

Chapter-II

Revenue Sector

CHAPTER-II

Revenue Sector

2.1 Introduction

2.1.1 Trend of revenue receipts

Tax and non-tax revenue raised by the Government of Uttarakhand during the year 2018-19, the State's share of net proceeds of divisible Union taxes and duties and Grants-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are mentioned in **Table-2.1.1** below:

Table-2.1.1: Trend of Revenue Receipts

(₹ in crore)						
Sl. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue raised by the State Government						
1.	• Tax revenue	8,338.47	9,377.79	10,897.31	10,164.93	12,188.09 ¹
	• Non-tax revenue	1,110.44	1,219.66	1,345.82	1,769.53	3,309.88
Total		9,448.91	10,597.45	12,243.13	11,934.46	15,497.97
Receipts from the Government of India						
2.	• Share of net proceeds of divisible Union taxes and duties ²	3,792.30	5,333.19	6,411.57	7,084.91	8,011.59 ³
	• Grants-in-aid	7,005.34	5,303.79	6,234.27	8,085.20	7,706.88 ⁴
Total		10,797.64	10,636.98	12,645.84	15,170.11	15,718.47
3.	Total revenue receipts of the State Government (1 and 2)	20,246.55	21,234.43	24,888.97	27,104.57	31,216.44
Percentage of 1 to 3		47	50	49	44	50

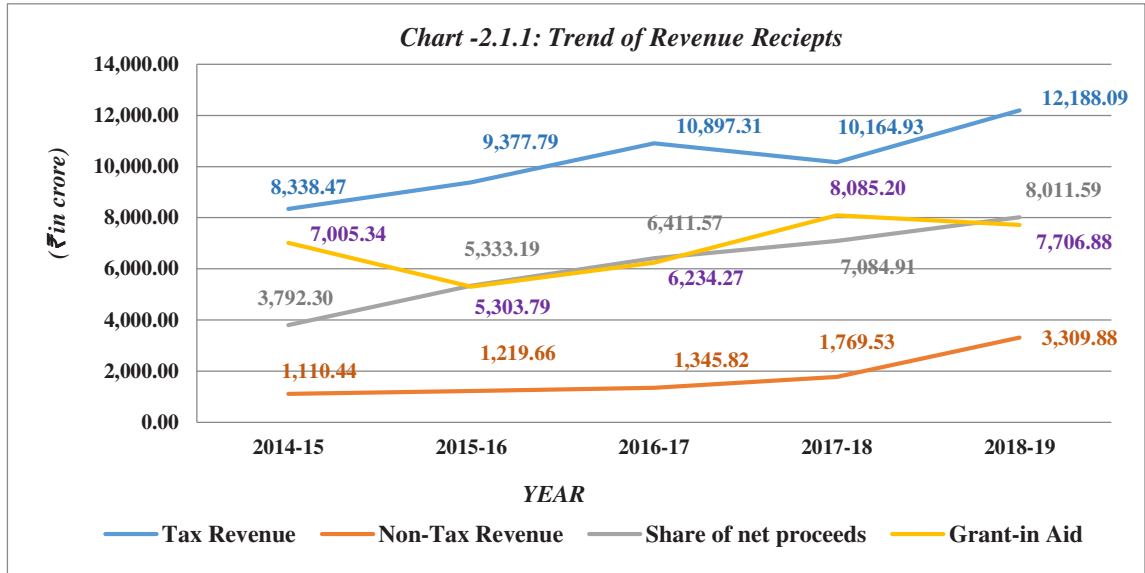
Source: Finance Accounts.

¹ This includes the amount of ₹ 4,802.02 crore of State Goods and Services Tax (SGST).

² Note: For details, please see Statement No.14: Detailed accounts of revenue by Minor Heads in the Finance Accounts (Vol-II) of Government of Uttarakhand. Figures under the "Share of net proceeds assigned to States" under the Major Heads-0020-Corporation Tax, 0021-Taxes on Income and Expenditure, 0032-Taxes on Wealth, 0037-Customs, 0038-Union Excise Duties and 0044-Service Taxes booked in the Finance Accounts under 'A-Tax Revenue' have been excluded from the revenue raised by the State Government and included in the 'Share of net proceeds of divisible Union taxes and duties' in the above table.

³ This includes the amount of ₹ 1977.40 crore of Central/Union Goods and Services Tax (CGST) and amount of ₹ 157.80 crore of Integrated Goods and Services Tax (IGST).

⁴ This includes the amount of ₹ 2,037 crore of compensation for loss of revenue arising out of implementation of Goods and Services Tax (GST). Compensation receivable by the State government for the year 2018-19 was ₹ 7,350.266 crore after growth of 14 per cent per annum based on OM of Ministry of Finance dated 29.08.2017 by which compensation worked out for the year 2017-18 was ₹ 6,447.602 crore.



During the year 2018-19, the revenue raised by the State Government (₹ 15,497.97 crore) was 50 per cent of the total revenue receipts. The balance 50 per cent (₹ 15,718.47 crore) of the receipts was received from the Government of India as share of net proceeds of divisible Union taxes and duties and Grants-in-aid.

2.1.2 The details of tax revenue raised during the period 2014-15 to 2018-19 are given in **Table-2.1.2** below:

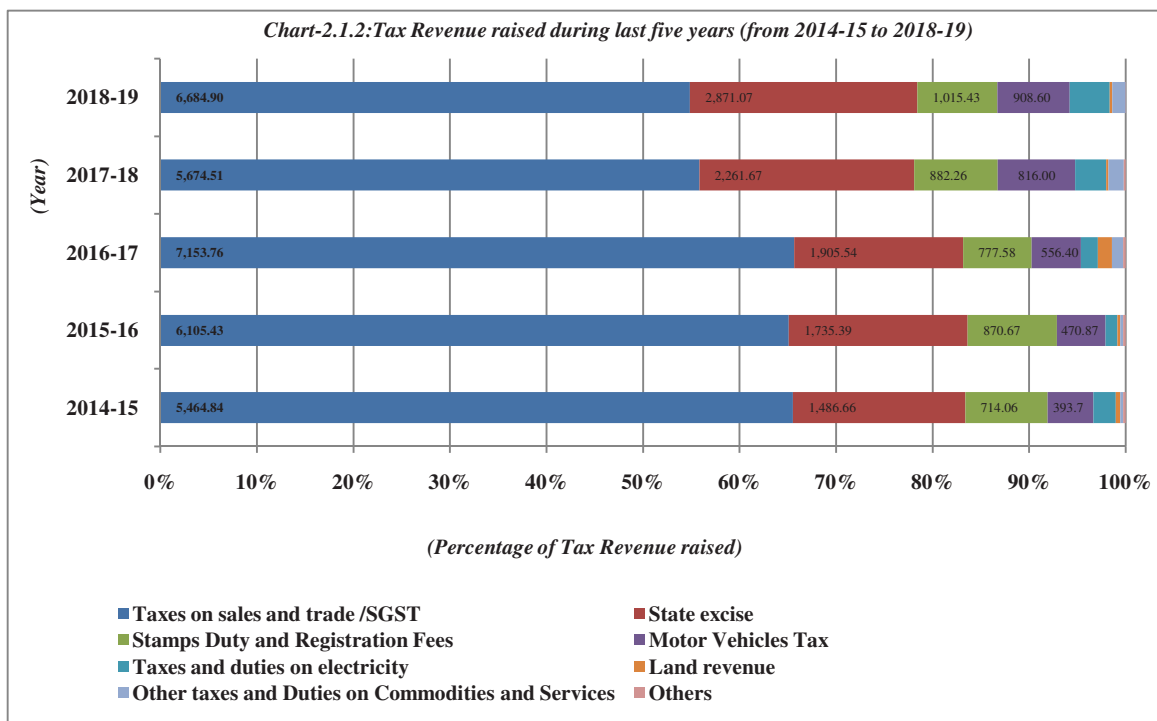
Table-2.1.2: Details of Tax Revenue raised

