT) systems in the Department were sufficient and effective to ensure an adequate degree of oversight and monitoring of the Department's activities.

6.2.6 Audit Criteria

The PA was benchmarked against the following audit criteria:

- All related Acts and Rules such as Mines and Minerals (Development & Regulations) (MMDR) Act, 1957; Mineral Concession Rules (MCR), 1960; Mineral Conservation and Development (MCD) Rules, 1988; Mines Act, 1952; Mines Rules, 1955; Coal Mines (Conservation and Development) Act, 1974; Coal Mines Regulations, 1957; Coal Mines (Nationalisation) Act, 1973; Colliery Control Rules, 2004; Petroleum Act, 1934; Petroleum and Natural Gas (PNG) Rules, 1959; Oil Fields (Regulation and Development) (ORD) Act, 1948; Publications of Indian Bureau of Mines (IBM); Indian Stamp Act, 1899; Registration Act, 1908; Assam Financial Rules; the Water (Prevention & Control of Pollution) Act and Rules; the Air (Prevention & Control of Pollution) Act and Rules; the Environment (Protection) Act, 1986 and Rules made thereunder; and,
- Orders, instructions, guidelines, standards issued by GoI, GoA, Hon'ble Courts, etc., from time to time.

6.2.7 Audit Scope and Methodology

Audit reviewed the functioning of the Mines and Minerals Department for the period from 2011-12 to 2016-17 through test check the records of the Department and the Directorate of Geology and Mining. Audit also scrutinised the lease files pertaining to periods prior to the period covered by this PA as mining operations against those leases are still being carried out.

An Entry Conference was held with Additional Secretary, GoA (Finance Department), Joint Secretary and Director, Geology and Mining Department on 11 April 2017, wherein audit approach, scope and coverage were explained. A draft PA Report was forwarded in August 2017 to the Department for its comment. An Exit Conference was held on 8 November 2017 with the Commissioner and Secretary, Mines and Minerals Department, GoA and the Joint Secretary and Director, Geology and Mining Department wherein the audit findings were discussed in detail. The replies given at the Exit Conference and also replies submitted on 29 December 2017 by the Department have, where necessary, been suitably incorporated in the relevant paras featured in this PA.

6.2.8 Trend of Production and Mining Receipts

6.2.8.1 Annual Production and Royalty

The annual production of different minerals and revenue earned there from by way of royalty during 2011-12 to 2016-17 is given in **Table 6.1**:

Table 6.1

Sl. No.	Name of Minerals	Production & Revenue	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1.	Crude Oil	Production (MMT)	4.96	4.79	4.62	4.39	4.12	4.13
		Revenue (₹ in crore)	1,830.84	1,421.14	1,613.32	1,216.79	1,459.87	2,932.95
2.	Natural Gas	Production (MM ³)	2,232.46	2,222.87	2,222.73	2,286.89	2,371.36	2,425.84
		Revenue (₹ in crore)	136.37	152.05	174.45	202.57	227.65	164.54
3.	Coal	Production (MMT)	0.86	0.69	0.63	0.90	0.51	0.96
		Revenue (₹ in crore)	25.89	43.35	38.74	50.96	32.27	34.62
4.	Limestone	Production (MMT)	0.29	0.34	0.25	0.66	0.78	1.60
		Revenue (₹ in crore)	0.74	1.01	0.45	1.39	2.98	5.28

Source: Departmental records (MMT- Million Metric Tonne, MM³- Million Cubic Metre)

6.2.8.2 Trend of Mining Receipts

The total collection of revenue receipt, non-tax revenue receipt and mining receipt along with percentage of collection during 2011-12 to 2016-17 are given in **Table 6.2**:

Table 6.2

(₹ in crore)

Year	Total Revenue Receipts	Total Non-Tax Revenue Receipts	Mining Receipts	Variation of Mining Receipts w. r. t. previous year	Percentage of Mining Receipts w. r. t. Non-tax revenue	Percentage of Mining Receipts w. r. t. Total Revenue Receipts
2011-12	27,455.39	2,866.76	1,997.82	-	69.69	7.28
2012-13	30,690.98	2,473.59	1,634.60	(-)363.22	66.08	5.33
2013-14	32,212.79	2,705.03	1,830.55	(+)195.95	67.67	5.68
2014-15	38,181.49	2,412.89	1,473.33	(-)357.22	61.06	3.86
2015-16	42,457.68	2,741.56	1,707.92	(+)234.59	62.30	4.02
2016-17	49,219.81	4,353.13	3,143.82	(+)1,435.90	72.22	6.39
Total	2,20,218.14	17,552.96	11,788.04		67.16	5.35

Source: Finance Account of Assam

As can be seen in the above table, mining receipts was the main component of the State's non-tax revenue and ranged between 61.06 and 72.22 *per cent* during 2011-12 to 2016-17. The amount collected however, fluctuated from year to year. The reason for decrease in revenue collection was due to decrease in the production and

fluctuating rates of crude oil. However, during 2016-17 there was a sharp increase in revenue collection due to receipt of arrears of royalty at pre-discounted price of crude oil for the period February 2014 to June 2016 as per the instruction (15 July 2016) of Ministry of Petroleum and Natural Gas (MoPNG), GoI in pursuance of Hon'ble Supreme Court's interim order (13 February 2014).

6.2.8.3 Budget Allotment and Expenditure

The budget allotment, expenditure and savings of the Department during the years 2011-12 to 2016-17 is shown in **Table 6.3**:

Table 6.3

(₹ in crore)

Year	Budget Allotment (BA)	Expenditure	Savings	Saving as a percentage of BA
2011-12	15.69	13.83	1.86	11.85
2012-13	13.23	11.11	2.12	16.02
2013-14	27.78	23.16	4.62	16.63
2014-15	15.86	10.56	5.30	33.42
2015-16	18.16	9.35	8.81	48.51
2016-17	18.81	10.37	8.44	44.87

Source: Appropriation Accounts

Savings have been on a continual increase and rose from ₹ 1.86 crore in 2011-12 to ₹ 8.44 crore in 2016-17 indicating that the budget estimates were not prepared on a realistic basis. Reasons for persistent savings were not furnished.

6.2.9 Acknowledgement

Indian Audit and Accounts Department (IA&AD) acknowledges the co-operation extended by the Mines and Minerals Department, GoA and the Directorate of Geology and Mining and their officials during the course of the Performance Audit.

Audit Findings

The main functions of the Geology and Mining Department, GoA are:

- (i) Investigations of mineral;
- (ii) Management of permit, licences and leases for mining operation;
- (iii) Assessment, collection and levy of royalty and other dues; and,
- (iv) Monitoring the overall mining operations in the State.

Audit observations in respect of different functions of the Department are discussed in the succeeding paragraphs.

6.2.10 Mineral Investigation

The Department is responsible for carrying out investigations to identify mineral resources of the State. The State Geological Programming Board (SGPB)⁹⁰ coordinates mineral investigation activities in the State. This involves geological mapping of mineral bearing areas, core drilling, exploratory drilling and production, collection of mineral samples for laboratory studies, etc. The SGPB fixes the target for investigation of mines and minerals in its annual meetings.

6.2.10.1 Target and Achievement

Audit observed that

- the Department did not achieve the target for mineral investigation activities such as survey, geological mapping, contouring, drilling, etc., fixed by the SGPB during the years 2011-12 to 2015-16⁹¹. Details of target *vis-à-vis* achievement is given in *Appendix – XIII*;
- during 2011-16, the Department did not achieve the target for geological mapping, detailed geological mapping and contouring, geo-chemical mapping, drilling work and construction of exploratory wells as shown in **Table 6.4**:

Table 6.4

Sl. No.	Work	Target	Achievement	Percentage of achievement
1.	Geological Mapping	195.00 sq. km.	119.60 sq. km.	61.33
2.	Detailed Geological Mapping and Contouring	19.00 sq. km.	8.31 sq. km.	43.74
3.	Geochemical Mapping	820 sq. km.	104 sq. km.	12.68
4.	Drilling	1,650 meters	504 meters	30.55
5.	Exploratory Well	18 nos.	2 nos.	11.11

- mineral investigations relating to four projects⁹² were not carried out due to non-availability of fund during 2015-16.

It will be seen that the percentage of achievement during 2011-16 in the various investigating activities ranged from 11.11 to 61.33 *per cent* which suggests that the Department did not give due attention to this aspect of its mandate.

⁹⁰ SGPB was constituted in 1965. The Commissioner and Secretary, Mines and Minerals Department, GoA is the Chairperson, the Director, Geology and Mining Department is the Member Secretary and various State and Central Government Organisation such as Geological Survey of India, OIL, ONGCL, CIL, etc. and special invitees from other research institutes/institutions are participatory members.

⁹¹ Target and achievement for the year 2016-17 are yet to be received from the Department.

⁹² (i) Investigation of coal in Kalya –dung area near Bokulia of Karbi Anglong District (ii) Investigation of limestone at Bura Hundong area near , Dima Hasao District (iii) Reappraisal survey of copper mineral in Pancharatna Hill, Goalpara District (iv) Conversion of all existing hard form field investigation reports in the library of Directorate of Geology and Mining, Assam into soft form.

6.2.10.2 Action on mining operation of Mineral Reserve

As per Rule 75 of MCR, 1960, where a State Government proposes to undertake prospecting or mining operations of any mineral, it shall issue a notification in the Official Gazette giving details of the area and the period for which such operations are proposed to be undertaken.

Reserve deposits of different mineral resources⁹³ such as granite, china clay, iron ore, glass sand, fuller's earth and sillimanite in different districts of Assam are given in **Table 6.5**:

Table 6.5

Sl. No.	Deposits	Districts	Reserves
1.	Granite	Karbi Anglong, Kamrup, Goalpara	346.50 million cu. m.
2.	China Clay	Karbi Anglong	1.00 million tonnes
3.	Iron Ore	Dhubri, Goalpara	18.89 million tonnes
4.	Glass Sand	Nagaon	10.00 million tonnes
5.	Fuller's Earth	Baksa	13.00 million tonnes
6.	Sillimanite	Karbi Anglong	0.80 million tonnes

Source: Departmental Booklet "Assam Harnessing Mineral Wealth"

It was observed that during the period covered by this PA, the Department did not initiate any action for inviting expressions of interest from companies/ firms who may be interested to mine these minerals in the State. Extraction/exploitation of these minerals would have augmented the State's revenue by way of royalty, taxes, cess, etc., besides ushering in development of the local economy and the economic upliftment of the local populace.

The Department accepted (November 2017) the observation and stated that it has taken initiatives in this regard.

6.2.11 Management of Permit, Licence and Lease for Mining Operation

Mineral concessions include Reconnaissance Permits (RP)⁹⁴, Prospecting Licence (PL)⁹⁵ and Mining Lease (ML)⁹⁶. An application for RP/PL/ML for any land in which minerals vest shall be made to the State Government and shall be accompanied by the prescribed fee.

Audit noticed deficiencies in management of RP, PL and ML which are discussed in the subsequent paragraphs.

⁹³ Booklet "Assam Harnessing Mineral Wealth" published (November 2008) by the Directorate of Geology and Mining, Assam

⁹⁴ **Reconnaissance Permit (RP)** - This allows undertaking of reconnaissance operations for preliminary prospecting of mineral through regional, aerial, geophysical or geochemical surveys and geological mapping.

⁹⁵ **Prospecting Licence (PL)** - This allows prospecting operations for the purpose of exploring, locating or proving mineral deposits.

⁹⁶ **Mining Lease (ML)** - This allows undertaking of mining operations for the purpose of winning/ excavating minerals.

Systemic deficiencies

6.2.11.1 Disposal of applications for RP, PL and ML

(i) As per Rules 4 and 5 of the PNG Rules, 1959, Petroleum Mining Lease (PML) shall be granted by the State Government with the prior approval of the Central Government. Further, mining of petroleum shall commence from the date specified in the PML.

Audit noticed that out of 30 PMLs approved by GoI during 2002 to 2015, GoA issued 24 PMLs with delays ranging from one to 14 years as given in **Table 6.6**:

Table 6.6

	PML approved/issued by GoA after delay			
	Between 1 & 3 year	Between 3 & 7 years	Between 7 & 10 years	More than 10 years
No. of PMLs	9	11	2	2

Although no timeline is prescribed for grant of PML, six of the lease applications were kept pending for more than four to 14 years without any recorded reason.

Audit further noticed that production was taking place from ten lease areas prior to grant of lease from GoA as given in **Appendix - XIV**.

The Department accepted (November 2017) the observation and stated that it had disposed off all pending PMLs.

(ii) As per the MCR, 1960 the Government is required to dispose of the application for RP, PL and ML within six, nine and 12 months respectively from the date of receipt of applications.

This timeline was completely ignored as Audit observed that eight, three and one applications for ML, PL and RP respectively were submitted to the Department. As of June 2017, these applications were pending for more than five to 14 years without any recorded reasons as given in **Appendix - XV**.

Further, the Government was deprived of estimated royalty amounting to ₹ 419.49 crore during the period 2011-12 to 2016-17 in respect of eight mining leases for coal and limestone which otherwise it would have earned for just this period had the leases been granted.

The Department accepted (November 2017) the observation. Further development in this regard was awaited (February 2018).

6.2.11.2 Information of relinquishment of Petroleum Exploration Licence (PEL) area

Rule 22 of the PNG Rules and also agreement made between the Government and the licensee stipulate conditions regarding relinquishment of Petroleum Exploration Licence (PEL) area. Upon relinquishment in part or full of a licence, the licensee shall deliver the area after restoring it in good order and condition in accordance with international practices within six months from the date of such relinquishment. The licensee shall prior to the relinquishment of a licenced area, remove and dispose off any petroleum stores, equipment, tools, machinery from such area within six months of handing over of the area. If the same is not done by the licensee, the Government shall proceed with removal and disposal of petroleum stores, equipment, tools and machinery at the risk and cost of the licensee.

Audit observed that in respect of 30⁹⁷ out of 37 PELs, neither the licensees furnished any information regarding relinquishment of the leased area nor did the Department ask for the same after expiry of the PELs. In the absence of any information in this regard, Audit could not ascertain whether the licensees relinquished the area in good order or the licensees still held the areas in an unauthorised manner (February 2018).

6.2.11.3 Survey of leased areas

As per MCR and also Rule 15 of PNG Rules, at the time of granting lease, survey at the expenses of the lessee, is to be carried out by State Government for demarcation of the lease area.

Audit noticed that the Department had not initiated any action for survey and demarcation of 75 leases⁹⁸ granted till March 2017. Hence, occupation of area in excess of leased area granted to the lessees could not be ruled out.

The Department while accepting (November 2017) the audit observation stated that it would utilise Mining Surveillance System for monitoring of mining activities to curb illegal mining.

⁹⁷ (1)Dumduma Extension (2) Dumduma Extension-II (3) Tinsukia area (4) Dibruagarh (5) Marigharita area (6) Borhat area (7) Sadiya area (8) Murkongselek area (9) Murkongselek area-I (10) Merapani area (11) Titabar area (12) Sector-VI (Kopili valley) (13) Karbi Anglong area (14) Block AA-ONN/2 (15) Golaghat (16) AA-ONN-2001/3 (17) AA-ONN-2002/3 (18) AA-ONN-2003/3 (19) AA-ONN-2003/1 (20) AA-ONN-2004/1 (21) AA-ONN-2000/1 (22) AA-ONN-2004/2 (23) AA-ONN-2004/3 (24) AA-ONN-2004/5 (25) AA-ONN-2005/1 (26) AA-ONN-2009/3 (27) AA-ONN-2009/4 (28) AS-CMB-2008/IV (29) AA-ONN-2010/3 (30) AA-ONN-2010/2

⁹⁸ Crude Oil & Natural Gas: 57 nos., Coal: 12 nos. and Limestone: 6 nos.

6.2.11.4 Lapsed Mining leases

Under Rule 28 of the MCR, 1960, where mining operations do not commence within two years from the date of execution of the lease, or are discontinued for a continuous period of two years after commencement of such operations, the State Government shall, by an order, declare the mining lease as lapsed and communicate this decision to the lessee. In case reasons for this are beyond the control of the lessee, he is required to submit an application to the State Government, explaining the reasons for the same, at least three months before the expiry of such period. The State Government may on receipt of an application made and on being satisfied about the adequacy and genuineness of the reasons for the non-commencement of mining operations or discontinuance thereof, extend or refuse to extend the period of the lease.

(i) Audit observed that three leaseholders of limestone either did not commence mining operation or discontinued their mining operations for more than continuous two years. The reasons for non-commencement or discontinuance of mining operation were not on record. No steps were taken by the Department to declare these leases as lapsed and to notify the same for inviting expression of interest from companies/ firm thereby incurring a potential revenue loss of ₹ 174.99 crore by way of royalty on limestone. Details are given in **Table 6.7**:

Table 6.7

Sl. No.	Name of leaseholder	Period of non-commencement or discontinuance of mining operation		Total period without mining operation	Potential Loss ⁹⁹ (₹ in crore)
		From	To		
1.	Assam Industrial Development Corporation/ Calcom Cement Ltd.	1992 (since inception)	Till date	More than 25 years	170.97
2	Umrongso Cement Ltd.	February 2005	November 2016	More than 11 years	3.26
3.	North Eastern Cement	February 2012	August 2015	More than three years	0.76
Total					174.99

Source: Departmental records

(ii) As per Rule 75 of MCR, where a State Government proposes to undertake mining operations of any mineral, it shall issue a notification in the Official Gazette

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Sl. No.	Name of the leaseholders	Period	Qty. likely to be extracted (in MMT)	Estimated Royalty (₹ in crore)	Dead Rent paid (₹ in crore)	Potential loss (₹ in crore)
1	AIDC	1994-95 to 2016-17	342.70	171.50	0.53	170.97
2	UCL	2005-06 to 2015-16	5.50	3.27	0.01	3.26
3	NECEM	2012-13 to 2014-15	1.20	0.76	0	0.76
Total:				175.53	0.54	174.99

giving details of the area and the period for which such operations are proposed to be undertaken.

The State Government rejected (April 2004) applications made by Coal India Ltd. (CIL), North Eastern Coalfield (NEC) (17 July 2002) for renewal of three coal mining leases¹⁰⁰ on grounds of non-commencement of mining operations in the mining areas since July 1973 and declared as lapsed.

Further, scrutiny revealed that none of these mining leases had been notified for re-granting of leases after lapse of more than 13 years from the date of being declared lapsed and reasons were not found recorded.

Non-notification of coal blocks resulted in expected revenue loss¹⁰¹ to the Government in the form of royalty. Further, possibility of illegal mining also could not be ruled out.

The Department stated (December 2017) that the matter will be suitably addressed. Further development was awaited (February 2018).

6.2.11.5 Mining Plan

Rule 22 and 22A of MCR, 1960 stipulate that mining operation shall be undertaken in accordance with a duly approved mining plan. Modification of the approved mining plan during the operation of mining lease also requires prior approval. The mining plan shall incorporate details of geology & lithology of the leased area, extent of manual mining or mechanical mining, environmental protection plan, tentative scheme, annual programme, plan for excavation for five years and progressive mine closure plan.

Audit observed that complete approved mining plans were not available in the files relating to 48 leases¹⁰² made available to Audit giving rise to the possibility that the Department granted leases and allowed mining operations without obtaining the complete approved mining plans which was in contravention of the Rules *ibid*.

The Department stated (December 2017) that matter will be suitably addressed. Further development was awaited (February 2018).

¹⁰⁰ (i) Sheelvata (253 Hectare)-KarbiAnglong (ii) Koilajan (681 Hectare)-KarbiAnglong (iii) Bimalapore (750 Hectare)-Sivasagar

¹⁰¹ Loss of revenue could not be quantified due to non-availability of mining plan, details of quantity likely to be extracted, etc.

¹⁰² (1) Lakwa (2) Geleki (3) Rudrasagar (4) Banamali (5) Charijali Extension-I (6) Geleki Extension-I (7) Geleki Extension-II (8) Laiplinggaon (9) Namti (10) Panidihing (11) Sonari (12) Makeypore-Santak-Nazira (13) South East Geleki (14) North Rudrasagar (15) East Changmaigaon Extension (16) Khoraghat Extension-I (17) Nambar (F) (18) Kasmorigaon (19) North Patharia (20) Kalyanpur (21) Sector V.C. Block (22) Charijali (23) Kasmorigaon (Additional) (24) Cachar (25) Khoraghat

(26) Tinsukia Extension (27) Borhat (28) Naharkatia (29) Naharkatia Extension (30) Hugrijan (31) Moran (32) Dumduma (33) Dibugarh (34) Tinsukia (35) Digboi (36) Baghjan (37) Dumduma Extension (38) Chabua (39) Tikok (40) Tipong Colliery Underground (41) Tirap Colliery (42) Garampani (43) Khota-Arda (44) AMDC (45) VCL (46) UCL (47) AIDC/Calcom (48) CCI

6.2.11.6 Operation of mining lease by another lessee without consent of the State Government

Rule 37, 47 & 62 of the MCR, 1960 stipulates that prior permission of the Government should be obtained in the event of a mining lease being transferred from the original allottee to another party. Further, Rule 52 (2) provides that if any person transfers a mining lease in contravention of any of the provisions, he shall be punished with imprisonment which may extend to one year or fine which may extend to five thousand rupees or both.

Audit noticed that the Department granted a lease (in January 1986 and renewed in January 2006) to M/s Vinay Cement Ltd. for mining of limestone at Umrongso. The Department, however, accepted monthly returns submitted (since April 2016) by M/s Dalmia Bharat Cement. The Department stated that no lease was transferred to M/s Dalmia Bharat Cement. The mining operation by M/s Dalmia Bharat Cement without transferring of lease by M/s Vinay Cement Ltd. with prior consent from the GoA was therefore, irregular.

The Department accepted the fact and stated that correspondences have been made in this regard. Further development was awaited (February 2018).

6.2.11.7 Incorrect determination of Stamp Duty and non-registration of lease deeds

Stamp Duty to be paid for a ML deed, is assessed as per the Indian Stamp Act, 1899 applicable in Assam. Section 26 of the said Act provides that for purposes of determination of Stamp Duty of a mining lease, the value of the lease shall be taken as the estimated royalty to be obtained from it.

Section 17(1) (d) read with Section 49 of the Registration Act, 1908 provides for registration of all lease deeds where the period of lease granted is more than one year. The deed if not registered, would not qualify to be an evidence of a contract.

Stamp Duty and Registration fee are to be borne by the lessee.

Further, the PAC in its 134th Report¹⁰³ recommended that the Department should ensure the execution of lease deeds only after payment of stamp and registration fee.

The Department could furnish to Audit the records of only 32 lease deeds out of 75 MLs granted till March 2017.

¹⁰³ 134th Report dated 30 January 2014 presented to the House on 15 February 2014.

(i) Scrutiny of the 32 lease deeds revealed that in 16 cases, the Department did not determine the Stamp Duty as per the estimated royalty based on assessment of quantity of minerals expected to be mined or extracted during the entire period of mining lease as per the Stamp Act. As a consequence, the leaseholders paid only ₹ 9.57 lakh as Stamp Duty against ₹ 158.99 crore payable as given in **Appendix - XVI**. In the remaining 16 cases, the correct Stamp Duty to be levied could not be ascertained due to non-availability of estimated extractable quantity of minerals.

Audit could not ascertain whether the correct Stamp Duty was determined by the Department in respect of the 43 other lease deeds, the records of which were not furnished.

The Department stated (December 2017) that the 16 leaseholders were directed to deposit all outstanding dues. Further development in this regard was awaited (February 2018).

(ii) Audit observed that none of the 32 lease deeds were registered before the Competent Authority. This resulted in loss of Government revenue by way of registration fee amounting to ₹ 14.99 lakh as given in **Appendix - XVII**. Besides, in the remaining 43 cases, audit could not ascertain registration fee due to non-production of records.

Compliance deficiencies

6.2.11.8 Non/short payment of Licence Fee for Petroleum Exploration Licence (PEL)

Rule 11(2) of the PNG Rules, 1959 provides that the licensee of a PEL shall pay yearly in advance by way of licence fee, a sum calculated for each square kilometer or part thereof covered by the licence at the prescribed rates.

Rule 23 of the PNG Rules further provides that all licence fees, lease fees, royalties and other payments have to be paid within the specified time. They would, if not, be increased by a penal rate of 200 basis points over the Prime Lending Rate¹⁰⁴ of State Bank of India for the delayed period.

