

State failed to recover arrears from various sources, says CAG

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MUMBAI: Even though the Maharashtra government continues to face a precarious financial position, it has failed to recover dues worth hundreds of crores from different sources. The recovery would have substantially improved the economic position. The dues stood at Rs 4,264 crore up to March, 1998, according to the latest report of the Comptroller and Auditor General of India.

The highest arrears are in respect of sales tax, Rs 3,225 crore, followed by profession tax Rs 273 crore, purchase tax on sugarcane Rs 201 crore, taxes on vehicles Rs 152 crore, taxes on goods and passengers Rs 142 crore and tax on works contract RS 92 crore.

A test check of records of sales tax, state excise, motor vehicles tax, land revenue and other taxes conducted during 1997-98 showed under-assessment, short levy, losses of revenue amounting to Rs 494 crore.

With regard to sales tax, continu-

ing delay in completing assessment of 358 dealers resulted in non-realisation of Rs 67 crore. Motor vehicles tax of Rs 60 lakh in 611 cases remained unrealised as demands were not raised. Revenue of crores of rupees was lost because of non-levy of land revenue from several lands leased by the government.

Some dealers had not filed returns; nor paid tax amounting to Rs 33 crore. In respect of land revenue, government authorities failed to act even on the recommendations of the Public Accounts Committee (PAC) in its 12th report of 1996-97 in one case of charging less than the required rent for land granted by the government. The revenue department failed to recover Rs 1.25 crore from Tarun Utkarsha Mandal for land allotted to it in Kurla tehsil. Scrutiny of the case revealed that the department failed to take possession of the unauthorisedly occupied land measuring 1,413 sq metres despite specific recommendations of the PAC.

Land of 2118 sq metres was encroached by an automobile unit in

Kurla Tehsil in 1962 and was regularised in 1990 with the condition that the land would be taken back as and when required by the municipal corporation.

The lease rent was fixed at the rate of 20 per cent of the current market value. The proprietor had agreed to pay the lease rent. Despite the government's instructions to levy the lease rent and interest, the collector has not yet worked out and recovered the government dues, the report stated. Another shocking disclosure is that the government periodically regularised the encroachment of 602 sq metres by one person since 1947. Yet, demand for recovery of dues of Rs 75 lakh for the period from August 1947 to 1998 has not been raised.

No action has also been taken for recovery of land incorrectly allotted to Amir Park and Amusement for use as approach road to the park. Besides, no action has been taken to recover Rs 23 lakh as dues. Laxity was also shown towards collection of dues from cable operators.