Sl. No.	Head of revenue	(₹ in crore)					Percentage of increase (+) or decrease (-) in actual of 2018-19 over actual of 2017-18
		2014-15 Actual (percentage)	2015-16 Actual (percentage)	2016-17 Actual (percentage)	2017-18 Actual (percentage)	2018-19 Actual (percentage)	
1.	Taxes on sales and trade /State Goods and Services Tax ⁵	5,464.84 (65.54)	6,105.43 (65.11)	7,153.76 (65.65)	5,674.51 (55.82)	6,684.90 ⁶ (54.83)	(+) 17.81
2.	State excise	1,486.66 (17.83)	1,735.39 (18.51)	1,905.54 (17.49)	2,261.67 (22.25)	2,871.07 (23.55)	(+) 26.94
3.	Stamps Duty and Registration Fees	714.06 (08.56)	870.67 (09.28)	777.58 (07.13)	882.26 (08.68)	1,015.43 (08.33)	(+) 15.09
4.	Motor Vehicles Tax	393.70 (04.72)	470.87 (05.02)	556.40 (05.11)	816.00 (08.03)	908.60 (07.45)	(+) 11.35
5.	Taxes and duties on electricity	192.65 (02.31)	114.76 (01.22)	188.56 (01.73)	323.62 (03.18)	505.88 (04.15)	(+) 56.32
6.	Land revenue	39.26 (00.47)	27.88 (00.30)	159.51 (01.46)	24.09 (00.24)	34.10 (00.28)	(+) 41.55
7.	Other taxes and Duties on Commodities and Services	25.26 (00.30)	28.37 (00.30)	126.53 (01.16)	163.71 (01.61)	167.89 (01.41)	(+) 2.55
8.	Others	22.04 (00.27)	24.42 (00.26)	29.43 (00.27)	19.07 (00.19)	0.22 (00.002)	(-) 98.85
Total		8,338.47	9,377.79	10,897.31	10,164.93	12,188.09	(+) 19.90

Source: Finance Account.

⁵ GST came into the effect from 01 July 2017 through implementation of one hundred and first amendment of Constitution of India by the Government. The tax replaced existing multiple cascading taxes levied by Central and State Government.

⁶ GST + Taxes on sales and trade = ₹ 4,802.02 crore + ₹ 1,882.88 crore = ₹ 6,684.90 crore.



The State's own tax revenue increased from ₹8,338.47 crore in 2014-15 to ₹12,188.09 crore in 2018-19 (46.17 per cent). However, the States' own tax revenue during 2018-19 increased by 19.90 per cent over the year 2017-18. The revenue from Taxes on Sales and Trade, Goods and services tax (₹6,684.90 crore) comprised a major share of tax revenue registering an increase of 17.81 per cent over the previous year.

The respective Departments reported the following reasons for the variations:

State excise: The increase of 26.94 per cent over the previous year in the revenue receipt was due to allotment of all 624 wine shops through e-tendering which resulted in bidding of higher value by the bidders.

Stamp and Registration Fees: The increase in the Stamp Duty and Registration Fee of 15.09 per cent during 2018-19 as compared to the year 2017-18, was due to increase of 2,036 registration of instruments involving an amount of ₹133.17 crore as compared to year 2017-18.

Motor vehicle tax: The increase of 11.35 per cent in revenue receipt in 2018-19 over the year 2017-18, was due to increase in rate of taxes⁷, registrations of vehicles⁸, recovery of compounding fee⁹ through *challan* as compared to 2017-18.

⁷ The rates of tax increased from minimum six per cent to eight per cent and maximum eight per cent to 10 per cent for different category of vehicles.

⁸ Number of vehicles registered in 2017-18 and 2018-19 are 2,71,209 and 2,72,125 respectively.

⁹ Recovery of compounding fee increased by 21.57 per cent in 2018-19 compared to previous year.

Tax and duty on electricity: The increase of 56.32 per cent in revenue receipt in 2018-19 over the year 2017-18, was due to better realization of electricity bills from consumers. The Department recovered arrears of ₹ 112.47 crore in Electricity Duty and ₹ 3.98 crore in Green Energy Cess in 2018-19.

Land Revenue: During 2016-17, out of receipt of ₹ 159.51 crore, huge amount (₹ 100.01 crore) was realised under receipt from Sale of Government Estate. However, in 2017-18 no amount was realised under above head by the Department. Resultantly, there was sharp decrease in receipt in 2017-18 as compared to 2016-17. However, receipt by the Department increased from ₹ 24.09 crore in 2017-18 to ₹ 34.10 crore (41.55 per cent) in 2018-19 due to increased receipts mainly under Land Revenue/Tax (0029-101).