(i) Audit observed that out of 37 petroleum exploration licensees (PELs), two licensees paid licence fee amounting to ₹ 45 lakh against ₹ 46.53 lakh actually payable and 11 licensees had not paid any fees amounting to ₹ 5.96 crore during

¹⁰⁴ The prime lending rate (PLR) is the interest rate charged by the banks to their largest, most secure and more credit worthy customers on short term loans. This rate is used as a guide for computing interest rates for other borrowers. The average lending rate in India is 13.75 per cent from 1978 to 2017.

October 2007 to March 2017 as given in *Appendix - XVIII*. The Department did not take any action for realisation of the same.

The Department stated (November 2017) that correspondences have been made with the licence holders. Further development was awaited (February 2018).

(ii) Audit observed that 16 out of the 37 licensees paid licence fees with delays ranging between 4 and 961 days. The Department had not demanded/ levied penal interest for delayed payment of licence fee which worked out¹⁰⁵ to ₹ 38.06 lakh as given in *Appendix - XIX*.

The Department stated (December 2017) that the concerned parties were directed to deposit all outstanding dues, interest and penalty. Further development in this regard was awaited (February 2018).

6.2.11.9 Short deposit of Statutory Fees for Petroleum Mining Lease (PML)

As per Rules 6 and 13(1) of the PNG Rules, 1959, the applicant of PML shall, before the lease is granted to him, deposit statutory fees such as Security Deposit, Preliminary Expenses and Lease Fee at the prescribed rates.

Audit observed that 17 out of 44 petroleum leaseholders paid statutory fees amounting to ₹ 50 lakh against payable statutory fee of ₹ 1.65 crore. This led to short payment of statutory fee of ₹ 1.15 crore as given in *Appendix - XX*.

The Department stated (December 2017) that the concerned parties were directed to deposit all outstanding dues. Further development was awaited (February 2018).

6.2.12 Assessment, Collection and Levy of Royalty and other dues

Royalty is the amount payable to the State Government on account of any extraction/ removal of mineral oil, natural gas and other minerals from any land. The Department is required to assess the amount of royalty, dead rent, surface rent payable by the lessees from the monthly returns submitted to the Department. This is to ensure regular collection of revenue. The irregularities noticed in Audit in this regard are discussed in the succeeding paragraphs.

¹⁰⁵ Penal interest calculated on the basis of average lending rate i. e. 13.75 per cent + 200 basis point i.e. (2 per cent)= 15.75 per cent per annum.

Systemic deficiencies

6.2.12.1 Absence of a mechanism for obtaining relevant data/records from the leaseholders

The Department assessed the amount of royalty exclusively on the basis of monthly returns furnished by the leaseholders. Thus, the royalty paid by the leaseholders was accepted by the Department without cross-verification of important data/details, essential for making a correct assessment, like;

- (a) lease-wise annual quantity of production/ extraction Statement for oil and natural gas separately;
- (b) trading and manufacturing account;
- (c) profit and loss account, Annual Financial Statement and Annual Report, wherever required; and,
- (d) sales invoices.

The PAC¹⁰⁶ while discussing the C&AG's Audit Report¹⁰⁷ recommended that the Department should put in place a system of assessment by co-relating the returns of the lessees with other connected records.

Audit noticed that even after lapse of four years of recommendation of PAC, the Department had not put in place a system to co-relate the returns of the lessees with other records. Due to this, suppression of production of oil and natural gas in monthly returns remained undetected leading to short payment of royalty as discussed in succeeding paragraphs.

(i) Audit cross checked the figures of net production of crude oil and natural gas of OIL as shown in its monthly returns for the years 2011-16 (except 2012-13)¹⁰⁸ with those shown in the Annual Accounts. It was noticed that the net production during the aforesaid period was shown less in the monthly returns leading to short payment of royalty amounting to ₹ 128.91 crore as given in *Appendix - XXI*.

(ii) ONGCL prepared its annual accounts for the whole of India without mentioning the production of crude oil and natural gas for Assam separately. Therefore, in order to obtain ONGCL's net production of crude oil and natural gas,

¹⁰⁶ 134th Report dated 30 January 2014 placed in the House on 15 February 2014.

¹⁰⁷ Para No.6.2.8 of the Performance Audit on "Mining Receipts-assessment, levy and collection of royalty, fees and rent" included in the Comptroller & Auditor General (C&AG) of India's Audit Report (Revenue Receipts), GoA for the year ending 31 March 2010

¹⁰⁸ Net production of crude oil and natural gas for Assam had not been depicted in Annual Account of OIL for the year 2012-13.

Audit took the figures of total net production in Assam as declared in the Mineral Year Books¹⁰⁹ and from this deducted the net production of OIL as disclosed in its annual accounts for the years 2011-15¹¹⁰. The net production so worked out was more than that disclosed in monthly returns submitted by ONGCL. This resulted in suppression of production figures leading to short payment of royalty amounting to ₹ 222.88 crore as given in *Appendix - XXI*.

(iii) Audit noticed that production/despached quantity of limestone disclosed by one leaseholder¹¹¹ in its monthly returns¹¹² was less than that disclosed in its return submitted to Regional Controller of Mines, Indian Bureau of Mines, Guwahati. This resulted in suppression of production/despached quantity of limestone leading to short payment of royalty of ₹ 1.12 lakh as given in *Appendix - XXII*.

The Department stated (November 2017) that “the matter will be looked into”. Further development in this regard was awaited (February 2018).

6.2.12.2 Loss of revenue due to absence of standard norms or maximum permissible limit for unavoidable loss

Section 6A (3) of the ORD Act, 1948 and Rule 14 of the PNG Rules, 1959 stipulate that no royalty shall be payable in respect of any crude oil, casing head condensate or natural gas which is unavoidably lost or is returned to the reservoir or is used for drilling or other operations relating to the production of petroleum or natural gas, or both. The Rules do not, however, specify any standard norms or maximum permissible limit for quantity utilised for operations relating to production or any unavoidable loss.

The GoA had taken up the matter (May 2002 and November 2008) with the MoPNG, GoI to restrict the element of ‘unavoidable loss’ to a maximum limit of 0.5 *per cent* for crude oil and 5.0 *per cent* for natural gas through suitable amendment of PNG Rules, 1959. Approval for the same from GoI was awaited (February 2018).

The PAC¹¹³ discussed the C&AG’s Audit Report¹¹⁴ and recommended that a joint committee should be formed involving both the State and the Central Government to examine the matter and take decision in the interest of the State and action taken in this regards was to be intimated to the Committee within three months from the date of presentation of report before the House.

¹⁰⁹ Published by Indian Bureau of Mines

¹¹⁰ Except 2012-13, for which monthly returns of OIL were considered since net production was not disclosed in annual account of 2012-13.

¹¹¹ M/s North Eastern Cement (NECEM) Ltd.

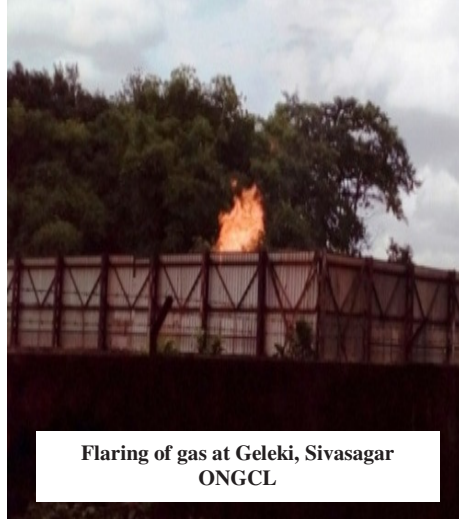
¹¹² For the period from August 2011 to January 2012

¹¹³ 134th Report dated 30 January 2014 placed in the House on 15 February 2014.

¹¹⁴ Para No.6.2.10 in the Performance Audit on “Mining Receipts-assessment, levy and collection of royalty, fees and rent” included in the Comptroller & Auditor General (C&AG) of India’s Audit Report (Revenue Receipts) GoA for the year ending 31 March 2010

The Department neither constituted the joint committee nor took any further action in the light of PAC's recommendation.

- (i) Audit observed that during 2011-17, ONGCL and OIL had claimed unavoidable loss in respect of natural gas which varied from 8.00 to 19.33 *per cent* and 4.57 to 6.84 *per cent* respectively.



Flaring of gas at Geleki, Sivasagar
ONGCL

Audit further observed that during 2011-17, ONGCL had claimed unavoidable loss in respect of crude oil which varied from 1.08 to 2.21 *per cent*. OIL, however, did not claim any unavoidable loss in respect of crude oil as given in *Appendix XXIII*.

The claims for unavoidable loss of crude oil and natural gas were not consistent. Had the norms been approved by the GoI, the GoA would have for 2011-17 earned additional royalty of ₹ 51.72 crore.

- (ii) Audit noticed from monthly returns that one mining lessee¹¹⁵ had produced 19,56,875 SCUM¹¹⁶ natural gas, of which 17,51,175 SCUM (89.49 *per cent*) had been utilised for mining operations and claimed 2,05,700 SCUM (10.51 *per cent*) as unavoidable loss during 2011-17. Another lessee¹¹⁷ had produced 98,68,731 SCUM natural gas and utilised entire quantity of natural gas for mining operations during the same period without claiming unavoidable loss (details in *Appendix – XXIV*). In both the cases, there were 'nil' production and hence the State did not earn any royalty from those two leases during 2011-17.

The Department did not analyse the reason for 'nil' production for six continuous years in respect of the two PMLs.

The Department stated (December 2017) that communication with GoI was made (December 2017) to nominate one officer to constitute a joint committee to look into the matter. Further development in this regard was awaited (February 2018).

¹¹⁵ Sonari (ONGCL)

¹¹⁶ Standard Cubic Meter

¹¹⁷ Digboi (OIL)

6.2.12.3 Levy of royalty on natural gas at different rates

The PNG Rules stipulated that a lessee shall pay to the State Government a royalty at 10 *per cent* of the value of natural gas. The price of natural gas is declared on a six-monthly basis by MoPNG, GoI.

Audit noticed that OIL paid royalty to the State Government on natural gas during the periods 2011-17 at annual average rates ranging from ₹ 606.97 to ₹ 937.29 per thousand SCUM. However, ONGCL during the same period paid royalty at annual average rates ranging from ₹ 697.12 to ₹ 1,184.53 per thousand SCUM. OIL was paying royalty on natural gas at the lesser rates compared to that of ONGCL. This resulted in short levy of royalty to the extent of ₹ 195.76 crore by OIL as given in *Appendix - XXV*. The Department did not analyse the reason for difference of rates of royalty on natural gas.

The Department stated (December 2017) that OIL was directed to deposit all outstanding royalties. Further development in this regard was awaited (February 2018).

6.2.12.4 Non-payment of surface rent

Rule 13(2) (b) of the PNG Rules, 1959 provides that the lessee has to pay surface rent for the area of land actually used by him/her for the purpose of operations conducted under the land, at such rate not exceeding the land revenue and cess assessed or assessable on the land as specified by the State Government with the approval of the Central Government.

Audit noticed that out of 57 PMLs (ONGCL: 40 PMLs and OIL: 17 PMLs) granted in Assam upto March 2017, ONGCL and OIL paid surface rent for only three and 15 PMLs respectively. The Department did not initiate action for realisation of surface rent in respect of remaining PMLs since the date of their commencement of mining operations. This resulted in loss of revenue amounting to ₹ 20.34 crore (calculated upto March 2017) as given in (*Appendix – XXVI*).

The Department stated (December 2017) that the concerned parties were directed to deposit all outstanding surface rent. Further development in this regard was awaited (February 2018).

Compliance deficiencies

6.2.12.5 Short payment/ delayed payment of royalty

Under the Section 9 of the MMDR Act, 1957, the holder of a mining lease is required to pay royalty on removal or consumption of mineral from the lease area at the rate for the time being specified in the Second Schedule of the Act. Further, as per Rule 64A of the MCR, 1960, simple interest at the rate of 24 *per cent* per annum may be charged on any rent, royalty or fee from the sixtieth day of expiry of due date to till date of payment. The GoA fixed (July 1988) 10th day of each calendar month as the due date for payment of royalty, rent, fee, etc., on minerals produced during the preceding month.

Audit noticed that

- one lease holder¹¹⁸ paid royalty amounting to ₹ 1.00 lakh against royalty payable of ₹ 3.22 lakh on despatch of 12,789 MT limestone during 2011-12. Thus, there was short payment of ₹ 2.22 lakh towards royalty.
- three leaseholders paid royalty with delays ranging from 2 to 2,925 days, but interest amounting to ₹ 13.19 lakh was not paid (details in *Appendix – XXVII*).

The Department stated (November 2017) that demand notice has been issued to the lease-holders. Confirmation of realisation of the same was awaited (February 2018).

6.2.12.6 Short payment/ delayed payment of share of royalty to District Councils

Under the Sixth Schedule of the Constitution of India, the District Councils are entitled to a share of royalty, which would belong to them without being routed through the Consolidated Fund of the State. The Hill Areas Department, GoA prescribed (January 1983) the procedure for payment of shares of royalty of minerals to District Councils. It instructed that 60 *per cent* of the royalty due would be paid by the leaseholders straightaway into the relevant receipt head of account of the concerned District Council. The balance 40 *per cent* would be paid into receipt head of account of the State Government. The responsibility of Mines and Minerals Department is to periodically verify the timely payment of due royalty to the District Councils and the State Government.

¹¹⁸ M/s North Eastern Cement (NECEM) Ltd

Audit noticed that

- One lease holder¹¹⁹ paid ₹ 25.06 lakh to North Cachar Hills Autonomous Council against payable royalty of ₹ 54.02 lakh (being 60 *per cent* share of total royalty due during 2004-05 to 2016-17) leaving a balance of ₹ 28.96 lakh unpaid. (*Appendix - XXVIII*). Audit could not quantify the interest amount as details of pendency were not made available. The Department stated (November 2017) that demand has been issued to the lease holder. Further development in this regard was awaited (February 2018).
- Two lease holders¹²⁰ paid royalty to District Councils concerned with delays ranging from 29 to 386 days, but interest amounting to ₹ 13.31 lakh had not been paid (*Appendix – XXIX*).

6.2.12.7 Dead Rent

The PNG Rules and the MMDR Act have provisions for payment of dead rent to act as a deterrent against the tendency of leaseholders of mining leases to keep mines idle.

- (i) Rule 13 (2)(a) of PNG Rules prescribes that the lessee shall pay for every year, fixed yearly dead rent at the prescribed rates, provided that lessee shall be liable to pay only the dead rent or the royalty, whichever is higher in amount but not both.

Audit noticed that there was no production in respect of 19 PMLs (ONGCL: 15 and OIL: 4) for which dead rent of ₹ 14.24 crore was not realised (details given in *Appendix – XXX*). The Department did not raise any demand for recovery of dead rent since October 2002.

- (ii) Under section 9A of the MMDR Act, 1957, the holder of a mining lease shall be liable to pay either royalty, or the dead rent in respect of leased area, whichever is higher as per the rates of dead rent notified by the Central Government from time to time.

Audit observed that four lease holders of coal and limestone did not pay or paid short the amount towards dead rent which worked out to ₹ 30.09 lakh (details given in *Appendix – XXXI*). The Department did not initiate any action to realise the same.

¹¹⁹ M/s North Eastern Cement (NECEM) Ltd

¹²⁰ (i) M/s Cement Corporation of India Ltd. (CCIL) (ii) M/s Vinay Cement Ltd. (VCL)

(iii) As per Rule 64A of the MCR, 1960, simple interest at the rate of 24 *per cent* per annum may be charged on any rent, royalty or fee from the sixtieth day of expiry of due date till date of payment.

Audit noticed that four leaseholders paid dead rent with delays ranging from 51 to 1,957 days. However, they did not pay interest amounting to ₹ 9.82 lakh (details given in (*Appendix – XXXII*)). The Department did not detect the same and also did not initiate realisation of the interest amount.

The Department stated (December 2017) that the concerned parties were directed to deposit all outstanding dues. Confirmation of realisation of dead rent and interest was awaited (February 2018).

6.2.12.8 District Mineral Foundation Trust (DMFT)

As per Section 9B of the MMDR Act, 1957 and the Mines & Minerals (Contribution to District Mineral Foundation) Rules, 2015 effective from 12 January 2015, every holder of a mining lease or prospecting licence, shall in addition to the royalty, pay to the concerned DMFT, an amount at the rate of 10 *per cent* of the royalty paid (for which lease /licence granted on or after 12 January 2015) or at the rate of 30 *per cent* of the royalty paid in respect of lease/licence granted before 12 January 2015.

GoA accorded approval¹²¹ in August 2016 for establishment of a DMFT in every district affected by mining related operations. However, the DMFTs have not been established in Assam even after a lapse of two years.

The Department stated (November 2017) that DMFTs have since been constituted and that lessees have been instructed to deposit their contribution in the DMFT. However, the financial status of these DMFTs was not intimated (February 2018).

6.2.12.9 National Mineral Exploration Trust Fund (NMETF)

Under Section 9C of the MMDR Act, 1957, GoI notified¹²² the National Mineral Exploration Trust (NMET) Rules, 2015 and set up¹²³ the NMETF effective from 12 January 2015. The GoI instructed¹²⁴ (14 September 2015) that all payments of royalty must be collected along with NMETF component at 2 *per cent* of the royalty and no royalty payment should be accepted without the mandatory contribution towards the NMETF. The liability of payment towards NMETF accrues from 12 January 2015 on all royalty payments.

¹²¹ Notification No. PEM.40/2015/101 dated 26 August 2016

¹²² Notification No. GSR 632 (E) dated 14 August 2015

¹²³ Notification No.633 (E) dated 14 August 2015

¹²⁴ Letter no. F. No. 6/1/2015-NMET dated 14 September 2015

Audit observed that six leaseholders paid royalty amounting to ₹ 97.64 crore on despatch of coal and limestone during 12 January 2015 to March 2017. The leaseholders paid ₹ 0.90 crore against payable amount of ₹ 1.95 crore resulting in short payment of ₹ 1.05 crore towards NMETF (details given in *Appendix – XXXIII*).

The Department did not initiate any action to realise the same despite instructions issued (September 2015) by GoI not to accept royalty without mandatory contribution towards NMETF.

The Department stated (December 2017) that the concerned parties were directed to deposit all outstanding dues. Confirmation of realisation of dues was awaited (February 2018).

6.2.13 Other issues

6.2.13.1 Demand, Collection and Balance (DCB) Register

The Demand, Collection and Balance (DCB) Register/ Statement is a key control document, required to be maintained for effective monitoring and control over the assessment and collection of royalty and other government dues.

Audit observed that the Department did not maintain DCB Register/Statement to watch the assessment and collection of royalty, dues, fees, etc., from the licensees or lessee.

The Department stated before the PAC¹²⁵ while discussing the C&AG's Audit Report¹²⁶ that steps had already been taken in this regard.

Even after a lapse of four years from the time the assurance was given to the Committee, the Department was yet to implement the same (February 2018).

6.2.13.2 Illegal mining, transportation and storage of minerals

Section 23 of the MMDR Act, empowered the State Government to frame rules for preventing illegal mining, transportation and storage of minerals. Such rule may provide for inspection, checking and searching of minerals at the place of excavation or storage or during transit, establishment of check-posts and weighbridges to measure the quantity of minerals being transported.

¹²⁵ 134th Report dated 30 January 2014 presented to the House on 15 February 2014.

¹²⁶ Para Nos. 6.2.9.1 to 6.2.9.6 in the Performance Audit on "Mining Receipts-assessment, levy and collection of royalty, fees and rent" included in the Comptroller & Auditor General of India's Audit Report (Revenue Receipts), GoA for the year ending 31 March 2010

Audit noticed that

- the State Government has yet to frame any rules in pursuance of the provision of the Act. Failure to frame rules showed lack of determination on the part of the Department to effectively tackle illegal mining;
- the Department had not prescribed any system for inspection of the leased areas to check whether mining activities were being carried out in lawful manner as per approved mining plan;
- the Department did not install/ establish weighbridges and check-posts at any of the mining operation areas and also did not examine/carry out any testing of weighing machines installed by leaseholders. In absence of departmental weighbridges or any examination/ testing of leaseholder's weighing machines, the leaseholders did their weighments in their own ways thereby leaving scope for leakage of revenue; and,
- the Department did not have a vigilance, enforcement and inspection wing for conducting search/seizure, detecting fraud, evasion and preventing illegal mining in the absence of which, unauthorised mining activities in the State could not be ruled out.

6.2.13.3 State Level Co-ordination-cum-Empowered Committee

The Government constituted¹²⁷ (26 November 2009) the State Level Co-ordination-cum-Empowered Committee for the following functions. The Commissioner and Secretary, GoA, Mines and Mineral Department is the Chairman and the Director, Geology and Mining is the Member Secretary of the Committee.

- (i) effect co-ordination with Revenue Department for managing the land for purposes of concession;
- (ii) ensure that clearance/ NOCs/ approvals are given by Forest, Environment and other Department in a streamlined way;
- (iii) monitor process of approval of concession and compliances with concession conditions; and
- (iv) ensure building up of computerised database, effectively integrated with other State level database

The Department stated (July 2017) that information regarding number of meetings, minutes of meeting, etc., in respect of this committee was not available. In absence of such information, audit could not assess the performance of the Committee.

¹²⁷ Notification No. PEM. 6/09/82 dated 26 November 2009.

6.2.13.4 Environmental Issues

The National Mineral Policy, 2008 endeavored the close linkage between mining and environmental issues. It emphasised upon development of a framework for sustainable mining activity alongside suitable measures for restoration of ecological balance.

The following shortcomings were noticed in this report:

(i) Forest Clearance not obtained from the Competent Authority

The GoI while granting PMLs instructed that Forest Clearance from the Competent Authority should be obtained for the Reserved Forest areas falling in the leased areas.

Test check of records revealed that 17 lease holders of PMLs as given in *Appendix - XXXIV* did not obtain the said clearance from the concerned Divisional Forest Officer (DFO) though parts of the leased areas fell in Reserved Forest areas.

(ii) Inspection of mining sites to check plantation work

As per Rule 27 of the Mineral Concession Rules, 1960, the lessee shall –

(i) take immediate measures for planting in the same area or any other area selected by the Government not less than twice the number of trees destroyed by reasons of any mining operations;



Limestone Mining Sites, CCIL, Karbi Anglong

(ii) look after them during the subsistence of the lease after which these shall be handed over to the State Forests Department; and,

(iii) restore, to the extent possible flora destroyed by the mining operations.

Audit noticed that the Department had not inspected the mining operation sites to check implementation of this Rule nor did it maintain any lease-wise record in this regard.

(iii) NOC and Consent not obtained from State Pollution Control Board

Under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 read with the Air (Prevention and Control of Pollution) Act, 1981, an industrial unit has to obtain No Objection Certificate (NOC) from the State Pollution Control Board before installation of any industry and has to obtain consent every year for operation of the industry.

Audit noticed that three leaseholders¹²⁸ were operating limestone mines without obtaining NOC from the State Pollution Control Board. The Department did not issue any instruction to the leaseholders in this regard.

6.2.13.5 Satellite Imagery data and physical field data for assessment of mineral wealth

Remote Sensing Data (RSD) coupled with information obtained from Geological Survey of India (GSI) through physical probes, sampling, etc., could be used to fix floor level of quantities and quality of mineral wealth that can reasonably be expected to be extracted from a lease site within a mining plan timeline and revenue expected in terms of royalty. If quantity reported as mined is less than the floor level quantity, suitable penalties can be fixed to minimise loss to public exchequer and to curtail illegal mining. The Department, however, was yet to explore this possibility for optimising mineral exploration and extraction and to mitigate the ill effects of mining.

6.2.13.6 Digitisation of records



Most of the leases were granted to companies such as OIL, ONGCL and CIL more than 20 years ago. It is essential to maintain the related documents such as applications, approved mining plan, environment and forest clearance, statutory payment details and lease deeds in a proper way, as mining operation is still going on. The Department, however, did not explore the possibility of digitising these documents.

¹²⁸ (1) M/s Umrongso Cement Ltd. (2) North Eastern Cement (NECEM) Ltd. (3) Assam Industrial Development Corporation (AIDC)/Calcom

6.2.13.7 Software purchased but not used

It was noticed that the Department had purchased two softwares, namely, AutoCAD¹²⁹ and Arc GIS¹³⁰ 10.2 during 2015-16 for ₹ 18.25 lakh. The software was purchased for 2D and 3D designing and drafting, digital image processing, geo-referencing, digital elevation map generation, etc. The Department, however, was yet to install the software (August 2017).

6.2.14 Conclusion

The Geology and Mining Department being responsible for overall administration of mining operations in the State, did not effectively perform its role to ensure optimum exploration of the State's vital natural resources which in turn would have further augmented the revenues of the State.