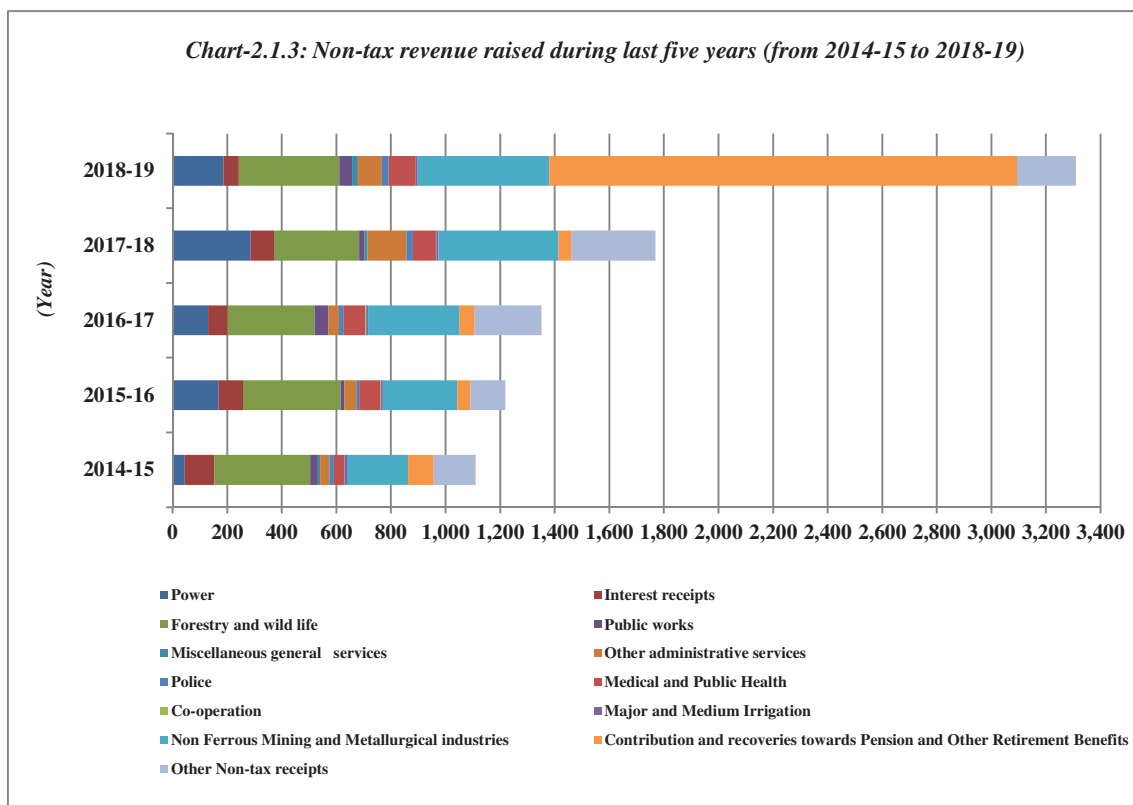
Other departments did not furnish any reason for variation (December 2020).

2.1.3 The details of non-tax revenue raised during the period 2014-15 to 2018-19 are indicated in **Table-2.1.3** below:

Table-2.1.3: Details of Non-Tax Revenue raised

Sl. No.	Head of revenue	(₹ in crore)					Percentage of increase (+) or decrease (-) in actual of 2018-19 over actual of 2017-18
		2014-15 Actual (percentage)	2015-16 Actual (percentage)	2016-17 Actual (percentage)	2017-18 Actual (percentage)	2018-19 Actual (percentage)	
1.	Power	45.01 (04.05)	168.57 (13.88)	130.08 (09.67)	286.21 (16.17)	186.67 (05.64)	(-) 34.78
2.	Interest receipts	108.17 (09.74)	89.22 (07.35)	71.77 (05.33)	85.39 (04.83)	55.70 (01.68)	(-) 34.77
3.	Forestry and wild life	351.24 (31.63)	357.47 (29.44)	318.21 (23.64)	312.20 (17.64)	368.73 (11.14)	(+) 18.11
4.	Public works	28.29 (02.55)	13.96 (01.15)	51.08 (03.80)	18.69 (01.06)	46.49 (01.40)	(+) 148.74
5.	Miscellaneous general services	8.26 (00.74)	(-) 5.50 (-) (00.45)	(-) 6.16 (-) (00.46)	11.31 (00.64)	20.88 (00.63)	(+) 84.62
6.	Other administrative services	33.50 (03.02)	43.19 (03.56)	38.90 (02.89)	143.56 (08.11)	87.93 (02.66)	(-) 38.75
7.	Police	16.51 (01.49)	11.18 (00.92)	17.43 (01.30)	23.56 (01.33)	24.80 (00.75)	(+) 5.26
8.	Medical and Public Health	37.78 (03.40)	76.86 (06.33)	78.70 (05.85)	84.12 (04.75)	99.27 (03.00)	(+) 18.01
9.	Co-operation	1.17 (00.11)	2.26 (00.19)	2.87 (00.21)	1.14 (00.06)	0.50 (00.02)	(-) 56.14
10.	Major and Medium Irrigation	9.22 (00.83)	7.92 (00.65)	6.97 (00.52)	7.67 (00.43)	7.58 (00.23)	(-) 1.17
11.	Non Ferrous Mining and Metallurgical industries	223.72 (20.15)	272.65 (22.46)	335.17 (24.90)	439.81 (24.85)	480.86 (14.53)	(+) 9.33
12.	Contribution and Recoveries towards Pension and Other Retirement Benefits	93.33 (08.40)	48.54 (03.98)	55.13 (04.10)	47.96 (02.71)	1,714.70 (51.81)	(+) 3,475.27
13.	Other Non-tax receipts	154.24 (13.89)	127.84 (10.48)	245.67 (18.25)	307.91 (17.40)	215.77 (06.52)	(-) 29.92
Total		1,110.44	1,219.66	1,345.82	1,769.53	3,309.88	(+) 87.05

Source: Finance Accounts.



Non-tax revenue showed an increasing trend during the period 2014-15 to 2018-19. The increase during 2017-18 and 2018-19 was ₹423.71 crore (31.48 per cent) and ₹1,540.35 crore (87.05 per cent) respectively over the previous years.

The respective Departments reported the following reasons for variations:

Power: The main reason for decrease of 34.78 per cent of revenue receipt over the previous year was due to less receipt under ‘Other receipts’ in ‘Transmission and Distribution’ and ‘Hydel Generation’.

Public Works: The increase of 148.74 per cent in revenue receipt as compared to last year was due to increase in sale of tender forms, increased receipts under ‘Sale of equipment and machinery’ and more receipts under ‘Miscellaneous Advances’.

Other departments did not furnish any reason for variation (December 2020).

2.1.4 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2019 in some principal heads of revenue amounted to ₹11,084.80 crore, of which ₹1,253.64 crore were outstanding for more than five years as detailed in **Table-2.1.4** below:

Table-2.1.4: Arrears of Revenue

Head of Revenue	Total Amount outstanding as on 31 March 2019 (₹ in crore)	Amount outstanding for more than five years as on 31 March 2019 (₹ in crore)	Replies of the Department
Taxes on Sales and Trade/ VAT/ GST	9,986.03	1,015.44	Recovery of ₹ 437.81 crore (2,617 cases) is subjudice and recovery certificates have been issued for remaining ₹ 9,548.22 crore.
Taxes and Duties on Electricity	1,021.25	180.97	Arrear amount is under process for recovery.
Co-operation	1.80	1.80	Arrear amount is under process for recovery.
Taxes on vehicles	7.51	1.34	67 cases (₹ 0.07 crore) are subjudice. In remaining cases, recovery certificates/demand certificates have been issued.
State Excise	10.78	0.55	In two cases amounting to ₹ 0.30 crore, the Department issued Recovery Certificate (RC) through respective DMs. But, finding no movable or immovable properties, the recoveries could not be made and 14 days sentence (prison) was awarded to both the licensees. Recovery is not written-off yet and other two cases of ₹ 0.25 crore are pending in court.
Forestry and Wild life	57.43	53.54	Amount ₹ 1.27 crore is subjudice. Remaining amount is under process for recovery.
Total	11,084.80	1,253.64	

Source: Departmental figures.

2.1.5 Arrears in assessments

The details of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed of during the year and the number of cases pending for finalisation at the end of the year as furnished by the State Tax Department in respect of Sales Tax/VAT/ GST are given below in **Table-2.1.5** below:

Table-2.1.5: Arrears in Assessments

Head of revenue	Opening balance	New cases due for assessment during 2018-19	Total assessments due	Cases disposed of during 2018-19	Balance at the end of the year	Percentage of disposal (col.5 to 4)
1	2	3	4	5	6	7
Taxes on sales and Trade/ VAT/ GST	69,398	56,805	1,26,203	65,699	60,504	52.06

Source: Information provided by the State Tax Department.

The cases disposed of during 2018-19 were much more than the new cases due for assessment during 2018-19. This resulted in decrease in the cases pending for assessment at the close of year 2018-19.

2.1.6 Evasion of tax detected by the State Tax Department

The Special Task Force (STF) of the Department conducts the raids, searches and investigations in the business premises of the tax payers. The STF checks the records of the tax payer; calculates the evasion of tax; and submits its report to the Department.

Thereafter, the Department issues demand notices to the tax payers to recover the amount.

The details of cases of evasion of tax detected by the State Tax Department, cases finalised and the demands for additional tax raised in 2018-19 as reported by the Department are given in **Table-2.1.6** below:

Table-2.1.6: Evasion of Tax

(₹ in crore)

Head of revenue	Cases pending as on 31 Mar 2018	Cases detected during 2018-19	Total	Number of cases in which assessment/investigation completed and additional demand with penalty raised		Number of cases pending for finalisation as on 31 March 2019
				Number of cases	Amount of demand	
Taxes on sales and Trade/ VAT/ GST	77	106	183	153	1,411.88	30

Source: Departmental figure.

The number of cases pending at the end of the year decreased in the case of Taxes/VAT on Sales and Trade/GST as compared to the number of cases pending at the beginning of the year.

2.1.7 Refund cases

The number of refund cases pending at the beginning of the year 2018-19, claims received during the year, refunds allowed during the year and the cases pending at the close of the year 2018-19, as reported by the State Tax Department, are given in **Table-2.1.7** below:

Table-2.1.7: Details of Refund Cases

(₹ in crore)

Particulars	Sales tax / VAT		GST	
	No. of cases	Amount	No. of cases (12-10-18 to 22-03-19)	Amount
Claims outstanding at the beginning of the year	1,607	19.23	-	-
Claims received during the year	4,047	118.11	1633	162.15
Refunds made during the year	4,166	86.65	1600	111.36
Balance outstanding at the end of year	1,488	50.69	33	50.79

Source: Departmental figure.

Section 36 (3) of Uttarakhand VAT Act, 2005, provides for payment of simple rate of interest of nine *per cent* per annum if the refund is made after two months. Further, Section 54 of Uttarakhand Goods and Services Tax Act, 2017, provides for payment of interest at such rate not exceeding six *per cent* per annum if the refund is not made within sixty days from the date of receipt of application. To avoid interest liability, it is recommended that the State Government may ensure disposal of refund claims in time.

2.1.8 Response of the Departments towards audit

The Principal Accountant General (Audit), Uttarakhand, conducts periodical inspection of Government departments to test-check the transactions and verify the maintenance of important accounts and other records as prescribed in the applicable rules and procedures. The irregularities detected during the inspection and not settled on the spot are

incorporated in Inspection Reports (IRs) which are issued to the Heads of the Offices inspected with copies to the next higher authorities for taking corrective action. The Heads of the Offices are required to comply with the observations contained in the IRs, within four weeks from the date of receipts of the IRs. Serious irregularities are reported to the Heads of the Department and the Government.

There were 3,138 paragraphs involving ₹ 1,995.43 crore relating to 1,383 IRs that remained outstanding at the end of June 2019. The details along with the corresponding figures for the preceding two years are mentioned in **Table-2.1.8** below:

Table-2.1.8: Details of Pending Inspection Reports

Details of IRs	June 2017	June 2018	June 2019
Number of IRs pending for settlement	1,091	1,250	1,383
Number of outstanding audit paragraphs	2,431	2,764	3,138
Amount of revenue involved (₹ in crore)	583.02	1,367.35	1,995.43

2.1.8.1 The department-wise details of IRs and outstanding audit paragraphs as on 30 June 2019 and the amounts involved are mentioned in **Table-2.1.9** below:

Table-2.1.9: Department-wise details of IRs and paragraphs

Name of the Department	Nature of receipts	Numbers of outstanding IRs	Numbers of outstanding audit observations	Money value involved (₹ in crore)
Finance	Taxes on Sales, Trade, SGST and luxury tax	673	1599	278.99
Excise	State Excise	113	202	261.06
Transport	Taxes on motor vehicles	128	298	232.68
Stamp and Registration	Stamp and registration fees	342	543	19.92
Mining	Mining	29	146	588.97
Forest	Forest	98	350	613.81
<i>Total</i>		<i>1,383</i>	<i>3,138</i>	<i>1,995.43</i>

The large pendency of the IRs was due to non-receipt of the replies which is indicative of the fact that the Heads of Offices and the Departments did not initiate necessary action to rectify the defects, omissions and irregularities pointed out in the IRs by the Principal Accountant General. Out of 168 IRs issued in 2018-19, there is no such IR in which even first reply was received within four weeks of the receipt of IR by the audited entity.

The Government may consider putting in place an effective system for ensuring prompt and appropriate responses to the outstanding audit observations.

2.1.8.2 Departmental audit committee meetings

The Government sets up audit committees to monitor and expedite the progress of the settlement of the IRs and of the paragraphs in the IRs. During the year 2018-19, only one meeting of departmental audit committee was held for settlement of paragraphs related to Forest Department wherein six paragraphs, involving an amount of ₹ 2.95 crore, were settled.

In view of the large number of pending IRs and audit paragraphs, the Government may consider instructing all departments to regularly hold meetings of the audit committees, in consultation with the Principal Accountant General, to expedite their settlement.

2.1.8.3 Response of the Departments/Government 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 Principal Accountant General to the Principal Secretaries/Secretaries of the concerned Departments drawing their attention to the audit findings and requesting them to send their response within six weeks. The fact of non-receipt of the replies from the Departments/Government is invariably indicated at the end of such paragraphs included in the Audit Report.

Nine draft paragraphs were sent to the Principal Secretaries/Secretaries of the respective Departments between April 2019 and February 2020. Replies of the Government for all nine paragraphs are awaited (December 2020). However, the response from the concerned auditee units had been received and the same was suitably incorporated in the report.