Being a revenue collecting Department, maintenance of demand collection and balance due registers is of utmost importance. These records were not maintained. There was no monitoring of processes relating to issue of mining leases, neither were the returns submitted cross-linked with relevant records. Therefore, apart from the instances of revenue leakages brought out in this PA, the correctness of revenue realised was difficult to ascertain.

Initiative was lacking in prevention of illegal mining, as no rules were framed in this regard. Instances of operation of mining leases without environmental consent and non-inspection of plantation works at mining sites indicated the Department's lack of seriousness with regard to enforcement and environmental issues.

Digitisation of important documents for long term storage and utilising satellite imageries and field data for assessment of mineral wealth was not explored.

6.2.15 Recommendations

Audit recommends that the Department may consider-


- instituting a system to monitor overall administration of the responsibilities assigned to the Department relating to grant/ re-grant, monitoring and reporting relating to leases;
- strengthening of internal controls and mandatory maintenance of Demand, Collection and Balance (DCB) Register to ensure correct assessment and realisation of revenue;

¹²⁹ Automated Computer Aided Design (AutoCAD) is a commercial Computer aided design and drafting software application.

¹³⁰ Arc GIS is a complete, single, integrated system software for geographic data creation, management, integration and analysis.

- framing of rules for preventing illegal mining, transportation and storage of minerals and establishing sufficient numbers of check-posts and weighbridges besides regular inspection of mining operation sites;
- digitisation of old records and use of GIS technology to control illegal mining and degradation of forests due to excess/uncontrolled mining activities.

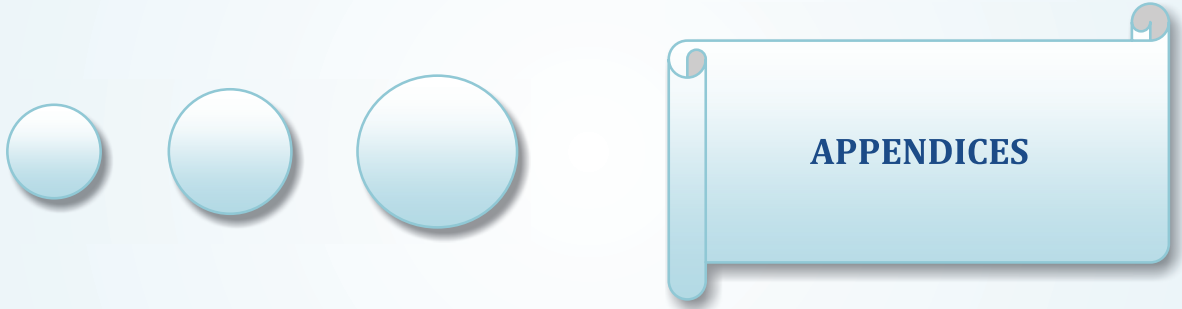
Guwahati
Dated : 11 May 2018


(RASHMI AGGARWAL)
Accountant General (Audit), Assam

Countersigned

New Delhi
Dated : 15 May 2018


(RAJIV MEHRISHI)
Comptroller and Auditor General of India



APPENDICES

Appendix – I
(Reference: Paragraph 1.7.3)

Action taken by the Excise Department on the recommendations

Year of Audit Report	Name of the Performance Audit	Recommendations	Action taken by the Department/ Government
2012-13	‘Receipts under State Excise’	<p>The Commissioner of Excise (CE), Assam may arrange to reconcile the figure of ENA intake as reported to the Government of Assam by them and as indicated by the bottling units.</p> <p>The State Excise (SE) Department may consider suitably revising the format for monthly reports of bottling units to provide space for depicting the volume of ENA permitted during the month and corresponding remarks column for incorporating the reasons for variation.</p>	<p>All Superintendents of Excise at district level directed to take necessary action to reconcile ENA receipt statements and arrival reports and also import permits issued etc.</p> <p>The format for monthly report may be revised. However, with introduction of online permit system, any loopholes in the matter shall be resolved to certain extent.</p>
		<p>The CE, Assam may arrange to carry out periodic cross verification of ENA intake reported by the bottling units with the dispatch figures of distilleries located in other States.</p>	<p>All issues from distilleries are responded back with production of EVC. Further, the exporting authorities were requested to cross verify the ENA intake by various bottling units of Assam with that of issue figures of ENA by the distilleries located outside the State.</p>
		<p>In view of absence of countersignature of Non Execution Certificates (NECs) issued from other States, the CE, Assam may install a system of carrying out regular cross verification of the NECs/short supply certificates received from other States.</p>	<p>Matter has been brought to the notice of the Commissioner of Excise of other states for countersignature of a superior Excise officer of the district. Cross verification of the NECs/short supply certificates may be done with exporting states. However, this may be done through e-mail.</p>
		<p>The SE Department may consider the prescription of norms for production of IMFL from ENA to prevent loss of revenue. They may also make suitable amendments in the formats for reporting production by bottling units to provide for such norm so that any variation in production can prima facie be visible from the returns.</p>	<p>The Standard formula for production of IMFL from ENA has been clarified as per amended Rule 88 of the Assam Excise Rules, 2016. Earlier, as per audit recommendation a benchmark formula was fixed vide this office order No. III-204/2012-13/Pt-IV/9 dtd.03/12/2014.</p>
		<p>The SE Department may consider implementing a system of surprise checks to be conducted on a random basis to examine the strength of IMFL. They may also make the bottling units and the Chemical Examiner of GoA accountable for any variation found during surprise checks.</p>	<p>The CE, Assam directed district Superintendents of Excise to take steps for surprise checking for any variation of strength of IMFL. Further, it may be stated here that for any variation of strength found during surprise checking, concerned officer-in-charge of bottling units, Chemical Examiner of Excise, Assam and licensees shall be accountable.</p>
		<p>The SE Department may initiate process for re-classifying the brands in view of their ex-bond and the maximum retail prices. Also, they may devise a mechanism for re-verifying the classification in view of the MRP printed on the labels to satisfy itself about the correctness of classification of the brands at the time of label registration.</p>	<p>Brands are classified on MRP basis as per Assam Excise Rules, 2016.</p>
		<p>The SE Department may consider to re-classify the element ‘import/transport pass fee’ as part of ex-bond price to avoid cases of mis-</p>	<p>Brands classification is done on MRP basis as per Assam Excise Rules, 2016.</p>

Year of Audit Report	Name of the Performance Audit	Recommendations	Action taken by the Department/ Government
		classification of brands. For this, the rates of both the fees may be made equal so that there is no scope of misclassification of IMFL leading to loss of revenue.	
		The SE Department may suitably modify the format of returns to accommodate the details of raw material consumption and the ideal production based on norms available with the breweries so as to enable detection of short production of Beer.	As per suggestion of CAG, necessary formats sent to concerned Superintendent of Excise to maintain up-to-date record in respect of production of beer as per brewing book contained in Assam Excise Manual, Volume-III.
		The SE Department may consider ensuring valid insurance policy covering the Excise Duty and VAT involved in the stock allowed as bond limit and make it a pre-requisite for next renewal of the licences of bonded warehouses as an additional security measure. They may also ensure that the insurance policies mention GoA as the first claimant in case of any claim. Revisit the present procedure of fixing security deposit from the flat ₹ 5,000 to a progressive amount with a ceiling based on the past average stock pattern by the bonded warehouse licensee as per the provisions of Rule 4 (3) of ABW Rules.	As per Assam Excise Rules, 2016 all erstwhile bonded warehouse are now converted to wholesale warehouse which stores only duty paid stock. bonded warehouse licence is existing only within a manufactory.
		The SE Department may initiate steps to recover the balance licence fees of ₹ 77 lakh from the concerned licensees and issue necessary orders to the officers to keep strict vigil regarding the bond limit. They may also consider prescribing penal measures for excess stocking over and above the bond limits by the bonded warehouses	Already respective Superintendents of Excise are directed to realise balance licence fees and asked to keep vigil regarding bond limit. However, with progress of online payment system such drawbacks shall be curtailed.
		The SE Department may prescribe a system of submission of annual reports by the bonded warehouses similar to that existent in Sales Tax Department and arrange to get these reports verified at the CE's office to ensure their correctness.	Necessary instruction with prescribed proforma issued to district Superintendents of Excise.
		The SE Department may, in addition to prescribing submission of annual reports as recommended in the preceding para, prescribe a system of submission of a copy of the BS/AA/report to banks alongwith the annual reports.	The matter has been informed to the Government for necessary approval.
		The SE Department may install a system of obtaining the reasons attributable to IMFL/Beer getting sedimented/rejected and only after it is proved to be beyond the control of the licensee, waiver of revenue may be considered as per provisions available in the extant Rules. They may also issue necessary instructions to the bonded warehouses to introduce system of bin cards for monitoring the movement of stock	CE, Assam issued orders for destruction of sedimented liquor and strict compliance of the same.
		The SE Department may install a system of verifying the genuineness of the import	It is mandatory to call for genuineness certificate against import permits issued

Year of Audit Report	Name of the Performance Audit	Recommendations	Action taken by the Department/ Government
		permits/certificates of receipt issued by the other States at periodic intervals to safeguard the revenue interest of the Government	by other States. Further, CEs of other States are already requested to install a system for verifying genuineness of the import permits at random basis.
		The SE Department may install a system of obtaining/gathering the actual strength vis-à-vis requirement of IMFL/Beer for paramilitary forces stationed at Nagaland from reliable sources before commencement of each year. Further, they may also call for genuineness certificates of each of the import permits before issue of export passes in the interest of revenue of the State	The CE Nagaland was requested to inform actual deployment strength and requirement of IMFL/Beer of Paramilitary forces stationed in Nagaland. It may be stated here that all export of liquor were allowed only on the basis of import permits issued by the responsible excise authorities of other concerned states. Further, Government of Nagaland is not bound to import liquor from Assam only. It is internal matter of their Government. MCT licence holders of upper Assam districts also procure liquor from CSD, Dimapur.
		The SE Department may take up the matter with their counterparts in Arunachal Pradesh and Meghalaya for ensuring uniformity in Excise Duty/VAT and maximum retail pricing of IMFL/Beer in view of the decisions in the Joint Working Group (JWG). Till such time, they may immediately initiate suitable action to erect the two check posts near Banderdewa (Arunachal Pradesh) at strategic locations to effectively curb the influx of IMFL/Beer into Assam from that State.	The Department has requested the Government to take decision to make excise levies at par with other neighbouring States like Arunachal Pradesh, Meghalaya etc.
		The SE Department may in order to streamline the working of the Country Spirit warehouses in the State, install/change system of: <ul style="list-style-type: none"> • Levying Excise Duty and VAT on per bottle/crate system like IMFL/Beer instead of per LPL system; • Conducting chemical examination of country spirit consignments before their dispatch from the warehouses; and • Tallying the production so disclosed by the contractors with the intake of caps, packing materials etc. to detect variation, if any. 	New Country Spirit Policy has been notified on 20 February 2017.
		The SE Department may devise a mechanism so that the reports received at the CE's Office through the concerned district excise offices are verified at each stage to ensure that there is neither any error nor any short payment/levy of revenue.	Such a system was randomly carried out at Commissionerate level as and when required. But with introduction of online system in the Department and subsequent e-Governance project entire matter shall be resolved near future.
		The SE Department may issue instruction to the bottling units and bonded warehouses to include a top sheet along with the sale statements and arrival reports mentioning the licensee wise position of total issue and receipt, from now onwards.	Instruction issued to Superintendent of Excise to include a topsheet alongwith the sale statements and arrival reports. But e-governance system will take care of the matter.
		The SE Department may install a system of recording the details of vehicles passing through the entry check posts at Boxirhat and Srirampur and reporting of the same to the concerned Superintendent of Excise/CE for enabling these offices to cross verify the	Instruction was issued to concerned Superintendents of Excise for recording of movements of vehicles carrying excisable goods passing through the check posts at Boxirhat and Srirampur. But at present, these excise check gates

Year of Audit Report	Name of the Performance Audit	Recommendations	Action taken by the Department/ Government
		reports. Till such time, a mechanism for sharing of information/data between the SE and Taxation Departments may be put in place to minimise the leakage of revenue.	are remained closed from 25 May 2016 with the abolishment of same as per Government instruction. Data sharing with other Departments may become easy with introduction of online system.
		The SE Department may consider allowing a reasonable time gap between the dates of publication of revised rates in the Official Gazette and its enforcement. They may also issue instruction for recovery of differential revenue in the above cases.	Nowadays, with any amendment of Rules/Acts etc. efforts have been made to allow reasonable time gap between the dates of publication of revised rates in Gazette notification and its enforcement.
		The SE Department may in consultation with the Finance Department, install a system of closer co-ordination with the Taxation Department on the following counts: <ul style="list-style-type: none"> • The important developments regarding the excisable goods may be shared between the Departments; • A system of data/information sharing between both the Departments may be installed; • The database of the check posts of Taxation Department may be obtained at periodic intervals and verified with the records of the licensees to safeguard leakage of revenue. 	Government of Assam has abolished all excise check gates from 25.05.16. With the development of online/e-governance project such loopholes are expected to be resolved.
		The SE Department may consider amending the Assam Excise Act and Rules to incorporate provisions for levy of penalty and interest at par with those leviable under the Assam VAT Act.	The Assam Excise Act, 1910 replaced by the Assam Excise Act, 2000 and the Assam Excise Rules, 1945 replaced by the Assam Excise Rules, 2016 which was notified and has come into force <i>w.e.f</i> 1 September 2016. Further, levy of penalty system is also made stringent.
		The SE Department may ensure continuation of the good practices instituted by the CE, Assam which would ensure timely realisation of the revenues due to the Government.	With launching of Excise online portal, the Department is going to be fully digitalised all kind of revenue collection, permits, passes etc. made online. Every effort will be made to plug revenue leakages.

Appendix – II
(Reference: Paragraph 1.8)
Number of auditable and audited units

Sl. No.	Department		Total number of auditable units	Total number of units due for audit during 2016-17	Units planned for audit during 2016-17	Units actually audited during 2016-17
1	Finance (Taxation)	Sales Tax	83	23	22	22
		Agricultural Income Tax	2	1	--	--
2	Excise		30	18	15	15
3	Transport		52	17	16	16
4	Environment and Forests		92	33	29	29
5	Mines and Minerals (Geology and Mining)		1	1	--	--
6	Stamp Duty and Registration		82	15	10	10
Total			342	108	92	92

Appendix -III

(Reference: Para 3.7)

Statement showing non-realisation of annual renewal licence fees for Bonded warehouse and wholesale/retail 'OFF' licensees under SE, North Lakhimpur

(Amount in ₹)

Sl. No.	Name of the licensee	Period	Amount of annual renewal licence fee to be paid for bonded warehouse	Amount of annual renewal wholesale licence fee to be paid for bonded warehouse	Total dues remained unrealised
1	M/s R N Bonded Warehouse (a wholesale and a bonded warehouse licence holder)	2010-11	1,00,000	1,00,000	32,50,000
		2011-12	2,50,000	2,00,000	
		2012-13	2,50,000	2,00,000	
		2013-14	2,50,000	2,00,000	
		2014-15	2,50,000	2,00,000	
		2015-16	7,50,000	5,00,000	
Sub-Total					32,50,000
Sl. No.	Name of the retail 'OFF' licensee	Period	Amount of annual renewal licence fee to be paid for retail 'OFF' licences		Total dues remained unrealised
2	M/s Kiranjoyti Chutia, IMFL 'OFF shop'	2013-14	1,00,000		5,00,000
		2014-15	1,00,000		
		2015-16	3,00,000		
3	M/s Hiralal Saikia, IMFL 'OFF shop'	2015-16	3,00,000		3,00,000
4	M/s Golok Gogoi, IMFL 'OFF shop'	2015-16	3,00,000		3,00,000
5	M/s Dipen Dutta, IMFL 'OFF shop'	2015-16	3,00,000		3,00,000
6	M/s Lalit Saikia, IMFL 'OFF shop'	2015-16	3,00,000		3,00,000
7	M/s Ghana Kanti Gogoi, IMFL 'OFF shop'	2011-12	1,00,000		7,00,000
		2012-13	1,00,000		
		2013-14	1,00,000		
		2014-15	1,00,000		
		2015-16	3,00,000		
Sub-Total					24,00,000
Grand Total					56,50,000

Appendix - IV
(Reference - Paragraph 4.4)

**STATEMENT SHOWING LIST OF VEHICLES FROM WHICH ADVANCE TAXES WERE NOT REALISED AND FINE FOR NON-PAYMENT
OF TAXES WERE NOT LEVIED**

Sl. No	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To		(9)	(10)					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
1	AS-14/C-1607	23.12.08	30.06.11	AATT/14 SC	01.07.11	30.04.14	1	Upto 9/11	2,200	2,200	92	5	460	2,660
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
2	AS-14/C-1617	31.12.08	30.06.10	Tipper/10 MT (Value ₹ 671394.00)	01.07.10	30.04.14	5	Upto 9/11	2,518	12,590	457	5	2,285	14,875
							11	From 10/11	2,938	32,318	943	5	4,715	37,033
3	AS-14/C-1618	31.12.08	31.12.08	Truck/7 MT	01.01.09	30.04.14	11	Upto 9/11	1,700	18,700	1,003	5	5,015	23,715
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
4	AS-14/C-1619	30.12.08	31.12.11	Truck/10 MT	01.01.12	30.04.14	10	From 01/12	2,330	23,300	851	5	4,255	27,555
5	AS-14/C-1620	02.01.09	31.03.12	AATT/14 SC	01.04.12	30.04.14	9	From 04/12	2,800	25,200	760	5	3,800	29,000
6	AS-14/C-1622	07.02.08	30.06.09	AATT/14 SC	01.07.09	30.04.14	9	Upto 9/11	2,200	19,800	822	5	4,110	23,910
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
7	AS-14/C-1624	03.01.09	30.06.13	AATT/14 SC	01.07.13	30.04.14	4	From 07/13	2,800	11,200	304	5	1,520	12,720
8	AS-14/C-1626	05.01.09	30.06.12	AATT/14 SC	01.07.12	30.04.14	8	From 07/12	2,800	22,400	669	5	3,345	25,745
9	AS-14/C-1630	06.01.09	30.09.11	AATT/14 SC	01.10.11	30.04.14	11	From 10/11	2,800	30,800	943	5	4,715	35,515
10	AS-14/C-1632	06.01.09	31.03.09	AATT/14 SC	01.04.09	30.04.14	10	Upto 9/11	2,200	22,000	913	5	4,565	26,565
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
11	AS-14/C-1640	31.03.09	30.09.09	Truck/10 MT	01.10.09	30.04.14	8	Upto 9/11	2,250	18,000	730	5	3,650	21,650
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
12	AS-14/C-1648	13.01.09	31.12.12	Force/10 SC	01.01.13	30.04.14	6	From 01/13	1,900	11,400	485	5	2,425	13,825

Audit Report (Revenue Sector) for the year ended 31 March 2017

Sl. No	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
13	AS-14/C-1649	16.01.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
14	AS-14/C-1653	17.01.09	30.06.09	AATT/14 SC	01.07.09	30.04.14	9	Upto 9/11	2,200	19,800	822	5	4,110	23,910
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
15	AS-14/C-1655	21.02.09	31.03.09	Tipper/10 MT (Value ₹671394.00)	01.04.09	30.04.14	10	Upto 9/11	2,518	25,180	913	5	4,565	29,745
							11	From 10/11	2,938	32,318	943	5	4,715	37,033
16	AS-14/C-1657	17.01.09	31.03.11	AATT/14 SC	01.04.11	30.04.14	2	Upto 9/11	2,200	4,400	183	5	915	5,315
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
17	AS-14/C-1662	20.01.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
18	AS-14/C-1668	22.01.09	31.03.09	Truck/10 MT	01.04.09	30.04.14	10	Upto 9/11	2,250	22,500	913	5	4,565	27,065
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
19	AS-14/C-1671	29.01.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
20	AS-14/C-1672	29.01.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
21	AS-14/C-1678	29.01.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
22	AS-14/C-1679	29.01.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
23	AS-14/C-1680	03.02.09	31.12.11	Truck/10 MT	01.01.12	30.04.14	10	From 01/12	2,330	23,300	851	5	4,255	27,555
24	AS-14/C-1682	29.01.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
25	AS-14/C-1683	29.01.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
26	AS-14/C-1684	29.01.09	30.09.12	AATT/14 SC	01.10.12	30.04.14	7	From 10/12	2,800	19,600	577	5	2,885	22,485
27	AS-14/C-1686	06.02.08	31.12.12	Truck/9 MT	01.01.13	30.04.14	6	From 01/13	2,200	13,200	485	5	2,425	15,625
28	AS-14/C-1693	02.02.09	30.06.11	AATT/14 SC	01.07.11	30.04.14	1	Upto 9/11	2,200	2,200	92	5	460	2,660
							11	From 10/11	2,800	30,800	943	5	4,715	35,515

Sl. No	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To		(9)	(10)					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
29	AS-14/C-1702	03.02.09	31.03.09	Truck/7 MT	01.04.09	30.04.14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
30	AS-14/C-1861	18.04.09	30.06.09	Truck/7 MT	01.07.09	30.04.14	9	Upto 9/11	1,700	15,300	822	5	4,110	19,410
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
31	AS-14/C-1862	18.04.09	30.06.09	Truck/7 MT	01.07.09	30.04.14	9	Upto 9/11	1,700	15,300	822	5	4,110	19,410
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
32	AS-14/C-1863	18.04.09	30.06.12	Truck/7 MT	01.07.12	30.04.14	8	From 07/12	1,800	14,400	669	5	3,345	17,745
33	AS-14/C-1864	18.04.09	30.06.11	Truck/10 MT	01.07.11	30.04.14	1	Upto 9/11	2,250	2,250	92	5	460	2,710
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
34	AS-14/C-1865	18.04.09	30.06.09	Truck/10 MT	01.07.09	30.04.14	9	Upto 9/11	2,250	20,250	822	5	4,110	24,360
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
35	AS-14/C-1866	18.04.09	30.06.12	Truck/7 MT	01.07.12	30.04.14	8	From 07/12	1,800	14,400	669	5	3,345	17,745
36	AS-14/C-1872	27.04.09	30.06.11	AATT/14 SC	01.07.11	30.04.14	1	Upto 9/11	2,200	2,200	92	5	460	2,660
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
37	AS-14/C-1873	27.04.09	30.06.11	AATT/14 SC	01.07.11	30.04.14	1	Upto 9/11	2,200	2,200	92	5	460	2,660
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
38	AS-14/C-1875	05.05.09	30.09.09	Truck/10 MT	01.10.09	30.04.14	8	Upto 9/11	2,250	18,000	730	5	3,650	21,650
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
39	AS-14/C-1884	29.04.09	30.09.12	AATT/14 SC	01.10.12	30.04.14	7	From 10/12	2,800	19,600	577	5	2,885	22,485
40	AS-14/C-1885	06.05.09	30.06.09	Truck/10 MT	01.07.09	30.04.14	9	Upto 9/11	2,250	20,250	822	5	4,110	24,360
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
41	AS-14/C-1888	02.05.09	30.06.11	AATT/14 SC	01.07.11	30.04.14	1	Upto 9/11	2,200	2,200	92	5	460	2,660
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
42	AS-14/C-1897	08.05.09	30.06.09	Truck/10 MT	01.07.09	30.04.14	9	Upto 9/11	2,250	20,250	822	5	4,110	24,360
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
43	AS-14/C-1899	12.05.09	30.09.11	Truck/10 MT	01.10.11	30.04.14	11	From 10/11	2,330	25,630	943	5	4,715	30,345
44	AS-14/C-1906	13.05.09	30.09.12	AATT/14 SC	01.10.12	30.04.14	7	From 10/12	2,800	19,600	577	5	2,885	22,485
45	AS-14/C-1911	12.05.09	30.09.12	AATT/14 SC	01.10.12	30.04.14	7	From 10/12	2,800	19,600	577	5	2,885	22,485