2.1.8.4 Follow up on the Audit Reports-summarised position

The Public Accounts Committee (PAC) notified in December 2002 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 *suomotu* irrespective of whether these are taken up for discussion by PAC and the action taken notes (ATNs) thereon should be submitted by the Government within three months of tabling of the Report for consideration of the Committee. In spite of these provisions, the ATNs on audit paragraphs of the reports were being delayed inordinately. 40 paragraphs were included in the Audit Reports for the years 2011-12 to 2017-18. The Audit Reports were placed before the State Legislative Assembly between September 2013 and December 2019. The ATNs from the concerned departments on four paragraphs were received late with an average delay of 18 months whereas ATNs in respect of 27 paragraphs¹⁰ from five departments had not been received (December 2020).

No paragraph relating to Revenue was discussed in the PAC during the year 2018-19.

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

To analyse the system of redressal of issues highlighted in the IRs by the Government, the action taken on the paragraphs included in the IRs of the last five years for State Tax Department was evaluated.

¹⁰ Excluding paragraph related to the Audit Report for the year 2017-18.

The summarised position of IRs relating to the State Tax Department issued during the last five years, paragraphs included in these reports, and their status as on 31 March 2019 are tabulated in **Table-2.1.10** below:

Table-2.1.10: Position of IRs

(₹ in crore)

Year	Opening Balance			Addition during the year			Clearance during the year			Closing balance		
	IRs	Para-graphs	Money Value	IRs	Para-graphs	Money Value	IRs	Para-graphs	Money Value	IRs	Para-graphs	Money Value
2014-15	411	1,080	104.77	44	135	8.83	17	100	13.12	438	1,115	100.48
2015-16	438	1,115	100.48	46	199	42.23	06	59	2.06	478	1,255	140.65
2016-17	478	1,255	140.65	52	265	44.57	06	94	39.73	524	1,426	145.49
2017-18	524	1,426	145.48	71	229	109.01	7	140	10.75	588	1,515	243.74
2018-19	588	1,515	243.74	71	267	79.35	5	181	27.27	654	1,601	295.82

As against 411 IRs with 1,080 outstanding paragraphs at the beginning of 2014-15, the number of outstanding IRs rose to 654 with 1,601 paragraphs at the end of 2018-19 while only 574 paragraphs were cleared during the period 2014-15 to 2018-19.

2.1.10 Action taken on the recommendations accepted by the Departments/ Government

Performance audits conducted by the Principal Accountant General are forwarded to the concerned Department/Government for their information with a request to furnish their replies. These are also discussed in exit conference and the Department's/Government's views are included while finalising the performance audits for the Audit Reports.

One performance and one thematic audit on Revenue Administration Department, one on Transport Department, one on Mining Department, one on Stamp and Registration Department and one on Forest Department featured in the last five years' Audit Reports. A total of 26 recommendations had been made to the Government for consideration in the light of the audit findings. The details of ATNs on the recommendations are given in **Table-2.1.11** below:

Table-2.1.11: Action Taken on Recommendations accepted by Government

Year of Audit Report	Name of Performance Audit	No. of Recommendation	Status
2011-12	Administration of VAT	07	ATN not received
2013-14	Levy and collection of Taxes on Motor Vehicles Tax	03	ATN not received
	Receipt of Minor Minerals	02	
2014-15	Pendency of cases in the Revenue Department	02	ATN not received
2015-16	Levy and collection of Stamp Duty & Registration Fees	03	ATN not received
2017-18	Revenue Receipts from Forest Department	09	ATN not received

2.1.11 Audit Planning

During the year 2018-19, out of total 319 auditable units, 172 units were planned and 168¹¹ units were audited. Three units were merged with other units and one unit could not

¹¹ State Excise: 12, Stamp & Registration: 23, Transport: 12, State Tax: 69, Forest: 41 and Mines and Minerals: 11.

be audited due to General Assembly election's duties of the personnel involved in audit. The units were selected on the basis of risk analysis.

2.1.12 Results of audit

Position of local audit conducted during the year

Test-check of the records of 168 units of the Department of State Tax, Mines & Minerals, Forest, State Excise, Stamp and Registration and Transport department conducted during the year 2018-19 revealed under assessment/short levy/loss of revenue and other irregularities involving ₹ 965.47 crore in 599 paragraphs as categorised in **Table-2.1.12** below:

Table-2.1.12: Category-wise Audit observations

Sl. No.	Categories	No. of paragraphs	Amount (₹ in crore)
State Tax			
1.	Short/non levy of penalty and tax	112	29.54
2.	Irregular allowance of concessional rate of tax	19	4.65
3.	Other Irregularities	136	45.16
Total		267	79.35
Mines & Minerals			
1.	Short levy/Non-levy of Royalty, short levy of penalty on illegal mining of minor minerals and other miscellaneous irregularities.	63	178.56
2.	Non achievement of revenue target	01	180.00
Total		64	358.56
Forest			
1.	Revenue loss due to short extraction of leesa as per prescribed norms, Loss of revenue due to leakage of stored leesa, Non-recovery of interest on delayed deposit of lease rent and other miscellaneous irregularities.	81	312.12
2.	Other irregularities	64	51.43
Total		145	363.55
State excise			
1.	Revenue loss due to short levy of tax on application form	03	3.21
2.	Revenue loss due to non recovery of license fee	05	21.09
3.	Short levy of stamp duty	03	0.04
4.	Other irregularities	22	26.26
Total		33	50.60
Stamp Duty and Registration Fee			
1.	Short levy of stamp duty and registration fee	42	2.70
2.	Other irregularities	09	2.26
Total		51	4.96
Transport			
1.	Short levy of registration fee/green cess/fitness fee	02	0.73
2.	Other irregularities	37	107.72
Total		39	108.45
Grand Total		599	965.47

During the course of the year, the concerned departments accepted under-assessment and other deficiencies of ₹ 274.08 crore out of ₹ 464.05 crore of recovery pointed out in audit during 2018-19. During 2018-19, an amount of ₹ 1.82 crore which related to the period 2002-03 to 2018-19, was collected by the Departments.

2.1.13 Coverage of the Revenue Chapter

The Revenue Chapter contains eight audit paragraphs involving financial effect of ₹ 240.47 crore, out of which, the Departments/Government have accepted audit observations involving ₹ 238.42 crore in five cases. These are discussed in succeeding paragraphs of Chapter-II.

COMPLIANCE AUDIT

MINING DEPARTMENT

2.2 Non-levy of penalty of ₹237.10 crore

Non-realisation of five times royalty from the contractors in the absence of Form MM-11 resulted in short collection of ₹237.10 crore.

Rule 70 (1) of the Uttarakhand Minor Minerals (Avoidance) Rules, 2001 provides that the holder of a mining lease or permit or a person authorised by him in this behalf shall issue a pass in form MM-11 to every person carrying consignment of minor mineral by a vehicle, animal or any other mode of transport. Further, Rule 70 (2) provides that no person shall carry, within the State, minor mineral by a vehicle, animal or any other mode of transport, except railway without carrying a pass in Form MM-11.