Audit Report (Revenue Sector) for the year ended 31 March 2017

Sl. No	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
46	AS-14/C-1913	22.05.09	31.03.12	JCB (Value ₹20,23,680)	01.04.12	30.04.14	9	From 04/12	8,854	79,686	760	5	3,800	83,486
47	AS-14/C-1914	14.05.09	30.06.09	Truck/7 MT	01.07.09	30.04.14	9	Upto 9/11	1,700	15,300	822	5	4,110	19,410
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
48	AS-14/C-1915	14.05.09	30.06.11	AATT/14 SC	01.07.11	30.04.14	1	Upto 9/11	2,200	2,200	92	5	460	2,660
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
49	AS-14/C-1917	14.05.09	30.06.09	AATT/14 SC	01.07.09	30.04.14	9	Upto 9/11	2,200	19,800	822	5	4,110	23,910
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
50	AS-14/C-1920	14.05.09	30.06.09	AATT/14 SC	01.07.09	30.04.14	9	Upto 9/11	2,200	19,800	822	5	4,110	23,910
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
51	AS-14/C-1922	15.05.09	30.06.09	Truck/7 MT	01.07.09	30.04.14	9	Upto 9/11	1,700	15,300	822	5	4,110	19,410
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
52	AS-14/C-1923	15.05.09	30.06.09	Truck/7 MT	01.07.09	30.04.14	9	Upto 9/11	1,700	15,300	822	5	4,110	19,410
							11	From 10/11	1,800	19,800	943	5	4,715	24,515
53	AS-14/C-1935	21.05.09	31.12.09	Truck/10 MT	01.01.10	30.04.14	7	Upto 9/11	2,250	15,750	638	5	3,190	18,940
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
54	AS-14/C-1936	21.05.09	30.06.09	AATT/14 SC	01.07.09	30.04.14	9	Upto 9/11	2,200	19,800	822	5	4,110	23,910
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
55	AS-14/C-1942	21.10.09	31.12.09	Truck/10 MT	01.01.10	30.04.14	7	Upto 9/11	2,250	15,750	638	5	3,190	18,940
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
56	AS-14/C-1943	27.10.09	30.09.10	Truck/10 MT	01.10.10	30.04.14	4	Upto 9/11	2,250	9,000	365	5	1,825	10,825
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
57	AS-14/C-1944	21.08.09	30.09.09	Truck/10 MT	01.10.09	30.04.14	8	Upto 9/11	2,250	18,000	730	5	3,650	21,650
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
58	AS-14/C-1945	29.07.09	30.09.09	Truck/10 MT	01.10.09	30.04.14	8	Upto 9/11	2,250	18,000	730	5	3,650	21,650
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
59	AS-14/C-1948	04.06.09	30.06.09	AATT/14 SC	01.07.09	30.04.14	9	Upto 9/11	2,200	19,800	822	5	4,110	23,910
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
60	AS-14/C-1954	26.05.09	31.03.13	Truck/10 MT	01.04.13	30.04.14	5	From 04/13	2,330	11,650	395	5	1,975	13,625
61	AS-14/C-1960	01.06.09	30.06.11	AATT/14 SC	01.07.11	30.04.14	1	Upto 9/11	2,200	2,200	92	5	460	2,660
							11	From 10/11	2,800	30,800	943	5	4,715	35,515

Sl. No	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To		(9)	(10)					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
62	AS-14/C-1966	20.06.09	30.09.11	AATT/14 SC	01.10.11	30.04.14	11	From 10/11	2,800	30,800	943	5	4,715	35,515
63	AS-14/C-1968	15.06.09	31.12.11	AATT/14 SC	01.01.12	30.04.14	10	From 01/12	2,800	28,000	851	5	4,255	32,255
64	AS-14/C-1992	24.06.09	30.06.12	Truck/10 MT	01.07.12	30.04.14	8	From 07/12	2,330	18,640	669	5	3,345	21,985
65	AS-14/C-2250	09.12.09	31.12.11	AATT/14 SC	01.01.12	30.04.14	10	From 01/12	2,800	28,000	851	5	4,255	32,255
66	AS-14/C-2251	10.12.09	31.12.12	Truck/10 MT	01.01.13	30.04.14	6	From 01/13	2,330	13,980	485	5	2,425	16,405
67	AS-14/C-2305	08.01.10	31.03.10	AATT/14 SC	01.04.10	30.04.14	6	Upto 9/11	2,200	13,200	548	5	2,740	15,940
							11	From 10/11	2,800	30,800	943	5	4,715	35,515
68	AS-14/C-2026	06.08.09	30.09.11	Truck/7 MT	01.10.11	30.04.14	11	From 10/11	1,800	19,800	943	5	4,715	24,515
69	AS-14/C-2028	07.08.09	30.09.12	Tipper/15 MT (Value ₹15,08,572)	01.10.12	30.04.14	7	From 10/12	6,600	46,200	577	5	2,885	49,085
70	AS-14/C-2029	07.08.09	30.09.12	Tipper/15 MT (Value ₹15,08,572)	01.10.12	30.04.14	7	From 10/12	6,600	46,200	577	5	2,885	49,085
71	AS-14/C-2030	07.08.09	30.09.12	Tipper/15 MT (Value ₹15,08,572)	01.10.12	30.04.14	7	From 10/12	6,600	46,200	577	5	2,885	49,085
72	AS-14/C-2032	22.07.09	31.12.11	Truck/10 MT	01.01.12	30.04.14	10	From 01/12	2,330	23,300	851	5	4,255	27,555
73	AS-14/C-2037	22.07.09	30.09.09	Truck/10 MT	01.10.09	30.04.14	8	Upto 9/11	2,250	18,000	730	5	3,650	21,650
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
74	AS-14/C-2052	28.08.09	30.09.11	Truck/10 MT	01.10.11	30.04.14	11	From 10/11	2,330	25,630	943	5	4,715	30,345
75	AS-14/C-2069	28.08.09	31.03.11	Truck/10 MT	01.04.11	30.04.14	2	Upto 9/11	2,250	4,500	183	5	915	5,415
							11	From 10/11	2,330	25,630	943	5	4,715	30,345

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Sl. No	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To		(9)	(10)					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
76	AS-14/C-2072	25.08.09	30.09.09	Truck/10 MT	01.10.09	30.04.14	8	Upto 9/11	2,250	18,000	730	5	3,650	21,650
							11	From 10/11	2,330	25,630	943	5	4,715	30,345
77	AS-14/C-2096	20.10.09	31.03.12	Truck/10 MT	01.04.12	30.04.14	9	From 04/12	2,330	20,970	760	5	3,800	24,770
78	AS-14/C-2110	18.09.09	30.09.11	Truck/10 MT	01.10.11	30.04.14	11	From 10/11	2,330	25,630	943	5	4,715	30,345
79	AS-14/C-2121	13.11.09	31.03.13	Truck/8 MT	01.04.13	30.04.14	5	From 04/13	2,000	10,000	395	5	1,975	11,975
Total										27,05,472			4,91,580	31,97,052

Appendix -V

(Reference - Paragraph 4.4)

STATEMENT SHOWING LIST OF VEHICLES FROM WHICH ADVANCE TAXES WERE NOT REALISED AND FINE FOR NON-PAYMENT OF TAXES WERE NOT LEVIED

Sl. No.	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/ capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of the commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To		(9)	(10)					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
1	AS-09 A/4844	11.11.08	31.12.11	Truck/9 MT	Jan-12	Jun-14	10	From 01/12	2,250	22,500	912	5	4,560	27,060
2	AS-09 A/4861	18.11.08	31.03.09	Truck/10 MT	Apl-09	Jun-14	10	Upto 9/11	2,250	22,500	913	5	4,565	27,065
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
3	AS-09 A/4862	12.11.08	31.12.08	Truck/7 MT	Jan-09	Jun-14	11	Upto 9/11	1,700	18,700	1,003	5	5,015	23,715
							11	From 10/11	1,800	19,800	1,004	5	5,020	24,820
4	AS-09 A/4868	18.11.08	31.12.11	Tata Magic/SC 8	Jan-12	Jun-14	10	From 01/12	1,900	19,000	912	5	4,560	23,560
5	AS-09 A/4869	12.11.08	31.12.08	Tata Magic/SC 8	Jan-09	Jun-14	11	Upto 9/11	1,600	17,600	1,369	5	6,845	24,445
							11	From 10/11	1,900	20,900	1,004	5	5,020	25,920
6	AS-09 A/4873	18.11.08	31.12.10	Truck/10 MT	Jan-11	Jun-14	3	Upto 9/11	2,250	6,750	273	5	1,365	8,115
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
7	AS-09 A/4644	03.10.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
8	AS-09 A/4653	03.10.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
9	AS-09 A/4680	10.10.08	31.12.08	Truck/7 MT	Jan-09	Jun-14	11	Upto 9/11	1,700	18,700	1,003	5	5,015	23,715
							11	From 10/11	1,800	19,800	1,004	5	5,020	24,820
10	AS-09 A/4714	20.10.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
11	AS-09 A/4547	15.09.08	31.03.09	Truck/7 MT	Arl-09	Jun-14	10	Upto 9/11	1,700	17,000	913	5	4,565	21,565
							11	From 10/11	1,800	19,800	1,004	5	5,020	24,820
12	AS-09 A/4596	20.09.08	31.12.08	Tata Winger/SC 14	Jan-09	Jun-14	11	Upto 9/11	2,200	24,200	1,003	5	5,015	29,215
							11	From 10/11	2,800	30,800	1,004	5	5,020	35,820
13	AS-09 A/4598	22.09.08	30.06.12	Truck/10 MT	Jul-12	Jun-14	8	From 7/12	2,330	18,640	730	5	3,650	22,290
14	AS-09 A/4618	24.09.08	30.09.11	Tata Magic/ SC 8	Oct-11	Jun-14	11	From 10/11	1,900	20,900	1,004	5	5,020	25,920

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Sl. No.	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/ capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of the commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To		(9)	(10)					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
15	AS-09 A/4285	10.07.08	30.09.08	Truck/10 MT	Oct-08	Jun-14	12	Upto 9/11	2,250	27,000	1,095	5	5,475	32,475
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
16	AS-09 A/4297	16.07.08	31.03.09	Tanker/10 MT	Apr-09	Jun-14	10	Upto 9/11	2,250	22,500	913	5	4,565	27,065
								From 10/11	2,330	25,630	1,004	5	5,020	30,650
17	AS-09 A/4310	16.07.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
								From 10/11	2,330	25,630	1,004	5	5,020	30,650
18	AS-09 A/4042	13.05.08	31.12.08	Truck/7 MT	Jan-09	Jun-14	11	Upto 9/11	1,700	18,700	1,003	5	5,015	23,715
							11	From 10/11	1,800	19,800	1,004	5	5,020	24,820
19	AS-09 A/4058	15.05.08	31.12.12	Truck/7 MT	Jan-13	Jun-14	6	From 01/13	1,800	10,800	546	5	2,730	13,530
20	AS-09 A/4067	15.05.08	30.09.08	Truck/7 MT	Oct-08	Jun-14	12	Upto 9/11	1,700	20,400	1,095	5	5,475	25,875
							11	From 10/11	1,800	19,800	1,004	5	5,020	24,820
21	AS-09 A/4081	16.05.08	30.06.08	Truck/10 MT	Jul-08	Jun-14	13	Upto 9/11	2,250	29,250	1,187	5	5,935	35,185
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
22	AS-09 A/4847	11.11.08	31.12.08	Truck/16 MT	Jan-09	Jun-14	11	Upto 9/11	3,100	34,100	1,003	5	5,015	39,115
							11	From 10/11	3,400	37,400	1,004	5	5,020	42,420
23	AS-09 A/4761	02.10.08	31.12.08	Tata Magic/ SC 8	Jan-09	Jun-14	11	Upto 9/11	1,600	17,600	1,003	5	5,015	22,615
							11	From 10/11	1,900	20,900	1,004	5	5,020	25,920
24	AS-09 A/4777	27.10.08	30.06.12	Truck/10 MT	Jul-12	Jun-14	8	From 07/12	2,330	18,640	730	5	3,650	22,290
25	AS-09 A/4814	11.11.08	31.03.12	Truck/7 MT	Arl-12	Jun-14	9	From 04/12	1,800	16,200	821	5	4,105	20,305
26	AS-09 A/4912	20.11.08	31.12.08	Truck/7 MT	Jan-09	Jun-14	11	Upto 9/11	1,700	18,700	1,003	5	5,015	23,715
							11	From 10/11	1,800	19,800	1,004	5	5,020	24,820
27	AS-09 A/4951	29.11.08	31.12.08	Truck/7 MT	Jan-09	Jun-14	11	Upto 9/11	1,700	18,700	1,003	5	5,015	23,715
							11	From 10/11	1,800	19,800	1,004	5	5,020	24,820
28	AS-09 A/4952	29.11.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
29	AS-09 A/4959	26.11.08	30.09.12	Truck/10 MT	Oct-12	Jun-14	7	From 10/12	2,330	16,310	638	5	3,190	19,500
30	AS-09 A/4961	28.11.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650

Sl. No.	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/ capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of the commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To		(9)	(10)					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
31	AS-09 A/4964	26.11.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
32	AS-09 A/4998	03.12.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
33	AS-09 A/5004	03.12.08	31.12.11	Truck/10 MT	Jan-12	Jun-14	10	From 01/12	2,330	23,300	912	5	4,560	27,860
34	AS-09 A/5007	03.12.08	30.09.09	Truck/9 MT	Oct-09	Jun-14	8	Upto 9/11	2,200	17,600	1,003	5	5,015	22,615
							11	From 10/11	2,250	24,750	1,004	5	5,020	29,770
35	AS-09 A/5025	05.12.08	31.12.08	Truck/17 MT	Jan-09	Jun-14	11	Upto 9/11	3,175	34,925	1,003	5	5,015	39,940
							11	From 10/11	3,500	38,500	1,004	5	5,020	43,520
36	AS-09 A/5026	05.12.08	31.12.08	Truck/17 MT	Jan-09	Jun-14	11	Upto 9/11	3,175	34,925	1,003	5	5,015	39,940
							11	From 10/11	3,500	38,500	1,004	5	5,020	43,520
37	AS-09 A/5027	05.12.08	31.12.08	Truck/7 MT	Jan-09	Jun-14	11	Upto 9/11	1,700	18,700	1,003	5	5,015	23,715
							11	From 10/11	1,800	19,800	1,004	5	5,020	24,820
38	AS-09 A/5028	05.12.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
39	AS-09 A/5031	22.12.08	31.03.09	Truck/10 MT	Arl-09	Jun-14	10	Upto 9/11	2,250	22,500	913	5	4,565	27,065
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
40	AS-09 A/5037	12.12.08	31.12.09	Truck/10 MT	Jan-10	Jun-14	7	Upto 9/11	2,250	15,750	638	5	3,190	18,940
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
41	AS-09 A/5041	05.12.08	31.12.08	Truck/10 MT	Jan-09	Jun-14	11	Upto 9/11	2,250	24,750	1,003	5	5,015	29,765
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
42	AS-09 A/5109	18.12.08	31.03.09	Truck/10 MT	Arl-09	Jun-14	10	Upto 9/11	2,250	22,500	913	5	4,565	27,065
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
43	AS-09 A/5112	19.12.08	31.03.12	Truck/10 MT	Arl-12	Jun-14	9	From 04/12	2,330	20,970	819	5	4,095	25,065
44	AS-09 A/5161	30.01.09	30.06.11	Truck/10 MT	Jul-11	Jun-14	1	Upto 9/11	2,250	2,250	92	5	460	2,710
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
45	AS-09 A/5177	19.12.08	31.03.09	Truck/9 MT	Arl-09	Jun-14	10	Upto 9/11	2,200	22,000	913	5	4,565	26,565
							11	From 10/11	2,250	24,750	1,004	5	5,020	29,770

Audit Report (Revenue Sector) for the year ended 31 March 2017

Sl. No.	Vehicle No.	Date of Registration	Road Tax Paid upto	Type/ capacity of Vehicles	Period of outstanding Road Tax		No. of Quarters	Rate per Quarter (₹) on the basis of capacity of the commercial Vehicles		Total outstanding Road Tax (₹)	No. of days	Rate of fine per day (₹)	Total Fine (₹)	Total outstanding amount (₹)
					From	To		(9)	(10)					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) (11 + 14)
46	AS-09 A/5197	25.12.09	31.03.12	Truck/10 MT	Arl-12	Jun-14	9	From 04/12	2,330	20,970	819	5	4,095	25,065
47	AS-09 A/5251	05.01.09	31.03.09	Truck/5 MT	Arl-09	Jun-14	10	Upto 9/11	1,350	13,500	913	5	4,565	18,065
							11	From 10/11	1,400	15,400	1,004	5	5,020	20,420
48	AS-09 A/5255	06.01.09	31.03.09	Truck/6 MT	Arl-09	Jun-14	10	Upto 9/11	1,525	15,250	913	5	4,565	19,815
							11	From 10/11	1,600	17,600	1,004	5	5,020	22,620
49	AS-09 A/5256	06.01.09	31.03.09	Truck/6 MT	Arl-09	Jun-14	10	Upto 9/11	1,525	15,250	913	5	4,565	19,815
							11	From 10/11	1,600	17,600	1,004	5	5,020	22,620
50	AS-09 A/5274	31.01.09	31.03.09	Truck/10 MT	Arl-09	Jun-14	10	Upto 9/11	2,250	22,500	913	5	4,565	27,065
							11	From 10/11	2,330	25,630	1,004	5	5,020	30,650
Total										20,03,880			4,24,720	24,28,600

Appendix-VI

(Reference - Paragraph 4.4)

Statement showing the details of tax accrued and fine leviable against different vehicle for delayed or non-payment of tax

SI No.	Registration No. of Vehicle	Type of Vehicle/Capacity of the Vehicles	Period for which Tax payable	Rate per Quarter on basis of capacity of commercial Vehicles	No. of Quarter	Tax leviable (₹)	Fine leviable (₹)	No. of days
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	AS-07/C-0401	ATTT(Winger) 13+1	01/01/13 to 31/05/13	2,200	2	4,400	755	151
2.	AS-07/C-0402	Magic (1+7)	01/10/12 to 31/05/13	1,900	3	5,700	1,215	243
3.	AS-07/C-0403	Tractor (1)	01/01/13 to 31/05/13	150	2	300	755	151
4.	AS-07/C-0405	Auto rickshaw (3+1)	01/01/10 to 31/05/13	300	14	4,200	6,230	1,246
5.	AS-07/C-0406	Auto rickshaw (3+1)	07/02/12 to 31/05/13	300	5	1,500	2,400	480
6.	AS-07/C-0407	Magic (1+7)	01/04/13 to 31/05/13	1,900	1	1,900	305	61
7.	AS-07/C-0410	Truck (03)	01/10/12 to 31/05/13	2,250	3	6,750	1,215	243
8.	AS-07/C-0411	Trailer	01/03/09 to 31/05/13	300	17	5,100	7,765	1,553
9.	AS-07/C-0413	ATTT (Winger) 13+1	01/01/12 to 31/05/13	2,200	6	13,200	2,580	516
10.	AS-07/C-0414	(1+1) Pickup van	01/01/10 to 31/05/13	500	14	7,000	6,230	1,246
11.	AS-07/C-0415	Local Taxi (Magic) (1+7)	01/04/12 to 31/05/13	1,600	5	8,000	2,135	427
12.	AS-07/C-0416	Auto rickshaw (3+1)	01/07/10 to 31/05/13	300	12	3,600	5,325	1,065
13.	AS-07/C-0417	Public Carrier	01/01/10 to 31/05/13	2,250	14	31,500	6,230	1,246
14.	AS-07/C-0418	Magic (1+7)	01/10/09 to 31/05/13	1,900	15	28,500	6,695	1,339
15.	AS-07/C-0423	Magic (1+7)	01/04/10 to 31/05/13	1,900	13	24,700	5,785	1,157
16.	AS-07/C-0426	Tractor (1)	01/01/10 to 31/05/13	150	14	2,100	6,230	1,246
17.	AS-07/C-0427	Pickup Van (1+2)	01/07/12 to 31/05/13	500	4	2,000	1,675	335
18.	AS-07/C-0424	(Taxi Ace)	01/07/12 to 31/05/13	500	4	2,000	1,675	335
19.	AS-07/C-0428	HGV (Tipper)(1+1)	01/07/09 to 31/05/13	1,700	16	27,200	7,150	1,430
20.	AS-07/C-0429	Auto rickshaw	01/01/12 to 31/05/13	300	6	1,800	2,580	516
21.	AS-07/C-0430	Tractor	01/04/09 to 31/05/13	150	17	2,550	7,595	1,519
22.	AS-07/C-0431	Pickup van	01/07/09 to 31/05/13	500	16	8,000	7,150	1,430
23.	AS-07/C-0432	Tipper (Truck)	01/04/12 to 31/05/13	1,700	5	8,500	2,130	426
24.	AS-07/C-0433	Tipper (Truck)	01/04/12 to 31/05/13	1,700	5	8,500	2,130	426
25.	AS-07/C-0434	Tipper (Truck)	01/04/12 to 31/05/13	1,700	5	8,500	2,130	426
26.	AS-07/C-0436	TWP (3+1)	01/01/12 to 31/05/13	300	6	1,800	2,580	516
27.	AS-07/C-0437	Pickup van	01/10/09 to 31/05/13	500	15	7,500	6,695	1,339

Audit Report (Revenue Sector) for the year ended 31 March 2017

SI No.	Registration No. of Vehicle	Type of Vehicle/Capacity of the Vehicles	Period for which Tax payable	Rate per Quarter on basis of capacity of commercial Vehicles	No. of Quarter	Tax leviable (₹)	Fine leviable (₹)	No. of days
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
28.	AS-07/C-0438	Tractor (1)	01/03/12 to 31/05/13	150	5	750	2,285	457
29.	AS-07/C-0439	Trailer	01/10/11 to 31/05/13	375	7	2,625	3,045	609
30.	AS-07/C-0440	Auto Rickshaw	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
31.	AS-07/C-0441	Auto Rickshaw	01/04/11 to 31/05/13	300	9	2,700	3,960	792
32.	AS-07/C-0442	Auto Rickshaw	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
33.	AS-07/C-0443	Auto rickshaw (1+3)	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
34.	AS-07/C-0445	Auto Rickshaw	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
35.	AS-07/C-0446	Magic	01/07/09 to 31/05/13	1,900	16	30,400	7,150	1,430
36.	AS-07/C-0447	Auto rickshaw (1+3)	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
37.	AS-07/C-0449	Tractor (1)	01/01/10 to 31/05/13	150	14	2,100	6,230	1,246
38.	AS-07/C-0450	M/Tractor	01/01/10 to 31/05/13	375	14	5,250	6,230	1,246
39.	AS-07/C-0451	Pickup Van	01/04/10 to 31/05/13	1900	13	24,700	5,785	1,157
40.	AS-07/C-0452	Auto rickshaw (1+3)	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
41.	AS-07/C-0453	Pickup van (ACE)	01/04/10 to 31/05/13	500	13	6,500	5,785	1,157
42.	AS-07/C-0454	Tractor	01/04/10 to 31/05/13	150	13	1,950	5,785	1,157
43.	AS-07/C-0456	Oil Tanker	01/04/13 to 31/05/13	3,325	01	3,325	305	61
44.	AS-07/C-0457	Auto rickshaw (1+3)	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
45.	AS-07/C-0509	Auto Rickshaw	01/04/12 to 31/05/13	300	5	1,500	2,130	426
46.	AS-07/C-0511	HGV (1+2)	01/04/12 to 31/05/13	2,250	5	11,250	2,130	426
47.	AS-07/C-0512	Pickup Van (2+1)	01/04/10 to 31/05/13	1,000	13	13,000	5,785	1,157
48.	AS-07/C-0514	Pickup Van (LGV)	01/04/10 to 31/05/13	1,000	13	13,000	5,785	1,157
49.	AS-07/C-0517	207 DI/31 (2+1)	01/10/10 to 31/05/13	1,000	11	11,000	4,870	974
50.	AS-07/C-0518	Auto rickshaw (3+1)	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
51.	AS-07/C-0520	Auto rickshaw (3+1)	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
52.	AS-07/C-0522	Auto rickshaw (3+1)	01/10/09 to 31/05/13	300	15	4,500	6,695	1,339
53.	AS-07/C-0525	709 Truck (3)	01/01/13 to 31/05/13	1,350	2	2,700	755	151
54.	AS-07/C-0526	LGV Truck (1+2)	01/10/09 to 31/05/13	1,350	15	20,250	6,695	1,339
55.	AS-07/C-0528	Magic (7+1)	31/09/09 to 31/05/13	1,900	15	28,500	6,700	1,340
56.	AS-07/C-0530	LGV Truck (1+2)	01/01/10 to 31/05/13	1,000	14	14,000	6,230	1,246
57.	AS-07/C-0532	Pickup Van (1+1)	01/07/10 to 31/05/13	500	12	6,000	5,325	1,065
58.	AS-07/C-0535	Auto rickshaw (3+1)	01/07/10 to 31/05/13	300	12	3,600	5,325	1,065

SI No.	Registration No. of Vehicle	Type of Vehicle/Capacity of the Vehicles	Period for which Tax payable	Rate per Quarter on basis of capacity of commercial Vehicles	No. of Quarter	Tax leviable (₹)	Fine leviable (₹)	No. of days
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
59.	AS-07/C-0539	Pickup Van (1+1)	01/04/10 to 31/05/13	500	13	6,500	5,785	1,157
60.	AS-07/C-0540	Tractor (1)	01/07/10 to 31/05/13	150	12	1,800	5,325	1,065
61.	AS-07/C-0542	Auto rickshaw (3+1)	01/01/11 to 31/05/13	300	10	3,000	4,410	882
62.	AS-07/C-0543	Tractor (1)	01/04/10 to 31/05/13	150	13	1,950	5,785	1,157
63.	AS-07/C-0548	Auto rickshaw (3+1)	01/01/10 to 31/05/13	300	14	4,200	6,230	1,246
64.	AS-07/C-0558	Auto rickshaw (3+1)	01/07/10 to 31/05/13	300	12	3,600	5,325	1,065
65.	AS-07/C-0560	Auto rickshaw (3+1)	01/04/10 to 31/05/13	300	13	3,900	5,785	1,157
66.	AS-07/C-0561	AATT (Winger)	31/09/09 to 31/05/13	2,250	15	33,000	6,700	1,340
67.	AS-07/C-2628	Truck (cv)	01/04/12 to 31/05/13	1,525	5	7,625	2,135	427
68.	AS-07/C-2639	Pickup van	01/04/12 to 31/05/13	1,000	5	5,000	2,135	427
69.	AS-07/C-2643	Tata Magic	01/04/12 to 31/05/13	1,600	5	8,000	2,135	427
70.	AS-07/C-2647	Tata Magic	01/10/11 to 31/05/13	1,600	7	11,200	3,045	609
71.	AS-07/C-2650	Winger (1+13)	01/10/12 to 31/05/13	2,200	3	6,600	1,215	243
72.	AS-07/C-2658	Pickup van	01/07/12 to 31/05/13	1,000	4	4,000	1,675	335
73.	AS-07/C-2663	Tipper	01/07/12 to 31/05/13	3,025	4	12,100	1,675	335
74.	AS-07/C-2664	Magic (1+7)	01/10/12 to 31/05/13	1,600	3	4,800	1,215	243
75.	AS-07/C-2665	Magic (1+7)	01/10/12 to 31/05/13	1,600	3	4,800	1,215	243
76.	AS-07/C-2666	Pickup van	01/10/11 to 31/05/13	1,000	7	7,000	3,045	609
77.	AS-07/C-2680	Pickup van	01/01/12 to 31/05/13	1,000	6	6,000	2,580	516
78.	AS-07/C-2681	Magic	01/10/11 to 31/05/13	1,600	7	11,200	3,045	609
79.	AS-07/C-2684	Pickup van	01/04/12 to 31/05/13	1,000	5	5,000	2,135	427
80.	AS-07/C-2700	Truck (1+2)	01/01/12 to 31/05/13	2,250	6	13,500	2,580	516
81.	AS-07/C-1985	Local taxi	01/04/11 to 31/05/13	1,600	9	14,400	3,960	792
82.	AS-07/C-1991	Magic	01/04/11 to 31/05/13	1,600	9	14,400	3,960	792
83.	AS-07/C-1992	Truck (10 wheeler)	01/01/12 to 31/05/13	3,025	6	18,150	2,580	516
84.	AS-07/C-1993	Magic	01/01/11 to 31/05/13	1,600	9	14,400	3,960	792
85.	AS-07/C-2010	Magic	01/04/11 to 31/05/13	1,600	9	14,400	3,960	792
86.	AS-07/C-2022	Magic	01/04/12 to 31/05/13	1,600	5	8,000	2,135	427
87.	AS-07/C-2024	Winger	01/04/11 to 31/05/13	2,200	9	19,800	3,960	792
88.	AS-07/C-2044	Pickup Van	01/04/11 to 31/05/13	1,000	9	9,000	3,960	792

Audit Report (Revenue Sector) for the year ended 31 March 2017

SI No.	Registration No. of Vehicle	Type of Vehicle/Capacity of the Vehicles	Period for which Tax payable	Rate per Quarter on basis of capacity of commercial Vehicles	No. of Quarter	Tax leviable (₹)	Fine leviable (₹)	No. of days
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
89.	AS-07/C-2108	Winger	01/01/12 to 31/05/13	2,200	6	13,200	2,580	516
90.	AS-07/C-2117	AATT (cruiser)	01/04/12 to 31/05/13	1,600	5	8,000	2,135	427
91.	AS-07/C-2123	Magic	01/04/11 to 31/05/13	1,600	9	14,400	3,960	792
92.	AS-07/C-2132	Truck	01/01/12 to 31/05/13	1,350	6	8,100	2,580	516
93.	AS-07/C-2147	Local Taxi	01/10/12 to 31/05/13	1,600	3	4,800	1,215	243
94.	AS-07/C-2163	Tipper	01/04/12 to 31/05/13	3,025	5	15,125	2,135	427
95.	AS-07/C-2166	Local Taxi	01/04/11 to 31/05/13	1,600	9	14,400	3,960	792
96.	AS-07/C-2446	Magic	01/04/12 to 31/05/13	1,600	5	8,000	2,135	427
97.	AS-07/C-2450	Local taxi	01/04/12 to 31/05/13	1,600	5	8,000	2,135	427
98.	AS-07/C-2473	Pickup Van	01/04/12 to 31/05/13	1,000	5	5,000	2,135	427
99.	AS-07/C-2481	Pickup Van	01/04/12 to 31/05/13	1,000	5	5,000	2,135	427
100.	AS-07/C-2504	Pickup Van	01/04/12 to 31/05/13	1,000	5	5,000	2,135	427
101.	AS-07/C-3821	R.C (MM)(1+7)	01/01/13 to 31/05/13	1,900	2	3,800	755	151
102.	AS-07/C-3822	R.C (MM)(1+7)	01/01/13 to 31/05/13	1,900	2	3,800	755	151
103.	AS-07/C-3898	Winger	01/10/12 to 31/05/13	2,800	3	8,400	1,215	243
104.	AS-07/C-3910	Trailer	01/07/12 to 31/05/13	500	4	2,000	1,675	335
105.	AS-07/C-4304	Magic	01/10/12 to 31/05/13	1,900	3	5,700	1,215	243
106.	AS-07/C-4310	Magic	01/10/12 to 31/05/13	1,900	3	5,700	1,215	243
107.	AS-07/C-4321	Truck (HCV)	01/01/13 to 31/05/13	3,975	2	7,950	755	151
108.	AS-07/C-4327	Magic	01/10/12 to 31/05/13	1,900	3	5,700	1,215	243
109.	AS-07/C-4331	Truck	01/10/12 to 31/05/13	3,975	3	11,925	1,215	243
110.	AS-07/C-4333	R.C (MM)	01/10/12 to 31/05/13	1,900	3	5,700	1,215	243
Total						9,18,525	4,06,510	
Grand Total						13,25,035		

Appendix-VII
(Reference - Paragraph 4.5)

Statement showing the Reassignment Fee and Fines realisable in respect of Foreign Vehicles

Sl. No.	Vehicle No.	Type of Vehicles/ Capacity of Vehicles	Date of entry in the District	Reassignment Fee (Amount in ₹)	No. of days w.e.f. date of entry in the State upto 31.05.2014	Fine chargeable (Amount in ₹)	Total (5+7) (Amount in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	NL-03/A-1576	Truck/3 MT	24.06.1993	600	7,645	(7 days/7 X 100) + (7,638 days/7 x 300) = 3,27,443	3,28,043
2	NL-06/A-2471	Truck/10 MT	03.11.2000	600	1,671	(7 days/7 X 100) + (1,664 days/7 x 300) = 71,414	72,014
3	NL-03/D-6772	LGV/1 MT	27.11.2009	600	1,647	(7 days/7 X 100) + (1,640 days/7 x 300) = 70,386	70,986
4	NL-07/A-0389	Truck/10 MT	15.10.2004	600	3,516	(7 days/7 X 100) + (3,509 days/7 x 300) = 1,50,486	1,51,086
5	NL-02/A-7061	Truck/10 MT	10.11.1997	600	6,045	(7 days/7 X 100) + (6,038 days/7 x 300) = 2,58,871	2,59,471
6	NL-02/A-6661	Truck/10 MT	10.12.1996	600	6,381	(7 days/7 X 100) + (6,374 days/7 x 300) = 2,73,271	2,73,871
7	NL-02/A-5097	Truck/9 MT	04.12.1984	600	10,770	(7 days/7 X 100) + (10,763 days/7 x 300) = 4,61,371	4,61,971
8	NL-02/A-4051	Truck/10 MT	26.05.1995	600	6,944	(7 days/7 X 100) + (6,937 days/7 x 300) = 2,97,400	2,98,000
9	NL-02/A-7761	Truck/10 MT	16.06.1981	600	12,036	(7 days/7 X 100) + (12,029 days/7 x 300) = 5,15,629	5,16,229
10	NL-02/A-6261	Truck/10 MT	10.12.1996	600	6,381	(7 days/7 X 100) + (6,374 days/7 x 300) = 2,73,271	2,73,871
11	NL-02/A-4161	Truck/10 MT	13.02.1987	600	9,969	(7 days/7 X 100) + (9,962 days/7 x 300) = 4,27,043	4,27,643
12	NL-02/A-4061	Truck/10 MT	26.05.1995	600	6,944	(7 days/7 X 100) + (6,937 days/7 x 300) = 2,97,400	2,98,000
13	NN-01/A-4024	Tractor	10.06.1996	600	6,565	(7 days/7 X 100) + (6,558 days/7 x 300) = 2,81,157	2,81,757
14	AP-35/U-1171	Tipper	02.08.2005	600	3,195	(7 days/7 X 100) + (3,188 days/7 x 300) = 1,36,729	1,37,329
15	NL-03/A-1414	Truck/10 MT	22.08.2005	600	3,175	(7 days/7 X 100) + (3,168 days/7 x 300) = 1,35,871	1,36,471
16	NL-06/A-2154	Truck/10 MT	13.06.2006	600	2,910	(7 days/7 X 100) + (2,903 days/7 x 300) = 1,24,514	1,25,114
17	NL-06/A-2516	Truck/10 MT	27.05.2005	600	3,262	(7 days/7 X 100) + (3,255 days/7 x 300) = 1,39,600	1,40,200
18	NL-04/A-2583	Truck/4 MT	19.12.1995	600	6,737	(7 days/7 X 100) + (6,730 days/7 x 300) = 2,88,529	2,89,129
19	NL-02/A-7456	Tipper	17.11.2009	600	1,657	(7 days/7 X 100) + (1,650 days/7 x 300) = 70,813	71,413
20	NL-02/G-7457	Tipper	17.11.2009	600	1,657	(7 days/7 X 100) + (1,650 days/7 x 300) = 70,813	71,413
21	NL-0G/A-7458	Tipper	17.11.2009	600	1,657	(7 days/7 X 100) + (1,650 days/7 x 300) = 70,813	71,413
22	NL-0G/A-7459	Tipper	17.11.2009	600	1,657	(7 days/7 X 100) + (1,650 days/7 x 300) = 70,813	71,413
23	NL-0G/A-7461	Tipper	17.11.2009	600	1,657	(7 days/7 X 100) + (1,650 days/7 x 300) = 70,813	71,413
24	NL-0G/A-7462	Tipper	17.11.2009	600	1,657	(7 days/7 X 100) + (1,650 days/7 x 300) = 70,813	71,413
25	NL-0G/A-7463	Tipper	17.11.2009	600	1,657	(7 days/7 X 100) + (1,650 days/7 x 300) = 70,813	71,413
Total				15,000		50,26,076	50,41,076

Appendix-VIII

(Reference - Paragraph 4.5)

Statement showing the Reassignment Fee and Fines realisable in respect of Foreign Vehicles

Sl. No.	Vehicle No.	Type of Vehicles/ Capacity of Vehicles	Date of entry in the District	Reassignment Fee (Amount in ₹)	No. of days w.e.f. date of entry in the State upto 31.03.2013	Fine chargeable (Amount in ₹)	Total (5+7) (Amount in ₹)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	AR-01/8378	Auto Rickshaw	5.04.2010	300	1,153	(7 days/7 X 100) + (1,146 days/7 x 300) = 49,214	49,514
2	AR-01/1642	Motor Cycle	6.08.2010	60	1,029	(7 days/7 X 100) + (1,022 days/7 x 300) = 43,900	43,960
3	AR-06/2427	Motor Cycle	30.07.2010	60	1,036	(7 days/7 X 100) + (1,029 days/7 x 300) = 44,200	44,260
4	AR-01/7595	Motor Cycle	4.03.2010	60	1,185	(7 days/7 X 100) + (1,178 days/7 x 300) = 50,585	50,645
5	AR-01/4900	Motor Cycle	8.04.2010	60	1,150	(7 days/7 X 100) + (1,143 days/7 x 300) = 49,085	49,145
6	AR-01/B-4774	Motor Cycle	21.04.2010	60	1,137	(7 days/7 X 100) + (1,130 days/7 x 300) = 48,528	48,588
7	AR-01/0995	Motor Cycle	5.05.2010	60	1,123	(7 days/7 X 100) + (1,116 days/7 x 300) = 47,928	47,988
8	AR-01/B-9072	Auto Rickshaw	19.06.2010	300	1,078	(7 days/7 X 100) + (1,071 days/7 x 300) = 4,600	46,300
9	AR-06/2417	Auto Rickshaw	30.07.2010	300	1,036	(7 days/7 X 100) + (1,029 days/7 x 300) = 44,200	44,500
10	AR-01/7855	Motor Cycle	25.08.2010	60	1,010	(7 days/7 X 100) + (1,003 days/7 x 300) = 43,085	43,145
11	AR-01/A-1922	Maruti Van	26.05.2010	200	1,102	(7 days/7 X 100) + (1,095 days/7 x 300) = 47,028	47,228
12	AR-01/B-4257	C/Carrier 709 Bus	3.09.2010	600	1,367	(7 days/7 X 100) + (1,360 days/7 x 300) = 58,385	58,985
13	AR-01/B-1648	LCV Tata Mobile 207	24.09.2010	300	1,346	(7 days/7 X 100) + (1,339 days/7 x 300) = 57,485	57,785
14	AR-01/A-2827	Maruti Car	12.10.2010	200	963	(7 days/7 X 100) + (986 days/7 x 300) = 41,071	41,271
15	AR-01/B-2845	Tata 207	22.12.2010	300	902	(7 days/7 X 100) + (895 days/7 x 300) = 38,457	38,757
16	AR-01/B-7436	Pick up Van	29.12.2010	300	885	(7 days/7 X 100) + (788 days/7 x 300) = 37,728	38,028
17	AR-08/3207	Truck	3.01.2011	600	880	(7 days/7 X 100) + (873 days/7 x 300) = 37,514	38,114
18	AR-01/c-3349	Auto Rickshaw	6.04.2011	300	787	(7 days/7 X 100) + (780 days/7 x 300) = 33,528	33,828
19	AR-06/2424	LMV Car	28.10.2010	200	948	(7 days/7 X 100) + (941 days/7 x 300) = 40,428	40,628
20	AR-01/Z-1622	Tata Truck	22.05.2011	600	741	(7 days/7 X 100) + (234 days/7 x 300) = 31,557	32,157
21	AR-07/1166	HMV Mobile Carrier	6.06.2011	600	726	(7 days/7 X 100) + (719 days/7 x 300) = 30,914	31,514
22	AR-01/6129	Bus	15.06.2011	600	717	(7 days/7 X 100) + (710 days/7 x 300) = 30,528	31,128
23	AR-01/A-4447	Motor Cycle	16.06.2011	60	718	(7 days/7 X 100) + (711 days/7 x 300) = 30,571	30,631
24	AR-09/6923	Tata Truck	17.06.2011	600	719	(7 days/7 X 100) + (712 days/7 x 300) = 30,614	31,214
Total				6,780		10,12,533	10,19,313

Appendix- IX

(Reference - Paragraph 4.7)

Statement showing payment of House Rent Allowance (HRA) to the officials residing in Government quarters and House Rent realisable

Sl. No.	Name of the officials	Designation	Period of Bills	No. of Months	Basic Pay per Month	HRA Drawn per Month	Total HRA Drawn	House rent realisable per Month	Total House Rent realisable
(Amount in ₹)									
1	Abdul Mazid	Enforcement Inspector (EI)	3/11 to 6/11	4	14,990	1,799	7,195	1,499	5,996
			7/11 to 6/12	12	15,440	1,853	22,234	1,544	18,528
			7/12 to 1/13	7	15,910	1,909	13,364	1,591	11,137
2	Ramesh Shyan	EI	3/11 to 6/11	4	11,780	1,414	5,654	1,178	4,712
			7/11 to 6/12	12	12,650	1,518	18,216	1,265	15,180
			7/12 to 6/13	12	13,030	1,564	18,763	1,303	15,636
			7/13 to 2/14	8	15,750	1,890	15,120	1,575	12,600
3	Pradip Thakuria	EI	3/11 to 6/11	4	21,450	2,574	10,296	2,145	8,580
			7/11 to 6/12	12	22,610	2,713	32,558	2,261	27,132
			7/12 to 1/13	7	23,290	2,795	19,564	2,329	16,303
4	Munin Kr. Das	EI	3/11 to 6/11	4	13,710	1,645	6,581	1,371	5,484
			7/11 to 6/12	12	14,640	1,757	21,082	1,464	17,568
			7/12 to 6/13	12	15,080	1,810	21,715	1,508	18,096
			7/13 to 2/14	8	16,900	2,028	16,224	1,690	13,520
5	Pinaki Dutta	EI	3/11 to 6/11	4	12,340	1,481	5,923	1,234	4,936
			7/11 to 6/12	12	13,230	1,588	19,051	1,323	15,876
			7/12 to 6/13	12	13,630	1,636	19,627	1,363	16,356
			7/13 to 3/14	9	15,940	1,913	17,215	1,594	14,346
6	Om Prakash Upadhaya	EI	3/11 to 6/11	4	12,340	1,481	5,923	1,234	4,936
			7/11 to 6/12	12	13,230	1,588	19,051	1,323	15,876
			7/12 to 6/13	12	13,630	1,636	19,627	1,363	16,356
			7/13 to 2/14	8	15,170	1,820	14,563	1,517	12,136
7	Diganta Bhuyan	Assistant Enforcement Inspector (AEI)	3/11 to 6/11	4	10,380	1,246	4,982	1,038	4,152
			7/11 to 6/12	12	10,900	1,308	15,696	1,090	13,080
			7/12 to 6/13	12	11,550	1,386	16,632	1,155	13,860
			7/13 to 3/14	9	11,900	1,428	12,852	1,190	10,710

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Sl. No.	Name of the officials	Designation	Period of Bills	No. of Months	Basic Pay per Month	HRA Drawn per Month	Total HRA Drawn	House rent realisable per Month	Total House Rent realisable
(Amount in ₹)									
8	A.B.Siddique Choudhury	AEI	3/11 to 6/11	4	10,960	1,315	5,261	1,096	4,384
			7/11 to 1/12	7	11,500	1,380	9,660	1,150	8,050
9	Gyandeo Prasad	AEI	3/11 to 6/11	4	10,410	1,249	4,997	1,041	4,164
			7/11 to 1/12	7	10,700	1,284	8,988	1,070	7,490
10	Bisheswar Roy	AEI	3/11 to 6/11	4	10,470	1,256	5,026	1,047	4,188
			7/11 to 6/12	12	11,000	1,320	15,840	1,100	13,200
			7/12 to 6/13	12	11,440	1,373	16,474	1,144	13,728
			7/13 to 2/14	8	11,790	1,415	11,318	1,179	9,432
11	Bhupendra Nath	AEI	3/11 to 6/11	4	11,920	1,430	5,722	1,192	4,768
			7/11 to 12/11	6	12,490	1,499	8,993	1,249	7,494
12	Hemanta Kr. Baruah	AEI	3/11 to 6/11	4	10,960	1,315	5,261	1,096	4,384
			7/11 to 6/12	12	11,500	1,380	16,560	1,150	13,800
			7/12 to 6/13	12	11,940	1,433	17,194	1,194	14,328
			7/13 to 2/14	8	12,300	1,476	11,808	1,230	9,840
13	Debakanta Bhuyan	Enforcement Constable (EC)	3/11 to 6/11	4	9,880	1,186	4,742	988	3,952
			7/11 to 6/12	12	10,390	1,247	14,962	1,039	12,468
			7/12 to 6/13	12	10,890	1,307	15,682	1,089	13,068
			7/13 to 2/14	8	11,220	1,346	10,771	1,122	8,976
14	Sadananda Borah	EC	3/11 to 6/11	4	10,060	1,207	4,829	1,006	4,024
			7/11 to 12/11	6	10,390	1,247	7,481	1,039	6,234
15	Golap Neog	EC	3/11 to 6/11	4	9,880	1,186	4,742	988	3,952
			7/11 to 6/12	12	10,390	1,247	14,962	1,039	12,468
			7/12 to 6/13	12	10,710	1,285	15,422	1,071	12,852
			7/13 to 2/14	8	11,040	1,325	10,598	1,104	8,832
16	Kali Charan Rajbongshi	EC	3/11 to 6/11	4	9,880	1,186	4,742	988	3,952
			7/11 to 6/12	12	10,390	1,247	14,962	1,039	12,468
			7/12 to 6/13	12	10,890	1,307	15,682	1,089	13,068
			7/13 to 2/14	8	11,220	1,346	10,771	1,122	8,976
17	Suresh Pathak	EC	3/11 to 6/11	4	10,060	1,207	4,829	1,006	4,024
			7/11 to 6/12	12	10,390	1,247	14,962	1,039	12,468
			7/12 to 6/13	12	10,710	1,285	15,422	1,071	12,852
			7/13 to 2/14	8	11,040	1,325	10,598	1,104	8,832

Sl. No.	Name of the officials	Designation	Period of Bills	No. of Months	Basic Pay per Month	HRA Drawn per Month	Total HRA Drawn	House rent realisable per Month	Total House Rent realisable
(Amount in ₹)									
18	Manik Kachari	EC	3/11 to 6/11	4	7,420	890	3,562	742	2,968
			7/11 to 6/12	12	7,850	942	11,304	785	9,420
			7/12 to 6/13	12	8,090	971	11,650	809	9,708
			7/13 to 2/14	8	8,340	1,001	8,006	834	6,672
19	Prosenjit Roy	AEI	3/12 to 6/12	4	10,800	1,296	5,184	1,080	4,320
			7/12 to 6/13	12	11,130	1,336	16,027	1,113	13,356
			7/12 to 3/14	9	11,470	1,376	12,388	1,147	10,323
20	Prallad Bharali	AEI	3/12 to 6/12	4	11,010	1,321	5,285	1,101	4,404
			7/12 to 6/13	12	11,350	1,362	16,344	1,135	13,620
			7/12 to 3/14	9	11,700	1,404	12,636	1,170	10,530
21	Tarun Hazarika	AEI	3/12 to 6/12	4	10,300	1,236	4,944	1,030	4,120
			7/12 to 6/13	12	10,610	1,273	15,278	1,061	12,732
			7/12 to 3/14	9	10,930	1,312	11,804	1,093	9,837
22	Debojyuti Baruah	AEI	3/12 to 6/12	4	8,640	1,037	4,147	864	3,456
			7/12 to 6/13	12	9,010	1,081	12,974	901	10,812
			7/12 to 3/14	9	9,290	1,115	10,033	929	8,361
23	Anwar Hussain	AEI	3/12 to 6/12	4	8,640	1,037	4,147	864	3,456
			7/12 to 6/13	12	8,900	1,068	12,816	890	10,680
			7/12 to 3/14	9	9,290	1,115	10,033	929	8,361
24	Jadab Kr. Upadhaya	AEI	3/12 to 6/12	4	7,830	940	3,758	783	3,132
			7/12 to 6/13	12	7,830	940	11,275	783	9,396
			7/12 to 3/14	9	8,070	968	8,716	807	7,263
25	Kristophar Naido	AEI	3/12 to 6/12	4	8,280	994	3,974	828	3,312
			7/12 to 6/13	12	8,530	1,024	12,283	853	10,236
			7/12 to 3/14	9	8,800	1,056	9,504	880	7,920
26	Chandan Buragohein	AEI	3/12 to 6/12	4	10,390	1,247	4,987	1,039	4,156
			7/12 to 6/13	12	10,710	1,285	15,422	1,071	12,852
			7/12 to 2/14	8	11,040	1,325	10,598	1,104	8,832
27	Mohan Roy	EC	9/12 to 3/13	6	10,890	1,307	7,841	1,089	6,534
Total							10,15,892		8,46,577

Appendix-X

(Reference - Paragraph 5.4.2)

Statement showing loss/short-realisation towards Mines and Minerals Development, Restoration and Rehabilitation Fund

(₹ in lakh)

Sl. No	Name of the mahals/quarry	Name of the contractor/ permit holder	Bid amount	Period of contract/ lease (in years)	Date of commencement of contract/ lease	Amount of instalment paid	MMDRR Fund realisable i.e. 10 per cent on instalment amount	MMDRR Fund realised	Loss/short realisation of revenue	Remarks
1	KW/7 Kukurmara (sand)	Shri Arup Das	407.75	7	19 June 2014	116.50 (8 instalment)	11.65	5.83	5.82	Lease period is in force
2	KW/4 Kharkhari (sand)	Sri Dhiraj Thakuria	20.60	2	4 April 2014	20.60	2.06	1.03	1.03	Lease period expired on 4 April 2016
3	KW/6 Chhaygaon No.2 (sand)	Sri Pradip Dewan	117.45	2	26 March 2014	117.45	11.74	5.87	5.87	Lease period expired on 26 March 2016
4	KW/12 Batha No.4 (sand)	Sri Joytish Chandra Rabha	16.59	2	14 March 2014	16.59	1.66	0.83	0.83	Lease period expired on 13 March 2016
5	KW/14 Batha No.6 (sand)	Sri Dipak Rabha	30.48	2	19 March 2014	30.48	3.05	1.53	1.52	Lease period expired on 19 March 2016
6	KW/3/Singra Marakalahi (sand)	Sri Pradip Rabha	164.08	7	2 June 2014	29.30 (5 instalment)	2.93	2.34	0.59	Lease period terminated on 11 December 2015
Total							33.09	17.43	15.66	

Appendix-XI

(Reference - Paragraph 5.5)

Statement showing short realisation of royalty, monopoly fee and VAT for extraction of building stone.