According to Rule 13-2 (*kha*) of amended Uttarakhand Minerals (Prevention of Illegal Mining, Transportation and Storage) Rules, 2005 dated 13 November 2016, an amount equal to five times of the royalty shall be computed and recovered on the quantity of illegal mining of minerals/transportation/storage, from the person who contravenes the rule. Further, according to Rule 13-2 (*cha*) of Uttarakhand Minerals (Prevention of Illegal Mining, Transportation and Storage) Rules, 2005 dated 31 July 2015, the authority to confiscate the illegal storage of minerals and penalise the offenders rests with the Mining Officers.

During (May 2018 to August 2018) scrutiny of records pertaining to period 2017-18 of the nine District Mining Offices¹², it was found that none of the contractors submitted e-Form MM-11 to the construction agencies¹³ against minor minerals used by them in the construction work. The construction agencies deducted one time royalty amounting to ₹47.42 crore (as detailed in *Appendix-2.2.1*) on the quantity of minor minerals from the bills of the contractors and deposited it into the treasury. However, in the absence of Form MM-11, an amount equal to five times of the royalty on the quantity of illegally transported minerals was to be levied on the contractors.

On this being pointed out, the Department, while accepting the audit observation, intimated that action would be taken for the recovery of an amount equal to five times of the royalty. Further, Mining Department intimated (August 2019) to this office that

¹² District Mining Officer, Haldwani (Nainital), New Tehri, Rudrapur, Haridwar, Uttarkashi, Rudraprayag, Dehradun Pithoragarh and Pauri.

¹³ Executive Engineer, National Highway Division (PWD), Construction Division, Public Works Department, Provincial Division, Public Works Department, World Bank Division, Public Works Department, Temporary Division, Public Works Department, Irrigation Division, Minor Irrigation Division, *Nal Koop* Division, Tarai Irrigation Division, Rural Construction Department (RES, PMGSY Division, Public Works Department, PMGSY Irrigation Division, PMGSY ADB (Disaster) Division, Infrastructure and Rehabilitation Division, Minor Lift Division, Asian Development Bank, Public Works Department, Peyjal Niram Nigam, District Panchayat, Construction Branch, Peyjal Nigam.

executing agencies may forward cases of transportation of minerals without form MM-11 to the District Magistrate/Sub-Divisional Magistrate/District Mining Officer for further penal action. However, no such communication was ever issued to the executing agencies by the Mining department. In the absence of any mechanism between the departments to ensure that the tax defaulters are identified and penalised as per the standing rules/regulations, the Government could not recover a penalty of ₹ 237.10 crore¹⁴.

The matter was referred to the Government (February 2020 and May 2020); Reply was awaited (December 2020).

STAMP AND REGISTRATION DEPARTMENT

2.3 Loss of revenue of ₹22.90 lakh

The Stamp and Registration Department suffered loss of revenue of ₹22.90 lakh due to inadmissible exemption of 50 per cent allowed by the Department on stamp duty.

Vide Notification¹⁵ dated 29.10.2015 issued by Finance Department, Government of Uttarakhand, a rebate on stamp duty to government / private entrepreneurs was allowed on land acquired on lease or purchased for establishment of industries in developed industrial estate/areas in accordance with provisions of the Uttarakhand Micro, Small and Medium Enterprises (MSME)¹⁶ Policy 2015. As per the Office Memorandum dated 31.01.2015, exemption on stamp duty was admissible only for purchase of land to establish an industry in the industrial estate. Further, as per MSME Policy 2015, 50 per cent exemption on stamp duty was admissible on purchase of land under 'D' category area. The district Dehradun is classified in 'D' category.

In terms of provisions of Article 23 khand (a) of Schedule 1B of Indian Stamp Act 1899, the rate of Stamp Duty as notified¹⁷ by the Finance Department, Government of Uttarakhand is 5 per cent of the Circle rate or consideration whichever is higher.

During 2018-19, Audit test checked 1,010 deeds out of 8,091 deeds registered with the Sub-Registrar-II, Vikas Nagar, Dehradun. Scrutiny of records of the Sub Registrar-II, Vikas Nagar, Dehradun (September 2018) revealed that a company purchased¹⁸ an already established industrial unit in the industrial estate¹⁹ through a deed registered on 10.01.2017 for a consideration of ₹ 9.16 crore. The buyer claimed and availed 50 per cent exemption on stamp duty as per Office Memorandum dated 31.01.2015 of Government of Uttarakhand and paid only ₹ 22.90 lakh²⁰ as stamp duty. However, as per

¹⁴ ₹ 47.42 crore*5=₹ 237.10 crore.

¹⁵ No.205 (1)/2015/XXVII(9)/UO-05/Stamp/2015.

¹⁶ No.184/VII-2-15/146-MSME/2013 Dehradun dated 31.01.2015.

¹⁷ Notification no 297/XXVII(9)/2011/Stamp-61/2009 dated 31.05.2011.

¹⁸ Sale deed was made on 22.12.2016 and registered on 10.01.2017.

¹⁹ Total land 6,117 sq. metre and total covered area 1,650 sq. metre (810 sq. meters in ground floor and 840 sq. metre in first floor) at Mauja Central Hope Town (Selaqui), Pargana-Pachwa Doon, Tehsil-Vikasnagar, Dehradun.

²⁰ 2.5 per cent of ₹ 9,16,00,000.

the above mentioned Notification and Office Memorandum, 50 per cent exemption on stamp duty was admissible only for purchase of land to establish an industry in the industrial estate. 50 per cent exemption on stamp duty in this case was not admissible as the buyer had purchased an established industrial property (including land with construction).

The Sub-Registrar was required to take cognizance of notification dated 29.10.2015 issued by Finance Department, Government of Uttarakhand before allowing 50 per cent concession in stamp duty, which was not done, resulting in loss of revenue of ₹ 22.90 lakh.

On this being pointed out by audit, the unit referred (March 2019) the matter to Additional District Magistrate (Finance and Revenue)/District Registrar for necessary action.

The matter was referred to the Government (March 2019 and May 2020); the reply was awaited (December 2020).

STATE TAX DEPARTMENT

2.4 Non-levy of penalty

The Department did not impose penalty amounting to ₹76.43 lakh for delay in deposit of taxes by the dealers.

Rule 11 (1) of Uttarakhand Value Added Tax Rules, 2005 stipulates that dealers having gross turnover of more than ₹ 50 lakh in the preceding year are liable to pay tax, composition money, late fee, interest or TDS monthly by 25th of the succeeding month. The date of payment was advanced to 20th of the succeeding month by the Government of Uttarakhand Notification No. 327/2014/181(120)/XXVII (8)/08 dated 26.03.2014.

Section 58(1)(vii)(b) of Uttarakhand Value Added Tax Act, 2005 provides that if the assessing authority is satisfied that any dealer has, without any reasonable cause, failed to pay, within the time allowed, the tax due under the provisions of the Act, the assessing authority may, after such enquiry as deemed necessary, shall order for payment of penalty, in addition to the tax, if any, a sum not less than ten per cent, but not exceeding twenty five per cent of the tax due if the amount of tax is up to rupees ten thousand and fifty per cent of the tax due if the tax is above rupees ten thousand. Further, as per section 7(b) (i) of the Uttarakhand Value Added Tax (amendment) Act, 2015²¹, such amount which is equivalent to 5 per cent of tax payable, if the delay in deposit of tax is not more than one month.