(Amount in ₹)

Name of the contractor	Name of the works/projects	Permit No./Date of issue	Quantity of building stone to be extracted (in cum)	Name of the mahal/quarry from which building stone to be extracted	Amount of			Amount of			Short levy of			Remarks
					Royalty leviable at ₹ 200 per cum	Monopoly fee leviable at the rate of 60 per cent on royalty	VAT realisable on amount of royalty	Royalty levied at ₹ 130 per cum	Monopoly fee levied at the rate of 60 per cent on royalty for extension of extraction period	VAT realised on amount of royalty	Royalty	Monopoly fee on royalty	Short realisation of VAT on amount of royalty	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12= 6-9)	(13=7-10)	(14= 8-11)	(15)
Shri Utpal Kr. Das (M/s. Dee Pee Industries, Garchuk)	Lease for a period of 5 years for extraction of stone 2500 cum per year from 1/9/2011 to 31/8/2016 subject to the payment of lease rent, royalty, monopoly fee (60%) and 5% enhance on royalty bi-annually.	DFO's order No.B/Stone Mahal/KE/3257-60 dated 17.5.2014	2,500 ¹³¹ (for 5 th year)	Mainakhrung Stone Mahal No.C	5,00,000	3,00,000	25,000 (@ 5%)	3,25,000	1,95,000	16,250 (@ 5%)	1,75,000	1,05,000	8,750 (@ 5%)	Total advance payment of royalty and monopoly fee, VAT amounting to ₹6,50,000 and ₹ 3,90,000, ₹ 32,500 respectively made against 4 th and 5 th year vide Treasury Challans dated 7 May 2014.
Shri Anupam Nirman	Construction of alternative road from Khanapara (Kainadhara) to LGBI Airport Phase-IV.	Permit No. 40 of Book No.2802 dated 03/02/2015	1,500	Garbhanga Stone Mahal No.A	3,00,000	Not applicable	15,000 (@ 5%)	1,95,000	Not applicable	9,750 (@ 5%)	1,05,000	--	5,250 (@ 5%)	Permit was granted for 2,000 cum of stone but the contractor could extract 500 cum within June 2015.
M/s Gammon India Ltd.	NHAI	Permit No. 22 Book No.4417 dated 8/7/2015	9,000	Jhalukbari Junction	18,00,000	Not applicable	2,61,000 (@ 14.5%)	11,70,000	Not applicable	1,69,650 (@ 14.5%)	6,30,000	--	91,350 (@ 14.5%)	
Total											9,10,000	1,05,000	1,05,350	

¹³¹ 5th year commencing from 1 September 2015.

Appendix-XII

(Reference - Paragraph 5.6)

Statement showing non-realisation of reserved price on unauthorised extraction of stone and sand.

Sl. No.	Statement No. and Date of Chief Construction Engineer (R&D), Ministry of Defence, Government of India	Volume of sand (in cum)	Volume of stone (in cum)
(1)	(2)	(3)	(4)
1	PMU-GUW/100/Site-1/Gen date -02 December 2013	2,135.84	4,271.68
2	RAR No. XIII date -10 July 2014	228.81	439.62
3	RAR No. XIV date -29 July 2014	483.66	894.85
4	RAR No. XV date -29 August 2014	613.26	1,204.17
5	RAR No. XVI date -08 October 2014	579.72	1063.19
6	RAR No. XVII date -30 November 2014	737.46	1,431.33
7	RAR No. XVIII date -06 December 2014	170.09	295.74
8	RAR No. XX date -31 December 2014	316.24	625.30
9	Pre Final-1 date – Nil	594.18	1,156.48
10	RAR No- Date -28 December 2014	282.54	536.88
Total		6,141.80	11,919.24

Statement showing amount deducted from contractor's bills for use of stone and sand by the Chief Construction Engineer(R&D), Ministry of Defence, Government of India .

Sl. No.	Latter No. and date	Demand Draft/ Cheque No. and Date	Amount (in ₹)
(1)	(2)	(3)	(4)
1	No. CCE(R&D) E/500084/E5 date- 29 December 2015	185768 date - 29 December 2015	3,14,481
2	No. CCE(R&D) E/500084/E5 date- 10 April 2015	185667 date - 8 April 2015	1,09,751
3	No.CCE(R&D)E/500043/Works Bills/E5 date- 5 February 2015	185579 date - 3 February 2015	95,223
4	No. CCE(R&D) E/500043/Works Bills/E5 date- 9 January 2015	185525 date - 26 December 2014	2,37,603
5	No. CCE(R&D) E/500043/Works Bills/E5 date- 9 January 2015	185535 date- 31 December 2014	53,754
6	No. CCE(R&D) E/500043/Works Bills/E5 date- 5 December 2014	185497 date- 2 December 2014	2,52,443
7	No. CCE(R&D) E/500043/Works Bills/E5 date- 3 November 2014	185456 date - 3 November 2014	1,11,736

Sl. No.	Latter No. and date	Demand Draft/ Cheque No. and Date	Amount (in ₹)
(1)	(2)	(3)	(4)
8	No. CCE(R&D) E/500043/Works Bills/E5 date- 31 October 2014	185455 date - 31 October 2014	2,90,389
9	No. CCE(R&D) E/500043/Works Bills/E5 date- 25 February 2014	765995 date - 25 February 2014	1,98,945
10	No. CCE(R&D) E/500043/Works Bills/E5 date- 31 January 2014	765974 date - 31 January 2014	2,18,591
11	No. CCE(R&D) E/500043/Works Bills/E5 date- 24 December 2013	765953 date - 24 December 2013	2,42,853
12	No. CCE(R&D) E/500043/Works Bills/E5 date- 25 October 2013	765905 date - 25 October 2013	7,47,544
Total			28,73,313

Calculation of amount of reserve price involved:

Reserved price of sand at rate ₹187 per cum	6,141.80 X 187 = ₹ 11,48,517
Reserved price of stone at rate ₹ 215 per cum	11,919.24 X 215 = ₹ 25,62,637
Total	₹ 37,11,154

Appendix - XIII

(Reference: Paragraph 6.2.10.1)

Detail of target vis-a-vis achievement relating to minerals & water investigations

Year	Type of investigation	Nos. of investigation	Nature of work	Target	Achievement
2011-12	Mineral investigation	4	Geological mapping	15 sq. kms.	15 sq. kms.
			Detailed Geological mapping & contouring	13 sq. kms	2.81 sq. kms.
			Drilling	600 mtrs.	154 mtr
	Water investigation	3	Hydrogeo-logical survey	2,506 sq. kms.	2,506 sq. kms.
			Exploratory well	6 nos.	1 no.
2012-13	Mineral investigation	4	Geological mapping	120 sq. kms	62 Sq. kms.
			Detailed Geological mapping & contouring	4 sq. kms.	3.5 sq. kms.
			Drilling	900 mtrs	305 mtrs
			Geochemical mapping	700 sq. kms.	57 sq. kms.
	Water investigation	3	Reappraisal Hydrogeological survey	2,506 sq.kms.	2,506 sq.kms.
			Exploratory well	5 nos.	Nil
2013-14	Mineral investigation	2	Geological mapping	10 sq. kms.	0.6 sq. kms.
			Detailed Geological mapping & contouring	2 sq. kms	2 sq. kms
			Drilling	150 mtrs	45 mtrs
			Geochemical mapping	60 sq.kms.	23 sq. kms.
	Water investigation	3	Reappraisal Hydrogeological survey	2,606 sq. kms.	2,606 sq. kms.
Exploratory well			5 nos.	Nil	
2014-15	Mineral investigation	2	Geological mapping	50 sq. kms.	42 sq. kms.
			Geochemical mapping	60 sq. kms	24 sq. kms.
	Water investigation	2	Hydrogeological survey	1,078 sq. kms	1,078 sq. kms.
			Exploratory well	2 nos.	1 no.
2015-16	Mineral investigation	5	Survey	20 sq. kms.	-- ¹³²
	Water investigation	1	Hydrogeological survey	300 sq. kms	300 sq. kms.

Source: Departmental records

¹³² One project suspended due to technical reason and four projects could not be taken up due to non-availability of fund.

Appendix – XIV

[Reference: Paragraph 6.2.11.1(i)]

Delay in disposal of applications for PMLs

Sl. No.	Name of PML	Date of Application for PMLs	GoI approval date	GoA approval date	Effective date of lease		Delays for approval by GoA after the date of approval from GoI (in years)	Production from/ Prior to approval of GoA (As per monthly return)
					From	To		
1	Nambar (F)	28-03-2000	27-09-2002	27-03-2017	05-09-1999	04-09-2019	14	Apr-11
2	Banamali	14-12-2001	17-03-2004	24-03-2006	17-12-2002	16-12-2022	2	Apr-11
3	Bhubandar	22-12-2002	17-03-2004	24-03-2006	22-12-2002	21-12-2022	2	No production
4	Tinsukia Ext.	17-05-2003	17-03-2004	17-02-2005	17-05-2003	16-05-2023	1	Apr-11
5	Mechkai	19-05-2003	08-04-2004	16-06-2008	19-05-2003	18-05-2023	4	No production
6	Laiplinggaon	13-10-2003	13-04-2004	03-08-2006	13-10-2003	12-10-2023	2	Apr-11
7	East Lakhbari	13-01-2004	13-04-2004	Awaited	23-07-2003	22-07-2023	0	No production
8	Baghjan	14-05-2003	15-04-2004	12-12-2006	14-05-2003	13-05-2023	2	Apr-11
9	Chabua ML	12-06-2002	11-05-2004	12-05-2005	08-01-2008	07-01-2028	1	Apr-11
10	Panidhing	30-12-2004	24-10-2005	15-05-2017	19-05-2004	18-05-2024	11	Apr-11
11	Lakwa	20-09-2007	15-07-2009	09-05-2017	29-09-2008	28-09-2028	7	Apr-11
12	Makeypore-Santak-Nazira	30-01-2006	06-08-2009	Awaited	30-01-2006	29-01-2026	0	No production
13	Kasmorigaon	20-03-2010	10-03-2010	14-02-2017	09-12-2009	08-12-2025	6	Nov-16
14	South East Geleki	22-02-2011	20-05-2010	15-05-2017	30-01-2006	29-01-2026	7	Apr-11
15	GolaghatExt.II A (Additional)	28-10-2015	22-09-2010	14-02-2017	09-12-2009	08-12-2024	6	No production
16	Sonari	18-09-2008	25-10-2010	09-04-2012	01-08-2009	31-07-2026	1	Apr-11
17	Geleki ML	27-11-2009	13-04-2011	09-05-2017	16-08-2010	15-08-2030	6	Apr-11
18	Badarpur MI	29-07-2009	27-04-2011	14-12-2016	01-08-2009	31-07-2019	5	Apr-11
19	North Patharia	12-08-2014	09-10-2012	15-09-2016	30-03-2012	29-03-2029	4	No production
20	Kalyanpur	13-04-2007	09-10-2012	20-12-2016	13-04-2007	12-04-2027	4	Apr-11
21	Makeypore-Santak-Nazira-Bihupur Ext.	26-09-2011	28-12-2012	26-05-2017	26-09-2011	25-09-2031	4	No production
22	East Changmaigaon Ext	01-12-2011	28-12-2012	15-05-2017	01-12-2011	30-11-2031	4	No production
23	South East Geleki Ext.	26-09-2011	28-12-2012	Awaited	26-09-2011	25-09-2031	0	No production
24	Charaideo-Nahorhabi Ext.	26-09-2011	28-12-2012	Awaited	26-09-2011	25-09-2031	0	No production
25	West Chariali	30-01-2006	28-12-2012	Awaited	23-03-2012	22-03-2032	0	Apr-11

Audit Report (Revenue Sector) for the year ended 31 March 2017

Sl. No.	Name of PML	Date of Application for PMLs	GoI approval date	GoA approval date	Effective date of lease		Delays for approval by GoA after the date of approval from GoI (in years)	Production from/ Prior to approval of GoA (As per monthly return)
					From	To		
26	Adamatila Ext.	30-03-2012	04-03-2013	Awaited	03-03-2012	02-03-2032	0	No production
27	East Lakhbari Ext	27-01-2006	10-10-2013	14-02-2017	10-10-2013	09-10-2020	3	No production
28	Borhat	02-05-2014	11-02-2014	15-02-2017	13-08-2013	12-08-2033	3	No production
29	Sector V.C. Block Cachar	08-09-2015	13-03-2015	14-02-2017	30-11-2014	29-11-2034	2	No production
30	Adamatila ML	28-10-2009	05-06-2015	16-02-2017	24-11-2014	23-11-2031	2	Apr-11

Appendix - XV
[Reference: Paragraph 6.2.11.1(ii)]
Pendency of applications for RP, PL and ML

Sl. No.	Name of Area	Type of application	Application date	Delay
1	4.48 sq.Mile Lekhapani –Tipongpani ML	ML	17.07.02	More than 14 years
2	Tirap Coal Grant (Re-Grant)	ML	17.07.02	
3	Jeypore Mining Lease (Re-Grant)	ML	17.07.02	
4	4 Sq. Mile Ledo-Bargolai Mining Lease	ML	17.07.02	
5	Dilli ML I & II	ML	17.07.02	
6	Namdang Coal Grant	ML	17.07.02	
7.	Buland Cement Pvt. Ltd.	ML	25.11.09	More than 7 years
8.	RCL Cement/ AMDC	ML	25.05.09 22.07.08	More than 8 years
9.	Nagur Minerals Pvt. Ltd.	PL	21.11.11	More than 5 years
10.	Green Contrex Cements Pvt. Ltd.	PL	16.12.11	
11.	Plast India Trade and Industries Pvt. Ltd.	PL	16.02.05	More than 12 years
12	Trident Mineral Resources Pvt. Ltd.	RP	05.01.11	More than 6 years

Source: Departmental records

Applications mentioned at Sl. Nos. 9 to 11 were relating to PL and application at Sl. No. 12 was relating to RP.

Estimated Royalty calculation in respect of Sl. No. 1 to 8 (mentioned above)

Sl. No.	Name of Lease Area	Period	Quantity likely to be extracted (thousand MT)	Estimated loss in form of royalty (₹ in crore)
1	4.48 Sq.Mile Lekhapani – Tipongpani ML	2011-12 to 2016-17	900	62.63
2	Tirap Coal Grant (Re-Grant)	2011-12 to 2016-17	1,800	125.27
3	Jeypore Mining Lease (Re-Grant)	2011-12 to 2016-17	180	12.53
4	4 Sq. Mile Ledo-Bargolai Mining Lease	2011-12 to 2016-17	1,644	114.41
5	Dilli ML I & II	2011-12 to 2016-17	540	37.58
6	Namdang Coal Grant	2011-12 to 2016-17	756	52.61
7	Buland Cement Pvt. Ltd.	2011-12 to 2016-17	270	1.96
8	RCL Cement/ AMDC	2011-12 to 2016-17	1,700	12.50
Total:				419.49

Royalty calculated on the basis of estimated quantity likely to be extracted (as per applications) and average rates of royalty (calculated on the basis of total despatched quantity & royalty paid by CIL during the year) for the years 2011-12 to 2016-17. Prior to that royalty could not be calculated in absence of average rates of royalty.

Appendix - XVI
[Reference: Paragraph 6.2.11.7(i)]
Short payment of Stamp Duty

Sl. No.	Name of PML	Date of execution of deed	Value determined by Directorate for levy of stamp duty	Stamp duty paid	Quantity likely to be extracted as per application		Average rate of royalty		Estimated royalty for the purpose of stamp duty			Stamp duty payable (₹ in crore)
					Crude Oil (MMT)	Natural Gas (MMSC UM)	Crude Oil (per MT)	Natural Gas (per 1000 cum)	Crude Oil (₹ in crore)	Natural Gas (₹ in crore)	Total (₹ in crore)	
1.	Geleki Ext-I	08.11.12	1,00,400	6,030	0.551	252.21	2,235.48	817.71	123.17	20.62	143.79	8.63
2.	Adamtila	01.10.12	80,000	4,950	0	220.81	3,234.72	830.69	0	18.34	18.34	1.10
3.	Sonari	08.11.12	3,00,000	36,000	0.015	2.30	2,235.43	817.71	3.35	0.19	3.54	0.21
4.	Titabar	29.12.10	2,00,000	12,000	0.070	0	3,776.19	230.40	26.43	0	26.43	1.59
5.	North Rudrasagar	29.12.10	39,60,000	2,37,600	0.070	0	3,776.19	230.40	26.43	0	26.43	1.59
6.	Rudrasagar	29.12.10	14,10,000	84,600	4.260	1,410.60	3,776.19	230.40	1,608.66	32.50	1,641.16	98.47
7.	Banamali	06.04.07	2,50,000	25,000	0.077	0	3,105.94	230.40	23.92	0	23.92	1.44
8.	Laiplinggaon	06.04.07	1,30,000	10,400	0.512	0	3,105.94	230.40	15.90	0	15.90	0.95
9.	Chariali Ext-I	06.04.07	2,25,000	22,500	0.059	0	3,105.94	230.40	1.83	0	1.83	0.11
10.	Namti	23.12.08	1,77,750	17,775	1.767	1.24	3,644.26	230.40	643.94	0.03	643.97	38.64
11.	Mechkai	19.07.08	7,25,000	1,44,950	0.130	0	3,644.26	230.40	47.38	0	47.38	2.84
12.	Nahakatia	08.01.08	3,575	232	0.033	38.50	3,105.94	230.40	1.02	0.89	1.91	0.11
13.	Chabua	08.01.08	6,95,000	1,39,000	0	146.00	3,105.94	230.40	0	3.36	3.36	0.20
14.	Baghjan	08.01.08	1,87,500	37,500	0	358.00	3,105.94	230.40	0	8.25	8.25	0.50
15.	Tinsukia Ext	08.01.08	6,75,000	1,35,000	0	155.00	3,105.94	230.40	0	3.57	3.57	0.21
16.	Borhapjan	08.01.08	2,17,500	43,500	0.129	0	3,105.94	230.40	40.06	0	40.06	2.40
	Total			9,57,037					2,562.09	87.75	2,649.84	158.99

Appendix – XVII
[Reference: Paragraph 6.2.11.7(ii)]
Registration fee payable

(Amount in ₹)

Sl. No.	Name of ML	Agency	Date of execution	Period (Year)	Anticipated rent from the leased land per annum (as per deed agreement)	Rate per Thousand	Registration fee payable
1	Namti	ONGCL	23-12-08	20	1,77,750	65	11,554
2	Golaghat Ext. II A	ONGCL	08-11-12	15	2,40,000	65	15,600
3	Changmaigaon	ONGCL	06-04-07	20	50,000	35	1,750
4	Geleki Ext -I	ONGCL	08-11-12	20	1,00,400	55	5,522
5	Geleki Ext- II	ONGCL	06-04-07	20	13,250	25	331
6	Sonari	ONGCL	08-11-12	17	3,00,000	65	19,500
7	Banamali	ONGCL	06-04-07	20	2,50,000	65	16,250
8	Khoraghat Ext-I	ONGCL	08-09-07	20	2,07,500	65	13,488
9	Khoraghat	ONGCL	08-11-12	15	60,000	40	2,400
10	Charaideo-Nahorhabi	ONGCL	29-12-10	15	2,80,000	65	18,200
11	Changmaigaon East	ONGCL	29-12-10	20	3,00,000	65	19,500
12	Rudrasagar	ONGCL	29-12-10	20	14,10,000	85	1,19,850
13	North Rudrasagar	ONGCL	29-12-10	20	39,60,000	85	3,36,600
14	Titabar	ONGCL	29-12-10	15	2,00,000	65	13,000
15	Laiplinggaon	ONGCL	06-04-07	20	1,30,000	55	7,150
16	Chariali	ONGCL	06-04-07	20	2,58,180	65	16,782
17	Chariali Ext-I	ONGCL	06-04-07	20	2,25,000	65	14,625
18	Bhubandar	ONGCL	02-12-06	20	15,000	25	375
19	Borhapjan	OIL	08-01-08	20	4,35,000	65	28,275
20	Dholiya	OIL	18-10-02	20	4,05,000	65	26,325
21	Tinsukia Ext	OIL	08-01-08	20	6,75,000	85	57,375
22	Baghjan	OIL	08-01-08	20	3,75,000	65	24,375
23	Chabua	OIL	08-01-08	20	6,95,000	85	59,075
24	Naharkatia	OIL	08-01-08	20	3,575	20	72
25	Moran	OIL	18-10-02	20	18,97,100	85	1,61,254
26	Moran Ext.	OIL	19-07-08	20	25,50,000	85	2,16,750
27	Dibrugarh	OIL	18-10-02	20	6,80,000	85	57,800
28	Digboi	OIL	18-10-02	20	12,33,250	85	1,04,826
29	Mechkai	OIL	19-07-08	20	7,25,000	85	61,625
30	Tinsukia	OIL	18-01-02	20	7,50,000	85	63,750
31	Mekerong	ONGCL	26-02-05	20	40,000	35	1,400
32	Adamtila	ONGCL	01-10-12	17	80,000	45	3,600
				Total			14,98,979

Appendix - XVIII
[Reference: Paragraph 6.2.11.8(i)]

Rates of Licence Fee

Period	Prior to 01.04.2003 (Amount in ₹)	With Effect From 01.04.2003 to 24.11.2009 (Amount in ₹)	With Effect From 25.11.2009 (Amount in ₹)
For the First year of Licence	8	50	200
For the Second year of Licence	40	100	400
For the Third year of Licence	200	500	2,000
For the Fourth year of Licence	400	700	2,800
For the each subsequent year of	600	1,000	4,000