During scrutiny (September 2018) of records of Deputy Commissioner (Assessment), State Tax, Kichcha, Udham Singh Nagar, it was noticed that eight dealers whose gross turnover was more than ₹ 50 lakh in the preceding year (assessed during 2017-18) without any reasonable cause, failed to pay taxes due, within the prescribed time limit. As

²¹ Notification no. 102/XXXVI (3)/2015/22(1)/2015 dated 31.03.2015.

such, five dealers (three for assessment year 2013-14 and two for assessment year 2014-15) were liable to pay penalty of ₹ 41,60,272 @ minimum 10 *per cent* of taxes due. Further, three dealers (assessment year 2015-16) were liable to pay penalty of ₹ 34,83,217 @ 5 *per cent* of taxes due.

The Department, however, did not impose even the minimum penalty amounting to ₹ 76.43 lakh²² (as detailed in **Appendix-2.4.1**) due to delay in deposit of tax by the dealers as per provisions of Section 58 (1) (vii) (b) of the Uttarakhand Value Added Tax Act, 2005.

On being pointed out (September 2018), the Deputy Commissioner (Assessment), State Tax, Kichcha imposed (March 2019) penalty in all the eight cases.

The matter was referred to the Government (March 2020 and May 2020); the reply was awaited (December 2020).

2.5 Short levy of tax

Incorrect application of tax rates resulted in loss of revenue of ₹29.62 lakh

Sections-4 (2) (b) (i) (b) and (d) of the Uttarakhand Value Added Tax Act (UV Act), 2005 stipulate five *per cent* rate of tax in respect of goods specified in Schedule II (B) and 13.5 *per cent* rate of tax in respect of goods not specified in any of the schedules. Further, Commissioner State Tax Department, Government of Uttarakhand *vide* his decision (9 September 2016) under Section 57 of the Act directed that tax at the rate of 13.5 *per cent* would be leviable on product Epoxy Resin. Further, the assessing authorities are bound to follow order/decision of Commissioner under Section 57 of Uttarakhand Value Added Tax Act, 2005.

Test check of records (August 2018) of Deputy Commissioner (Assessment)-I, {Assessing Authority (AA)}, State tax, Haridwar revealed that in disregard to the order of Commissioner, the AA while assessing (October 2017) the case of a dealer²³ for the assessment year 2013-14, levied tax at the rate of five *per cent* instead of 13.5 *per cent* on sale within state (₹ 182.27 lakh) and central sale (₹ 8.63 lakh) without Form 'C' of product Epoxy Resin which was not classified in any of the schedules. This resulted in short levy of tax amounting to ₹ 16.23 lakh²⁴ at the differential rate of 8.5 *per cent*²⁵. Besides, interest at the rate of 15 *per cent* per annum was also leviable under section 34 (4) of the Act which amounts to ₹ 13.39 lakh²⁶ for the period from 01 October 2013 to 31 March 2019. The dealer, therefore, was liable to pay the amount of ₹ 29.62 lakh²⁷ as per the provision of UV Act, 2005.

²² ₹ 41,60,272 + ₹ 34,83,217 = ₹ 76,43,489.

²³ Tin 05007797176.

²⁴ ₹ 182.27 lakh + ₹ 8.63 lakh = ₹ 190.90 lakh x 8.5/100 = ₹ 16.23 lakh.

²⁵ (13.5-5) *per cent* = 8.5 *per cent*.

²⁶ ₹ 16.23 lakh x 15 x 66 month /12 x 100 = ₹ 13.39 lakh.

²⁷ ₹ 29.62 lakh = ₹ 16.23 lakh differential tax plus ₹ 13.39 lakh (interest).

On this being pointed out, the Department, while accepting the facts, reassessed (08 February 2019) the case and levied tax at the rate of 13.5 per cent on sale of product Epoxy Resin. The recovery was pending.

The matter was referred to the Government (May 2019 and May 2020); Reply was awaited (December 2020).

2.6 Loss of revenue and non-levy of penalty

The Department did not reverse the inadmissible input tax credit of ₹14.70 lakh claimed by the assessee, which resulted in loss of revenue of ₹14.70 lakh along with penalty of ₹44.10 lakh thereon.

Section (8) (b) of Uttarakhand Value Added Tax Act, 2005 (Act) provides that no Input Tax Credit (ITC) shall be allowed on purchase of goods, other than Capital Goods, when goods are purchased from an un-registered dealer or a dealer whose Certificate of Registration has been cancelled. Further, Section 58 (1) (xi) of the Act stipulates that if a dealer wrongly claims an amount as ITC or claims an ITC on the basis of false sale invoice, such a dealer shall pay, by way of penalty, a sum of rupees five thousand or three times of the amount claimed, whichever is higher.

During 2017-18, the Office of Deputy Commissioner (Assessment)-III, State Tax, Haldwani made assessment of 152 cases of which 75 assessment cases were test checked by audit. Scrutiny of records (December 2017) of the Deputy Commissioner (Assessment)- III (DC), State Tax, Haldwani revealed that an assessee²⁸ claimed ITC of ₹ 23.59 lakh on the purchase of scrap of ₹ 5.90 crore during the assessment year 2011-12. The assessee closed his trade in the relevant assessment year. Audit noticed that the assessee, *inter-alia*, claimed ITC²⁹, on purchase of scrap from two dealers³⁰, whose registrations were found cancelled (December 2011 and July 2011). The ITC claim of ₹ 14.70 lakh³¹ was, therefore, not admissible to the assessee. Further, as per Section 58 (1) (xi) of the Act, the assessee was also liable to pay penalty of ₹ 44.10 lakh³², being three times the claim of ITC.

It was further observed that the assessing officer while making assessment had directed (May 2016) *Khatapalak*³³ to send information regarding within the State purchase and ITC for verification. However, the verification was not done till date of audit (December 2017) and the verification process was initiated only after the issue was pointed out (December 2017) by audit.

²⁸ Tin 05011172970.

²⁹ As per assessment order dated 31.05.2016, the dealer claimed ITC.

³⁰ Tin 05010420832 and 05008343092.

³¹ ₹ 8,77,991 + ₹5,91,709 = ₹ 14,69,700.

³² ₹ 14.70 lakh x 3= ₹ 44.10 lakh.

³³ The person who holds all the assessment file of dealers, issues demand notices, reconciles challan with Daily Collection Register and initiates process of verification of ITC.

The Department, therefore, suffered a loss of revenue of ₹ 14.70 lakh due to non-reversal of inadmissible ITC along with penalty of ₹ 44.10 lakh thereon.