Source: The PNG Rules

Non/Short payment of Licence Fee for PEL

Sl. No.	Name of PEL	Name of operator	Area (in sq. Km)	Effective Date	Period	License Fee payable(Amount in ₹)	License Fee paid(Amount in ₹)	Non/ Short payment(Amount in ₹)
1	AA-ONN-2005/ 01	ONGCL	363	02.12.10	02.12.10 to 01.12.11 (1 st Year)	72,600	18,150	54,450
					02.12.14 to 01.12.15 (5 th year)	14,52,000	0	14,52,000
2	AA-ONN-2009/3	ONGCL & OIL	84	02.12.10	02.12.14 to 01.12.15 (5 th year)	3,36,000	0	3,36,000
					02.12.16 to 01.12.17 (7 th year)	3,36,000	0	3,36,000
3	Dibrugarh	OIL	427	01.04.02	01.04.08 to 31.03.09 (7 th year)	4,27,000	0	4,27,000
4	AA-ONN-2010/2	OIL & ONGCL	396	29.12.14	29.12.16 to 28.12.17 (3 rd year)	7,92,000	0	7,92,000
5	Tinsukia	OIL	480	01.04.02	01.04.08 to 31.03.09 (7 th year)	4,80,000	0	4,80,000
					06.07.10 to 05.07.11 (9 th year)	19,20,000	0	19,20,000
					06.07.11 to 1.12.12 (10 th year)	7,79,355	0	7,79,355
6	Murkonselek	OIL	449	01.04.07	01.04.08 to 05.10.11	45,80,445	44,90,000	90,445
7	Sivasagar	ONGCL	1,126		01.04.08 to 12.06.10	16,21,400	0	16,21,400
8	AA-ONN-2004/2	OIL	218	28.06.07	28.06.14 to 27.06.15	8,72,000	0	8,72,000
9	Merapani	ONGCL	80		01.10.07 to 30.09.08	80,000	0	80,000
					01.10.08 to 30.09.09	80,000	0	80,000
					01.10.09 to 30.09.10	80,000	0	80,000
					01.10.10 to 30.09.11	80,000	0	80,000
10	AA-ONJ/2	ONGCL	802		31.12.14 to 30.12.15	25,48,000	0	25,48,000
11	AA-ONN-2000/1	Reliance	5,754	10.01.08	10.01.11 to 09.01.12 (5 th year)	2,30,16,000	0	2,30,16,000
					10.01.12 to 09.01.13 (6 th year)	2,30,16,000	0	2,30,16,000
12	Karimganj	ONGCL	384.50	01.04.03	01.04.11 to 31.03.12 (9 th year)	15,38,000	0	15,38,000
13	Borhat	OIL	111.00		01.04.08 to 31.03.09	1,11,000	0	1,11,000
Total						6,42,17,800	45,08,150	5,97,09,650

Appendix - XIX

[Reference: Paragraph 6.2.11.8(ii)]

Non-levy of interest

Sl. No.	Name of PEL with Area	Name of Operator	Period for which Licence Fee paid delay	Licence Fee paid (Amount in ₹)	Actual Date of payment	Due date of payment	Delay (in days)	Penal Interest leviable (Amount in ₹)
1	Dibrugarh (427 Sq. Km.)	OIL	01.04.05 to 31.03.06	4,48,700	25.04.05	31.03.05	25	4,840
			01.04.07 to 31.03.08	4,27,000	13.12.07	31.03.07	256	47,169
			01.04.09 to 31.03.10	4,27,000	26.05.11	31.03.09	775	1,42,796
			01.04.10 to 31.03.11	17,08,000	26.05.11	31.03.10	410	3,02,176
			01.04.11 to 31.03.12	17,08,000	26.05.11	31.03.11	45	33,166
			15.02.13 to 14.02.14	17,08,000	05.03.13	14.02.13	18	13,266
			15.02.14 to 14.02.15	17,08,000	19.03.14	14.02.14	33	24,321
2	AA-ONN-2010/ 3 Sadiya PEL (171 Sq. Km.)	OIL	12.12.14 to 11.12.15	68,400	27.01.15	11.12.14	46	1,358
			12.12.15 to 11.12.16	3,42,000	04.01.16	11.12.15	23	3,394
3	AA-ONN-2010/2 Karbi Anglong (396 Sq. Km.)	OIL	29.12.15 to 28.12.16	1,58,400	11.02.16	28.12.15	44	3,007
4	Karimganj (384.500 Sq. Km)	ONGCL	01.04.10 to 31.03.11	11,53,500	24.08.10	31.03.10	145	72,173
5	Tinsukia (480 Sq.Km.)	OIL	01.04.07 to 31.03.08	4,80,000	13.12.07	31.03.07	256	53,024
			01.04.09 to 05.07.10	14,03,178	05.01.10	31.03.09	279	1,68,929
			02.12.12 to 01.12.13	19,20,000	05.03.13	01.12.12	95	78,707
			02.12.13 to 01.12.14	18,84,000	24.02.14	01.12.13	85	69,102
			02.12.14 to 01.12.15	18,84,000	30.03.15	01.12.14	119	96,742
6	Sadiya (1130 Sq. Km)	OIL	18.11.02 to 17.11.03	45,200	21.02.03	17.11.02	95	1,853
			18.11.03 to 17.11.04	4,24,000	23.02.04	17.11.03	97	17,747
			18.11.05 to 17.11.06	5,65,000	23.02.06	17.11.05	97	23,649
7	Dumduma Extension	OIL	01.08.07 to 31.07.08	1,33,000	13.12.07	31.07.07	134	7,690
			01.08.08 to 31.07.09	1,33,000	09.09.08	31.07.08	39	2,238
			01.08.09 to 31.07.10	1,33,000	29.04.10	31.07.09	271	15,553
8	Murkongselek	OIL	01.04.08 to 31.03.09	6,53,000	18.11.10	31.03.08	961	270,994
			01.04.09 to 05.10.09	3,35,445	18.11.10	31.03.09	596	86,269
			06.10.09 to 05.10.10	17,96,000	18.11.10	05.10.09	409	316,969
			06.10.10 to 05.10.11	17,96,000	18.11.10	05.10.10	44	34,099
9	AA-ONN-2004/2	OIL	28.06.10 to 27.06.11	6,10,400	21.02.11	27.06.10	238	62,687
			28.06.11 to 27.06.12	8,72,000	16.05.12	27.06.11	322	121,160
			28.06.12 to 27.06.13	8,72,000	27.03.14	27.06.12	637	2,39,687
			28.06.13 to 27.06.14	8,72,000	27.03.14	27.06.13	272	1,02,347

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Sl. No.	Name of PEL with Area	Name of Operator	Period for which Licence Fee paid delay	Licence Fee paid (Amount in ₹)	Actual Date of payment	Due date of payment	Delay (in days)	Penal Interest leviable (Amount in ₹)
10	Borhat (111 Sq. Km.)	OIL	01.04.07 to 31.03.08	1,11,000	31.12.07	31.03.07	274	13,123
			01.04.10 to 31.03.11	4,44,000	26.05.11	31.03.10	420	80,467
			01.04.11 to 31.03.12	4,44,000	26.05.11	31.03.11	50	9,579
11	Cachar (733 Sq. Km.)	ONGCL	01.04.09 to 31.03.10	6,40,356	19.08.10	31.03.09	505	1,39,540
			01.04.10 to 31.03.11	29,32,000	27.01.11	31.03.10	301	3,80,819
			01.04.11 to 31.03.12	29,32,000	05.04.11	31.03.11	4	5,060
12	AA-ONN-2004/3 (1252 Sq. Km.)	Essar	02.05.09 to 01.05.10	1,25,200	19.08.09	01.05.09	110	5,943
			02.05.12 to 01.05.13	50,08,000	29.08.12	01.05.12	120	2,59,318
			02.05.13 to 01.05.14	50,08,000	05.06.13	01.05.13	35	75,635
			02.05.14 to 01.05.15	50,08,000	22.05.14	01.05.14	21	45,380
13	AA-ONN-2004/1 Amguri (144Sq.Km)	ONGCL	28.06.2k to 27.06.11	4,03,200	21.02.11	27.06.200	239	41,582
14	AA-ONJ/2 (802 Sq. Km.)	ONGCL	05.04.09 to 04.04.10	1,52,709	11.01.11	04.04.09	647	42,634
			05.04.10 to 04.04.11	16,04,400	11.01.11	04.04.10	282	1,95,231
			05.04.11 to 04.04.12	22,45,600	25.06.11	04.04.11	82	79,457
15	AA-ONN-2004/5	Essar	02.05.12 to 01.05.13	1,84,000	29.08.12	01.05.12	120	9,528
			02.05.13 to 01.05.14	1,84,000	30.05.13	01.05.13	29	2,302
16	AA-ONN-2010/3 (171 Sq. Km.)	OIL	12.12.16 to 11.12.17	4,78,800	28.12.16	11.12.16	16	3,305
Total								38,06,015

Appendix - XX
[Reference: Paragraph 6.2.11.9]
Rates of Statutory Fees

Type of deposit	Prior to 1 April 2003 (Amount in ₹)	With Effect From 1 April 2003 to 24 November 2009 (Amount in ₹)	With Effect From 25 November 2009 (Amount in ₹)
Security Deposit (SD)	1,00,000	2,00,000	8,00,000
Preliminary Expenses	10,000	30,000	1,20,000
Lease Fee	25,000	50,000	2,00,000

Source: The PNG Rules

Short deposit of Statutory Fee

Sl. No.	Name of PML	Date of grant by GoA	Security Deposit(Amount in ₹)			Preliminary Expenses (Amount in ₹)			Lease Fee(Amount in ₹)		
			Payable	Paid	Short payment	Payable	Paid	Short payment	Payable	Paid	Short payment
1	Geleki ML	09.05.17	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
2	Kasmorigaon	14.02.17	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
3	Rudrasagar	29.03.10	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
4	Titabar	29.03.10	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
5	Charaideo-Nahorhabi	17.03.10	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
6	East Lakhbari Ext	14.02.17	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
7	Geleki Ext-I	15.09.10	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
8	Changmaigaon East	15.03.10	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
9	Panidihing	15.05.17	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
10	Nambar(F)	29.03.17	8,00,000	1,00,000	7,00,000	1,20,000	10,000	1,10,000	2,00,000	25,000	1,75,000
11	Bhubandar	24.03.06	2,00,000	2,00,000	0	30,000	10,000	20,000	50,000	25,000	25,000
12	North Rudrasagar	16.03.10	8,00,000	2,00,000	6,00,000	1,20,000	30,000	90,000	2,00,000	50,000	1,50,000
13	Khoraghat Ext-I	28.02.07	2,00,000	2,00,000	0	30,000	10,000	20,000	50,000	25,000	25,000
14	Banamali	24.03.06	2,00,000	2,00,000	0	30,000	10,000	20,000	50,000	25,000	25,000
15	Tinsukia	09.05.17	8,00,000	1,00,000	7,00,000	1,20,000	1,20,000	0	2,00,000	2,00,000	0
16	Moran	09.03.17	8,00,000	2,00,000	6,00,000	1,20,000	1,20,000	0	2,00,000	2,00,000	0
17	Dibrugarh	08.05.17	8,00,000	1,00,000	7,00,000	1,20,000	1,20,000	0	2,00,000	2,00,000	0
		Total	1,18,00,000	31,00,000	87,00,000	17,70,000	7,00,000	10,70,000	29,50,000	12,00,000	17,50,000

Appendix- XXI

[Reference: Paragraph 6.2.12.1 (i) & (ii)]

Suppression of production Quantity

(A) OIL - Crude Oil

Year	Net Production as per monthly returns	Net production as per annual accounts	Difference in production quantity	Average rate of royalty (Amount in ₹)	Short payment of royalty (Amount in ₹)
2011-12	4.283 MMKL	4.302 MMKL	0.019 MMKL	317,40,44,415 per MMKL	6,03,06,844
2013-14	3.396 MMT	3.420 MMT	0.024 MMT	343,03,06,148 per MMT	8,23,27,348
2014-15	3.810 MMKL	3.831 MMKL	0.021 MMKL	266,33,32,140 per MMKL	5,59,29,975
2015-16	3.593 MMKL	3.613 MMKL	0.020 MMKL	288,15,61,550 per MMKL	5,76,31,231
Total					25,61,95,398

OIL - Natural Gas

Year	Net Production as per monthly returns (MM ³)	Net production as per annual accounts (MM ³)	Difference in production quantity (MM ³)	Average rate of royalty (₹ per MM ³)	Short payment of royalty (Amount in ₹)
2011-12	1,961.3847	2,249.0000	287.6153	6,06,967.31	17,45,73,085
2013-14	1,990.2880	2,427.5538	437.2658	7,66,693.57	33,52,48,877
2014-15	2,078.9334	2,358.0000	279.0666	9,04,308.88	25,23,62,405
2015-16	2,202.1648	2,491.0000	288.8352	9,37,289.42	27,07,22,177
Total	8,232.7709	9,525.5538	1,292.7829		103,29,06,544

(B) ONGCL - Crude Oil

Year	Net Production as per monthly returns of ONGCL (000,MT)	Net production as per IBM Mineral Year Book for entire Assam (000,MT)	Net production as per annual accounts / monthly returns of OIL (000,MT)	Net production of crude oil for ONGCL should be (000,MT)	Difference in production quantity (000,MT)	Average rate of royalty (₹per 000, MT)	Short payment of royalty (Amount in ₹)
(1)	(2)	(3)	(4)	(5)= (3)-(4)	(6) = (5)- (2)	(7)	(8)
2011-12	1,189	5,025	3,790	1,235	46	45,30,143	20,83,86,578
2012-13	1,205	4,863	3,591	1,272	67	30,90,216	20,70,44,472
2013-14	1,234	4,710	3,420	1,290	56	35,49,661	19,87,81,016
2014-15	1,035	4,466	3,375	1,091	56	33,37,794	18,69,16,464
Total	4,659	19,064	14,176	4,888	229		80,11,28,530

ONGCL - Natural Gas

Year	Net Production as per monthly returns of ONGCL (MM ³)	Net production as per IBM Mineral Year Book for entire Assam (MM ³)	Net production as per annual accounts/ monthly returns of OIL (MM ³)	Net production of crude oil for ONGCL should be (MM ³)	Difference in production quantity (MM ³)	Average rate of royalty (₹per MM ³)	Short payment of royalty (Amount in ₹)
(1)	(2)	(3)	(4)	(5)= (3)-(4)	(6) = (5)- (2)	(7)	(8)
2011-12	271	2,905	2,249	656	385	6,97,342	26,84,76,670
2012-13	250	2,910	1,973	937	687	8,06,043	55,37,51,541
2013-14	232	2,868	2,428	440	208	8,98,885	18,69,68,080
2014-15	208	2,958	2,358	600	392	10,67,478	41,84,51,376
Total	961	11,641	9,008	2,633	1,672		142,76,47,667

Appendix -XXII
[Reference: Paragraph 6.2.12.1 (iii)]
Difference in production/despatched quantity

Month	As per monthly return Production & Dispatch Quantity (MT)	As per return submitted to IBM Production & Dispatch Quantity (MT)	Difference in Quantity (MT)	Rate of royalty (₹ per MT)	Total royalty payable (Amount in ₹)
August 11	914.000	1,075.500	161.500	63	10,175
September 11	1,576.000	1,854.400	278.400	63	17,539
October 11	1,519.000	1,786.600	267.600	63	16,859
November 11	1,705.000	2,005.500	300.500	63	18,932
December 11	2,376.000	2,795.100	419.100	63	26,403
January 12	2,000.000	2,352.600	352.600	63	22,214
Total	10,090.000	11,869.700	1,779.700		1,12,122

Source: Monthly Returns submitted to Directorate & Indian Bureau of Mines

Appendix- XXIII
[Reference: Paragraph 6.2.12.2 (i)]
Unavoidable loss
Natural Gas

(A) ONGCL

(Quantity in scum)

Year	Quantity produced	Unavoidable loss	Percentage of Unavoidable loss over production	Unavoidable loss restricted as per proposal (5%)	Excess unavoidable loss claimed over the proposal	Loss of royalty due to excess unavoidable loss as per proposal calculated as per average rate of royalty paid (Amount in ₹)
2011-12	50,41,25,397	4,03,17,511	8.00	2,52,06,270	1,51,11,241	1,05,34,418
2012-13	48,51,39,443	4,29,81,041	8.86	2,42,56,972	1,87,24,069	1,23,74,829
2013-14	45,94,16,831	4,06,77,993	8.85	2,29,70,842	1,77,07,151	1,58,86,138
2014-15	44,85,89,734	4,09,08,709	9.12	2,24,29,487	1,84,79,222	1,97,29,497
2015-16	40,45,08,517	5,56,06,797	13.75	2,02,25,426	3,53,81,371	4,19,10,218
2016-17	43,55,92,961	8,42,05,852	19.33	2,17,79,648	6,24,26,204	5,14,51,412
Total	273,73,72,883	30,46,97,903		13,68,68,645	16,78,29,258	15,18,86,512

(B) OIL

(Quantity in scum)

Year	Quantity produced	Unavoidable loss	Percentage of Unavoidable loss over production	Unavoidable loss restricted as per proposal (5%)	Excess unavoidable loss claimed over the proposal	Loss of royalty due to excess unavoidable loss as per proposal calculated as per average rate of royalty paid (Amount in ₹)
2011-12	239,19,89,883	14,59,64,441	6.10	11,95,99,494	2,63,64,947	1,31,98,330
2012-13	242,46,36,825	16,58,49,018	6.84	12,12,31,841	4,46,17,177	3,09,99,552
2013-14	240,86,15,659	14,58,66,373	6.06	12,04,30,783	2,54,35,590	1,95,01,303
2014-15	250,96,50,008	15,44,41,549	6.15	12,54,82,500	2,89,59,049	2,61,87,925
2015-16	262,02,72,751	13,23,70,500	5.05	13,10,13,638	13,56,862	12,71,772
2016-17	269,26,71,896	12,29,29,082	4.57	0	0	0
Total	1504,78,37,022	86,74,20,963		61,77,58,256	12,67,33,625	9,11,58,882

(C) ONGCL

(Crude Oil)

(Quantity in tonnes)

Year	Quantity produced	Unavoidable loss	Percentage of Unavoidable loss over production	Unavoidable loss restricted as per proposal (0.5%)	Excess unavoidable loss claimed over the proposal	Loss of royalty due to excess unavoidable loss as per proposal calculated as per average rate of royalty paid (Amount in ₹)
2011-12	12,02,804.975	13,040.355	1.08	6,014.025	7,026.330	3,18,31,686
2012-13	12,22,701.605	16,758.755	1.37	6,113.508	10,645.247	3,32,05,875
2013-14	12,62,821.662	27,876.969	2.21	6,314.108	21,562.861	7,65,63,971
2014-15	10,58,195.603	21,944.156	2.07	5,290.978	16,653.178	5,56,06,405
2015-16	9,61,580.188	18,345.292	1.91	4,807.901	13,537.391	3,27,74,624
2016-17	9,49,705.931	10,930.825	1.15	4,748.530	6,182.295	4,42,23,007
Total	66,57,809.964	1,08,896.352		33,289.050	75,607.302	27,42,05,568

Appendix - XXIV

[Reference: Paragraph 6.2.12.2 (ii)]

'Nil' Production of Gas due to unavoidable loss & gas utilised for operation

(in SCUM)

Year	Name of PL (Operator)	Total Quantity of Natural Gas produced	Quantity of unavoidable loss (percentage of total production)	Quantity of Natural Gas utilised for operation (percentage of total production)	Net Quantity of production for royalty calculation
2011-12	Sonari (ONGCL)	6,81,475	23,500 (3.45%)	6,57,975 (96.55%)	0
	Digboi (OIL)	21,46,807	0	21,46,807 (100%)	0
2012-13	Sonari (ONGCL)	2,55,500	36,500 (14.29%)	2,19,000 (85.71%)	0
	Digboi (OIL)	27,53,509	0	27,53,509 (100%)	0
2013-14	Sonari (ONGCL)	2,55,500	36,500 (14.29%)	2,19,000 (85.71%)	0
	Digboi (OIL)	15,73,095	0	15,73,095 (100%)	0
2014-15	Sonari (ONGCL)	2,54,100	36,300 (14.29%)	2,17,800 (85.71%)	0
	Digboi (OIL)	21,70,963	0	21,70,963 (100%)	0
2015-16	Sonari (ONGCL)	2,56,200	36,600 (14.29%)	2,19,600 (85.71%)	0
	Digboi (OIL)	7,60,611	0	7,60,611 (100%)	0
2016-17	Sonari (ONGCL)	2,54,100	36,300 (14.29%)	2,17,800 (85.71%)	0
	Digboi (OIL)	4,63,746	0	4,63,746 (100%)	0
Total:		1,18,25,606	2,05,700	1,16,19,906	0

Appendix - XXV

[Reference: Paragraph 6.2.12.3]

Short payment of royalty on natural gas due to levy of different rates

Year	ONGCL		OIL		Difference in rate of royalty (per thousand SCUM)	Short payment of royalty on natural gas by OIL (Amount in ₹)
	Quantity of natural gas (thousand SCUM)	Average rates of royalty (per thousand SCUM)	Quantity of natural gas (thousand SCUM)	Average rates of royalty (per thousand SCUM)		
2011-12	2,71,084.677	697.12	19,61,384.719	606.97	90.15	17,68,18,832
2012-13	2,50,156.508	805.54	19,72,718.044	694.79	110.75	21,84,78,523
2013-14	2,32,446.233	897.16	19,90,288.013	766.69	130.47	25,96,72,877
2014-15	2,07,964.924	1,067.66	20,78,933.400	904.31	163.35	33,95,93,771
2015-16	1,69,199.625	1,184.53	22,02,164.804	937.29	247.24	54,44,63,226
2016-17	1,66,566.324	824.20	22,59,277.888	638.92	185.28	41,85,99,007
Total	12,97,418.291		1,24,64,766.868			195,76,26,236

Source: Monthly returns submitted by OIL and ONGCL

Appendix - XXVI

[Reference: Paragraph 6.2.12.4]

Non-payment of Surface rent by OIL and ONGCL

Sl. No.	Name of PML	Name of Operator	Effective date of PML	Area (in Hectare)	Rate of surface rent (₹ per hectare per annum)	Period of PML from date of effective of PML till March 2017	Amount of surface rent not paid (Amount in ₹)
1.	Tinsukia Extension	OIL	17.05.03	18,500	58.86	14	1,52,44,740
2.	Borhat	OIL	13.08.13	8,100	58.86	3	14,30,298
3.	Banamali	ONGCL	17.12.02	5,000	114.40	15	85,80,000
4.	Chariali Extension-I	ONGCL	20.06.98	4,500	114.40	19	97,81,200
5.	Geleki Extension-II	ONGCL	14.12.01	265	114.40	16	4,85,056
6.	Geleki Extension-I	ONGCL	23.10.09	501	114.40	7	4,01,200
7.	Laiplinggaon	ONGCL	13.10.03	2,600	114.40	13	38,66,720
8.	Namti	ONGCL	09.11.07	3,555	114.40	9	36,60,228
9.	Panidihing	ONGCL	19.05.04	3,400	114.40	12	46,67,520
10.	Sonari	ONGCL	01.08.09	3,000	114.40	7	24,02,400
11.	Charaideo- Nahorhabi	ONGCL	30.01.06	1,400	114.40	11	17,61,760
12.	Meleypore-santak-Nazira	ONGCL	30.01.06	7,700	114.40	11	96,89,680
13.	South-East Geleki	ONGCL	30.01.06	2,050	114.40	11	25,79,720
14.	West Charali	ONGCL	23.03.12	1,200	114.40	5	6,86,400
15.	North Rudrasagar	ONGCL	30.01.06	14,900	114.40	11	1,87,50,160
16.	Laiplinggaon Ext	ONGCL	26.09.11	3,045	114.40	5	17,41,740
17.	Charaideo- Nahorhabi Ext	ONGCL	26.09.11	5,000	114.40	5	28,60,000
18.	Meleypore Santak Nazira – Bihubar Ext	ONGCL	26.09.11	5,000	114.40	5	28,60,000
19.	SE Geleki Ext	ONGCL	26.09.11	2,800	114.40	5	16,01,600
20.	East Changmagaon Ext.	ONGCL	01.12.11	3,500	114.40	5	20,02,000
21.	Khoraghat Ext-I	ONGCL	08.09.07	8,300	114.40	10	94,95,200
22.	Nambar (F)	ONGCL	05.09.09	2,600	114.40	8	23,79,520
23.	Kasmorigaon	ONGCL	09.12.09	2,000	114.40	8	18,30,400
24.	North Patharia	ONGCL	30.03.12	6,000	114.40	5	34,32,000
25.	Kalyanpur	ONGCL	13.04.07	4,000	114.40	10	45,76,000
26.	Sector V. C. Block	ONGCL	30.11.14	49,700	114.40	3	1,70,57,040
27.	Changmaigaon East	ONGCL	30.01.06	1,500	114.40	11	18,87,600
28.	Kasmorigaon (Additional)	ONGCL	21.11.12	5,600	114.40	5	32,03,200
29.	Cachar	ONGCL	04.01.13	73,200	114.40	4	3,34,96,320
30.	Khoraghat	ONGCL	26.07.09	300	114.40	8	2,74,560
31.	East Lakhibari Ext	ONGCL	10.10.13	4,900	114.40	4	22,42,240
32.	Adamatila ML	ONGCL	24.11.14	400	114.40	3	1,37,280
33.	Badarpur MI	ONGCL	01.08.09	230	114.40	8	2,10,496
34.	Bhubandar	ONGCL	22.12.02	600	114.40	15	10,29,600
35.	Titabar	ONGCL	24.12.08	1,000	114.40	9	10,29,600
36.	GolaghatExt.II A (Additional)	ONGCL	09.12.09	6,100	114.40	8	55,82,720
37.	Adamatila Ext.	ONGCL	03.03.12	14,800	114.40	5	84,65,600
38.	East Lakhibari	ONGCL	23.07.03	850	114.40	14	13,61,360
39.	Chariali	ONGCL	20.03.99	5,163.60	114.40	18	1,06,32,885
						Total	20,33,76,043

Appendix - XXVII

[Reference: Paragraph 6.2.12.5]

Calculation of interest for delayed payment of royalty to State Govt.

(i) Vinay Cements Ltd. (VCL)

Month	Royalty paid to State Govt.	Date of payment	Due date of payment	Date from which interest is leviable	Delay in days	Interest payable @24% per annum (Amount in ₹)
April 11	1,46,387	09.04.12	10.05.11	10.07.11	274	26,374
May 11	2,30,303	09.04.12	10.06.11	10.08.11	243	36,798
June 11	2,73,924	09.04.12	10.07.11	10.09.11	212	38,184
July 11	1,14,761	09.04.12	10.08.11	10.11.11	151	11,394
Sept 11	50,400	09.04.12	10.10.11	10.12.11	121	4,010
Oct 11	42,739	09.04.12	10.11.11	10.01.12	90	2,529
Nov 11	13,684	09.04.12	10.12.11	10.02.12	59	531
Total	8,72,198					1,19,820

(ii) North Eastern Cement (NECEM) Ltd.

Month	Royalty paid to State Govt.	Date of payment	Due date of payment	Date from which interest is leviable	Delay in days	Interest payable @24% per annum (Amount in ₹)
April 04	27,600	09.02.12	10.05.04	10.07.04	2,770	50,270
May 04	23,392	09.02.12	10.06.04	10.08.04	2,739	42,129
June 04	19,040	09.02.12	10.07.04	10.09.04	2,708	33,903
July 04	13,360	09.02.12	10.08.04	10.10.04	2,678	23,525
August 04	22,880	09.02.12	10.09.04	10.11.04	2,647	39,822
Sept 04	16,704	09.02.12	10.10.04	10.12.04	2,617	28,744
Oct 04	6,256	09.02.12	10.11.04	10.01.05	2,586	10,638
(from 14.10.14 onwards)	9,036	09.02.12	10.11.04	10.01.05	2,586	15,365
Nov 04	36,792	09.02.12	10.12.04	10.02.05	2,555	61,811
Dec 04	41,508	28.03.12	10.01.05	11.03.05	2,575	70,279
Jan 05	39,906	28.03.12	10.02.05	11.04.05	2,544	66,753
Feb 05	36,358	28.03.12	10.03.05	10.05.05	2,514	60,101
March 05	40,806	12.06.13	10.04.05	10.06.05	2,925	78,482
April 05	25,650	12.06.13	10.05.05	10.07.05	2,895	48,826
May 05	21,420	12.06.13	10.06.05	10.08.05	2,864	40,338
June 05	18,828	12.06.13	10.07.05	09.09.05	2,833	35,073
April 10	39,388	21.07.12	10.05.10	10.07.10	743	19,243
May 10	38,354	21.07.12	10.06.10	10.08.10	712	17,956
June 10	26,384	21.07.12	10.07.10	10.09.10	681	11,814
July 10	27,594	21.07.12	10.08.10	10.10.10	651	11,812
Aug 10	23,209	21.07.12	10.09.10	10.11.10	620	9,462
Sept 10	23,335	21.07.12	10.10.10	10.12.10	590	9,053
Oct 10	23,965	13.08.12	10.11.10	10.01.11	582	9,171
Nov 10	36,767	13.08.12	10.12.10	10.02.11	552	13,345
Dec 10	36,565	13.08.12	10.01.11	10.03.11	522	12,550
Jan 11	23,184	26.12.12	11.02.11	11.04.11	626	9,543
Feb 11	22,504	26.12.12	10.03.11	10.05.11	597	8,834
March 11	25,301	26.12.12	10.04.11	10.06.11	566	9,416
Jan 12	50,400	26.02.16	10.02.12	10.04.12	1,418	46,992
Aug 16	30,461	16.11.16	10.09.16	10.11.16	6	120
Dec 16	32,198	20.03.17	10.01.17	11.03.17	9	190
Total						8,95,560

(iii) Cement Corporation of India Ltd. (CCIL), Dillai Parbat Limestone Mines

Month	Royalty paid to State Govt. (40%) (Amount in ₹)	Date of payment	Due date of payment	Date from which interest is leviable	Delay in days	Interest payable @ 24% per annum (Amount in ₹)
Aug 13	3,26,390	25.05.14	10.09.13	10.11.13	196	42,064
Sept 13	2,45,700	01.07.14	10.10.13	10.12.13	203	32,796
Oct 13	3,74,472	01.07.14	10.11.13	10.01.14	172	42,351
Nov 13	4,42,058	01.07.14	10.12.13	09.02.14	142	41,275
Dec 13	2,88,338	01.07.14	10.01.14	11.03.14	112	21,234
Jan 14	2,96,528	01.07.14	10.02.14	11.04.14	81	15,793
Feb 14	3,07,516	01.07.14	10.03.14	10.05.14	52	10,515
March 14	3,22,081	01.07.14	10.04.14	10.06.14	21	4,447
June 14	2,82,316	13.03.15	10.07.14	10.09.14	184	34,156
July 14	2,05,582	13.03.15	10.08.14	10.10.14	154	20,817
Aug 14	1,36,710	13.03.15	10.09.14	10.11.14	123	11,057
Sept 14	2,01,504	13.03.15	10.10.14	10.12.14	93	12,322
Oct 14	1,20,384	13.03.15	10.11.14	10.01.15	62	4,908
Nov 14	4,36,960	13.03.15	10.12.14	09.02.15	33	9,481
Dec 14	3,82,976	13.03.15	10.01.15	11.03.15	2	504
Total	52,58,394					3,03,720

Appendix- XXVIII
[Reference: Paragraph 6.2.12.6(1st Bullet)]
Outstanding dues of NECEM Ltd.

(Amount in ₹)

Period	Total amount payable	Amount paid	Outstanding	
Prior to 2010-11	29,93,043	1,00,000 1,00,000 1,00,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 50,000 1,50,000 1,00,000 1,00,000 1,00,000 1,00,000 1,00,000 1,50,000 <u>1,00,000</u> 18,50,000		
			11,43,043	
2010-11	5,19,626	59,828	4,59,798	
2011-12	4,83,424	3,78,000	1,05,424	
2015-16	8,63,343	2,17,788	6,45,555	
2016-17	5,42,495	0	5,42,495	
Total	54,01,931	25,05,616	28,96,315	

Appendix - XXIX
[Reference: Paragraph 6.2.12.6 (2nd Bullet)]

Non-payment of interest

(i) Cement Corporation of India Ltd. (CCIL)

Month	Royalty payable to District council (60%) (Amount in ₹)	Date of payment	Due date of payment	Date from which interest is leviable	Delay in days	Interest payable @24% per annum (Amount in ₹)
July 13	4,92,232	09.12.13	10.08.13	10.10.13	60	19,420
Aug 13	4,89,586	25.04.14	10.09.13	10.11.13	166	53,439
Sept 13	1,73,610	13.05.14	10.10.13	10.12.13	154	17,580
	1,94,940	09.07.14	10.10.13	10.12.13	211	27,046
Oct 13	5,61,708	31.01.15	10.11.13	10.01.14	386	1,42,566
Nov 13	6,63,088	03.02.15	10.12.13	09.02.14	360	1,56,961
Dec 13	4,32,508	30.03.15	10.01.14	11.03.14	385	1,09,490
Jan 14	4,44,793	30.03.15	10.02.14	11.04.14	354	1,03,533
Feb 14	4,61,273	30.03.15	10.03.14	10.05.14	324	98,270
March 14	4,83,122	30.03.15	10.04.14	10.06.14	293	93,077
April 14	5,07,049	30.03.15	10.05.14	10.07.14	263	87,685
May 14	3,34,039	30.03.15	10.06.14	10.08.14	232	50,957
June 14	4,23,473	30.03.15	10.07.14	10.09.14	201	55,968
July 14	3,08,372	30.03.15	10.08.14	10.10.14	171	34,673
Aug 14	2,05,065	30.03.15	10.09.14	10.11.14	140	18,877
Sept 14	3,02,256	30.03.15	10.10.14	10.12.14	110	21,862
Oct 14	1,80,576	30.03.15	10.11.14	10.01.15	79	9,380
Nov 14	6,55,440	30.03.15	10.12.14	09.02.15	48	20,687
Dec 14	5,74,464	30.03.15	10.01.15	11.03.15	29	10,954
Total	78,87,594					11,32,425

(ii) Vinay Cements Ltd. (VCL)

Month	Royalty payable to District council (60%) (Amount in ₹)	Date of payment	Due date of payment	Date from which interest is leviable	Delay in days	Interest payable @24% per annum (Amount in ₹)
April 11	2,19,580	27.04.12	10.05.11	10.07.11	292	42,159
May 11	3,45,454	27.04.12	10.06.11	10.08.11	261	59,285
June 11	4,10,886	27.04.12	10.07.11	10.09.11	230	62,139
July 11	1,72,141	27.04.12	10.08.11	10.10.11	200	22,638
Sept 11	75,600	27.04.12	10.10.11	10.12.11	139	6,910
Oct 11	64,109	27.04.12	10.11.11	10.01.12	108	4,553
Nov 11	20,525	27.04.12	10.12.11	10.02.12	77	1,039
Total	13,08,295					1,98,723

Appendix - XXX
[Reference: Paragraph 6.2.12.7(i)]
Rates of dead rent

Period	For the First 100 Sq. Km. Area (₹ per hectare or part thereof)	For exceeding 100 Sq. Km. Area (₹ per hectare or part thereof)
Prior to 01.04.2003	12.50	25
From 01.04.2003 to 24.11.2009	25	50
From 25.11.2009 onwards	100	200

Source: The PNG Rules

Non-payment of Dead Rent by ONGCL & OIL

Sl. No.	Name of PML	Period in which no production done		Area		Dead rent payable (Amount in ₹)		
		From	To	Sq. Km.	Hectare	From	To	Total
ONGCL								
1.	Charaideo- Nahorhabi	01.09.13	31.03.17	14.00	1,400	01.04.14	31.03.17	4,20,000
2.	Changmaigaon East	01.04.11	31.03.17	15.00	1,500	01.04.11	31.03.17	9,00,000
3.	West Chariali	01.04.11	31.03.17	12.00	1,200	01.04.11	31.03.17	7,20,000
4.	Laiplinggaon Extension	01.04.11	31.03.17	30.45	3,045	01.04.11	31.03.17	18,27,000
5.	Charaideo Nahorhabi Ext.	01.04.11	31.03.17	41.00	4,100	01.04.11	31.03.17	24,60,000
6.	Mekeypore-Santak-Nazira- Bihubar Ext.	01.04.11	31.03.17	50.00	5,000	01.04.11	31.03.17	30,00,000
7.	SE Geleki Extension	01.04.11	31.03.17	28.00	2,800	01.04.11	31.03.17	16,80,000
8.	Titabar PML	29.12.10	28.12.16	10.00	1,000	29.12.10	28.12.16	6,00,000
9.	Golaghat Extn-II (A)	21.04.12	20.04.17	24.00	2,400	21.04.12	20.04.17	12,00,000
10.	Badarpur	01.08.09	31.7.17	2.30	230	01.08.09	31.07.16	1,55,517
11.	Adamtila	24.11.14	23.11.17	4.00	400	24.11.14	23.11.16	80,000
12.	Adamtila Ext.	03.03.12	02.03.17	148.00	14,800	03.03.12	02.03.17	98,00,000
13.	East lakhibari	23.07.03	22.07.17	8.50	850	23.07.03	22.07.16	7,00,667
14.	East Lakhibari Ext.	10.10.13	09.10.17	49.00	4,900	10.10.13	09.10.16	14,70,000
15.	Bhubandar	22.12.02	21.12.17	6.00	600	22.12.02	21.12.16	5,26,273
OIL								
1.	Moran Extn	05.04.08	04.04.17	560.00	56,000	05.04.08	04.04.17	7,92,45,616
2.	Dholiya	18.10.02	17.10.14	131.00	13,100	18.10.02	17.10.14	1,07,16,965
3.	Borhapan	08.01.08	07.01.17	87.00	8,700	08.01.08	07.01.17	66,03,658
4.	Mechaki	19.07.08	18.07.16	195.00	19,500	19.07.08	18.07.16	2,02,56,301
Total								14,23,61,997

Appendix - XXXI

[Reference: Paragraph 6.2.12.7 (ii)]

Rates of dead rent and calculation of non-payment of dead Rent by coal & limestone leaseholders Rates of dead rent

Period		Rates of dead rent per Hectare per year (Amount in ₹)			
		1 st year	2 nd to 5 th year	6 th to 10 th year	11 th year & onwards
Upto 10.04.1997	--	Nil	30	--	--
11.04.1997 to 11.09.2000	Lease upto 50 Hectares	Nil	60	120	180
	Lease area above 50 Hectare but not exceeding 100 Hectares	Nil	80	160	240
	Lease area above 100 Hectares	Nil	120	200	300
12.09.2000 to 13.10.2004	Lease upto 50 Hectares	Nil	70	140	200
	Lease area above 50 Hectare but not exceeding 100 Hectares	Nil	100	200	280
	Lease area above 100 Hectares	Nil	140	230	350
14.10.2004 to 12.08.2009	First two years of lease	100			
	3 rd year onwards	400			
13.08.2009 to 31.08.2014	From 2 nd year of lease	200			
	For 3 rd and 4 th	500			
	From 5 th onwards	1,000			
With effect from 01.09.2014	2 nd year	400			
	3 rd & 4 th year	1,000			
	5 th year onwards	2,000			

Calculation of non-payment of dead rent

(Amount in ₹)

Sl. No.	Name of lease holder	Period	Area of lease (Hectare)	Dead Rent payable	Royalty paid	Dead rent paid	Dead rent due
1.	Umrangsho Cement Ltd.	17.2.15 to 16.2.16 (22 nd year)	31.00	62,000	0	0	62,000
2.	Coal India Ltd.	9.7.15 to 8.7.16 (13 th year)	Ledo (265.63) +Boagulai (537.30) = 802.93	16,05,860	0	8,02,930	8,02,930
			Jaypore-866.26	17,32,520	0	8,66,260	8,66,260
			Dilli- 1036.40	20,72,800	0	10,36,400	10,36,400
3.	AMDC	4/14 to 3/15	167.00	2,64,417	1,48,878	0	1,15,539
4.	NECEM	2012-13	35	35,000	0	0	35,000
		2013-14	35	35,000	0	0	35,000
		2014-15	35	55,417	0	0	55,417
Total				58,63,014	1,48,878	27,05,590	30,08,546

Appendix - XXXII
[Reference: Paragraph 6.2.12.7(iii)]
Non-payment of interest

(i) Coal India Ltd. (CIL), North Eastern Coal (NEC) Fields

Period	Name of ML	Dead rent payable & paid (Amount in ₹)	Actual date of payment	Due date of payment	Date from which interest payable	Delay in days	Interest leviable @ 24% per annum (Amount in ₹)
09.07.09 to 08.07.10	4 Sq. Miles Ledo, Boragolai	9,74,830	28.12.12	10.08.10	10.10.10	809	5,18,556
09.07.10 to 08.07.11	4 Sq. Miles Ledo, Boragolai	8,02,930	12.09.12	10.08.11	10.10.11	338	1,78,448
09.07.11 to 08.07.12	4 Sq. Miles Ledo, Boragolai	8,02,930	30.11.12	10.08.12	10.10.12	51	26,926
Total		25,80,690					7,23,930

(ii) Assam Industrial Development Corporation

Period	Dead rent payable & paid (Amount in ₹)	Actual date of payment	Due date of payment	Date from which interest payable	Delay in days	Interest leviable @ 24% per annum (Amount in ₹)
27.11.05 to 26.11.06	1,67,000	05.01.09	10.12.06	10.02.07	695	76,317
27.11.06 to 26.11.07	1,67,000	05.01.09	10.12.07	10.02.08	330	36,237
27.11.10 to 26.11.11	4,17,500	14.03.12	10.12.11	10.02.12	33	9,059
Total	7,51,500					1,21,613

(iii) Umrangso Cement Limited

Period	Dead rent payable & paid (Amount in ₹)	Actual date of payment	Due date of payment	Date from which interest payable	Delay in days	Interest leviable @ 24% per annum (Amount in ₹)
17.02.05 to 16.02.06	12,400	19.09.11	10.03.06	10.05.06	1,957	15,956
17.02.06 to 16.02.07	12,400	19.09.11	10.03.07	10.05.07	1,592	12,980
17.02.07 to 16.02.08	12,400	19.09.11	10.03.08	10.05.08	1,227	10,004
17.02.08 to 16.02.09	12,400	19.09.11	10.03.09	10.05.09	862	7,028
17.02.09 to 16.02.10	21,980	19.09.11	10.03.10	10.05.10	497	7,183
17.02.10 to 16.02.11	31,000	19.09.11	10.03.11	10.05.11	132	2,690
17.02.14 to 16.02.15	31,000	12.11.15	10.03.15	10.05.15	186	3,791
	14,353	06.05.16	10.03.15	10.05.15	361	3,407
Total	1,47,933					63,039

(iv) AMDC

Period	Dead rent payable & paid (Amount in ₹)	Actual date of payment	Due date of payment	Date from which interest payable	Delay in days	Interest leviable @ 24% per annum (Amount in ₹)
2015-16	3,34,000	12.05.17	10.04.16	10.06.16	336	73,791
Total	3,34,000					73,791

Appendix - XXXIII
[Reference: Paragraph 6.2.12.9]
Short payment towards NMET

(Amount in ₹)

Sl. No.	Name of Company/ Firm	Names of Mines	Royalty paid w. e. f. 12.1.15 to 3/17	Amount to be deposited towards NMET fund @2%	Amount deposited towards NMET fund	Short payment
1	CIL	Coal	74,71,88,275	1,49,43,766	90,64,274	58,79,492
2	UCL	Limestone	19,900	399	0	399
3	AMDC	Limestone	14,616	292	0	292
4	VCL	Limestone	20,20,31,250	40,40,625	0	40,40,625
5	CCIL.	Limestone	2,49,70,800	4,99,416	0	4,99,416
6	NECEM	Limestone	21,68,150	43,363	0	43,363
Total			97,63,92,991	1,95,27,861	90,64,274	1,04,63,587

Source: Departmental records

Appendix - XXXIV

[Reference: Paragraph 6.2.13.4(i)]

Forest Clearance not obtained

Sl. No.	Name of PML	Total Area (sq.kms)	Area covered in RF (sq.kms)	Name of RF	Concerned DFO
1	East Lakhbari Ext.	49.00	8.00	Dayang Reserve Forest	Golaghat
2	Adamtila Ext.	148.00	13.125	Tilbhum hills	Karimganj
3	Lakwa	172.49	6.34	Sola Reserve Forest	Sibasagar
4	South East Geleki Ext.	28.00	18.75	Not mentioned	Sibasagar
5	South East Geleki	55.00	50.00	Geleki Reserve Forest	Sibasagar
6	Kashmorigaon	20.00	20.00	Dayang Reserve forest	Golaghat
7	Charaideo-Nahorabi Ext.	41.00	31.25	Abhaypur Reserve Forest	Sibasagar
8	Cachar	732.00	31.30	Sonari Reserve Forest inner line R.F. and Lower Jiri R.F.	Cachar
9	Khoraghat Ext-I	83.00	80.50	Rangama R.F. and South Nambar R.F.	Golaghat
10	Kalyanpur	40.00		Dayang R.F.	Golaghat
11	North Patharia Block	60.00	3.12	Patharia Hills R.F.	Karimganj
12	East Lakhbari	8.50	8.50	Dayang R.F.	Golaghat
13	Mechkai	195.00	50.00	Mechkai R.F./Hehkhati R.F./Kumsong R.F./Dangori R.F./Doomdooma, R.F./Kakojan R.F.	Doomdooma & Tinsukia
14	Tinsukia	250.00	4.50	Rangmala R.F.	Tinsukia
15	Moran	429.42	25.94	Diroi R.F.	Tinsukia
16	Dumduma	503.73	153.11	Upper Dihing RF(West)=105.54sq.kms. Under the Jurisdiction of DFO, Dumduma Divion, Upper Dihing RF(East)=45.10sq.kms & Kakojan RF=2.47 sq.kms under the Jurisdiction of DFO, Digboi, Digboi Division.	Tinsukia
17	Khoraghat	3.00	3.00	Regma RF & South Nambar RF	Golaghat

Glossary

Chapter - I : General	
AG	Accountant General (Audit), Assam
AGST	Assam General Sales Tax
APTC & E	Assam Professions, Traders, Callings and Employments
AVAT	Assam Value Added Tax
BE	Budget Estimate
CST	Central Sales Tax
GoA	Government of Assam
GoI	Government of India
IR	Inspection Report
PA	Performance Audit
PAC	Public Accounts Committee
VAT	Value Added Tax
Chapter - II : Finance (Taxation) Department	
AA	Assessing Authority
ACT	Assistant Commissioner of Taxes
AET	Assam Entry Tax
AO	Assessing Officer
AP	Arunachal Pradesh
AVAT	Assam Value Added Tax
CoT	Commissioner of Taxes
CSD	Canteen Stores Department
CST	Central Sales Tax
CT	Commissioners of Taxes
DCT	Deputy Commissioner of Taxes
GoM	Government of Meghalaya
IMFL	India Made Foreign Liquor
JCT	Joint Commissioner of Taxes
MT	Metric Tonne
RTS	Ready To Serve
ST	Superintendent of Taxes
STE	Superintendent of Taxes and Excise
TINXSYS	Tax Information Exchange System
VAT	Value Added Tax
Chapter - III : Excise Department	
ABW	Assam Bonded Warehouse
AE	Assam Excise
BL	Bulk Litre
CE	Commissioner of Excise
IMFL	India Made Foreign Liquor
SE	Superintendent of Excise
VAT	Value Added Tax

Chapter - IV : Transport Department	
AMV	Assam Motor Vehicle
AMVT	Assam Motor Vehicle Taxation
DTO	District Transport Officer
GoA	Government of Assam
HRA	House Rent Allowance
MV	Motor Vehicle
O.M.	Office Memorandum
Chapter - V : Environment and Forests Department	
AMMC	Assam Minor Mineral Concession Rules
APCCF	Additional Principal Chief Conservator of Forests
CCF	Chief Conservator of Forests
CF	Conservator of Forests
DCF	Deputy Conservator of Forests
DFO	Divisional Forest Officer
MMDRR	Mines and Minerals Development, Restoration and Rehabilitation
PCCF	Principal Chief Conservator of Forests
PCCF & HoFF	Principal Chief Conservator of Forests and Head of Forests Force
VAT	Value Added Tax
Chapter – VI : Mines and Minerals Department	
AIDC	Assam Industrial Development Corporation
AMDC	Assam Mineral Development Corporation
AutoCAD	Automated Computer Aided Design
CCIL	Cement Corporation of India Ltd.
CIL	Coal India Limited
DCB	Demand, Collection and Balance
DEM	Digital Elevation Map
DFO	Divisional Forest Officer
DG&M	Directorate of Geology and Mining
DMF	District Mineral Foundation
FIR	First Information Report
GIS	Geographic Information System
GoA	Government of Assam
GoI	Government of India
GPS	Global Positioning System
IA&AD	Indian Audit and Accounts Department
IBM	Indian Bureau of Mines
IT	Information Technology
MCD	Mineral Conservation and Development
MCR	Mineral Concession Rules
ML	Mining Lease
MM ³	Million Cubic Meter
MMDR	Mines and Mineral (Development & Regulations)
MMT	Million Metric Tonne
MoPNG	Ministry of Petroleum and Natural Gas
MT	Metric Tonne
NEC	North Eastern Coalfields
NECEM	North Eastern Cement

NMET	National Mineral Exploration Trust
NOC	No Objection Certificate
OIL	Oil India Limited
ONGCL	Oil and Natural Gas Corporation Limited
ORD Act	Oilfields (Regulation & Development) Act
PA	Performance Audit
PAC	Public Accounts Committee
PEL	Petroleum Exploration Licence
PL	Prospecting Licence
PLR	Prime Lending rate
PML	Petroleum Mining Lease
PNG Rules	Petroleum and Natural Gas Rules
RP	Reconnaissance Permit
SCUM	Standard Cubic Meter
SGPB	State Geological Programming Board
Sq. Km	Square Kilometer
UCL	Umrangso Cement Limited
VAT	Value Added Tax
VCL	Vinay Cement Limited

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