On being pointed out, the DC assured (December 2017) that action would be taken after examination of the audit objection. Accordingly, DC made correspondence³⁴ with the Assessing Authorities concerned to verify the ITC claim and found that the total ITC³⁵ claimed was inadmissible as the assessee had declared false purchases from bogus/closed firms for the purpose of evasion of tax. In this regard, the DC issued (October 2018) a penalty notice of ₹ 70.77 lakh³⁶ under section 58 (1) (xi) of the Act by including one more case³⁷ of inadmissible ITC of ₹ 8.90 lakh.

The matter was referred to the Government (August 2019 and May 2020); Reply was awaited (December 2020).

2.7 Irregular tax rebate on false declaration in Form-‘C’

False declaration in two Form-‘C’ was made by a dealer for inter-State sales of brass ingots on concessional rate of tax, which resulted in short levy of tax of ₹0.65 lakh and interest of ₹0.56 lakh. Besides, penalty amounting to ₹6.55 lakh was also leviable.

Section-8 (4) of the Central Sales Tax Act, 1956, stipulates that inter-State sales to registered dealers are taxable at concessional rate³⁸ when such sales are supported by declaration in Form-‘C’. If a dealer issues or furnishes a false certificate or declaration, he shall be liable to penalty of a sum not exceeding forty *per cent* of the value of the goods involved or three times of the tax leviable on such goods, whichever is higher, under Section-58 (1) (xxix) of the Uttarakhand VAT Act, 2005. Further, Section-34 (4) of this Act also provides that tax admittedly payable shall be deposited within the time prescribed³⁹ failing which simple interest at the rate of 15 *per cent* per annum shall become due and be payable on the unpaid amount with effect from the date immediately following the last date prescribed till the date of payment of such amount. Further, Commissioner, State Tax Department, Uttarakhand directed⁴⁰ (September 2014) all the field offices to verify all the declaration forms of ₹ 5 lakh and above regarding inter-state transactions through verification cell under Joint Commissioner (Executive) of the respective offices.

³⁴ On 19.02.2018 for Tin 05010420832 and 13.03.2018 for Tin 05008343092.

³⁵ ₹ 23.59 lakh (as given in assessment order).

³⁶ ₹ 23.59 lakh x 3= ₹ 70.77 lakh.

³⁷ Tin 05007502878.

³⁸ At the rate of one *per cent*.

³⁹ Rule 11 (1) of Uttarakhand Value Added Tax Rules, 2005 stipulates that dealers having gross turnover of more than ₹ 50 lakh in the preceding year are liable to pay tax, composition money, late fee, interest or TDS monthly by 25th of the succeeding month.

⁴⁰ Letter No. 2438/Ayukt Kar Uttarakhand/Vanijya Kar /Enforcement Section/2014-15/Dehradun dated 02.09.2014.

Audit scrutiny of records (June 2019) of the Deputy Commissioner (DC) (Assessment)-III, State Tax, Haridwar revealed that during assessment year 2013-14 two Form-‘C’ amounting to ₹ 44.29 lakh⁴¹ for sale of brass ingots were issued to the dealer by the purchaser of the Haryana State. Cross verification of the Form-‘C’ submitted by a dealer disclosed that these two Form-‘C’ were issued for ₹ 27.92 lakh⁴² instead of ₹ 44.29 lakh.

The verification cell under Joint Commissioner (Executive), State Tax, Haridwar did not cross verify the declaration Form-‘C’ from the issuing State in violation of the directions of the Commissioner, State Tax Department, Uttarakhand. The action was taken by the verification cell when the matter was highlighted by Audit.

Thus, due to false declaration in Form-‘C’, the dealer⁴³ was liable to pay tax of ₹ 0.65 lakh⁴⁴, interest of ₹ 0.56 lakh⁴⁵ and also the penalty of ₹ 6.65 lakh⁴⁶ on the unverified amount of Form ‘C’ to the tune of ₹ 16.37 lakh.

On this being pointed out, the DC stated that action was being taken against the dealer on remaining unverified amount.

The matter was referred to the Government (October 2019 and May 2020); reply was awaited (December 2020).

2.8 Non-levy of penalty due to delay in deposit of TDS

The Department did not impose penalty, the maximum of which amounted to ₹1.23 crore under section 35 (8) of the Uttarakhand Value Added Tax (UVAT), Act as the assesses did not deposit the amount of tax deducted at source in the Government Treasury within the prescribed time as given in section 35 (4) of the UVAT, Act.

Section 35 (4) of Uttarakhand Value Added Tax Act, 2005 (Act) stipulates that the amount of TDS deducted by the person shall be deposited by him in the Government Treasury before the expiry of the month following the month in which deduction has been made. Further, as per section 35 (8) of the Act, if any such person fails to make the deduction or after deducting, fails to deposit the amount so deducted as required in sub-section (4), the assessing authority may, after giving such person an opportunity of being heard, by order in writing, direct that such person shall pay, by way of penalty, a sum not exceeding twice the amount deductible under this section but not so deducted and, if deducted, not so deposited in the Government Treasury.

⁴¹ No.-HR013C / 1371275 (₹ 13,87,947) and No.- HR013C / 1371260 (₹ 30,41,269) = ₹ 44,29,216 (Say ₹ 44.29 lakh).

⁴² No.-HR013C / 1371275 (₹ 12,89,043) and No.- HR013C / 1371260 (₹ 15,03,334) = ₹ 27,92,377 (Say ₹ 27.92 lakh).

⁴³ Tin 05009719813.

⁴⁴ Differential tax @ of 4 per cent (of the 5 per cent, the dealer had already paid 1 per cent) x ₹ 16.37 lakh = ₹ 0.65 lakh.

⁴⁵ ₹ 0.56 lakh (₹ 0.65 lakh x 15 per cent per annum x 68 month 14 days) for the period of 01.10.2013 to 14.06.2019.

⁴⁶ Forty per cent of value of goods (i.e ₹ 16.37 lakh x 40 per cent) = ₹ 6.55 lakh or three times of tax leviable (i.e ₹ 16.37 lakh x 15 per cent) = ₹ 2.46 lakh), whichever is higher.

Scrutiny of records of Deputy Commissioner (Assessment)-I (DC), State Tax, Dehradun (October 2018) showed that two assessees⁴⁷ deposited (₹ 61.58 lakh) the Tax Deducted at Source (TDS) along with due interest thereon in the Government Treasury with the delay of 13 to 54 days during assessment year 2012-13 and 2013-14 (assessed during 2017-18). The Assessing Authority (AA) mentioned in the assessment order that for delay in deposit of TDS, action would be taken for penalty as per rule separately. However, the AA did not initiate action and levy penalty, the maximum of which amounted to ₹ 1.23 crore on delayed deposit of tax as per provisions of Section 35 (8) of the Act (as detailed in *Appendix-2.8.1*).

Further, in a case⁴⁸, the Hon'ble High Court, Uttarakhand had given a decision, that penalty would be imposed on the dealer who failed to pay, within time allowed, the tax due, even though dealer deposited the due tax with interest for delay period.

In reply, the Department stated (August 2019) that as the dealers deposited the amount of TDS along with interest, no action was taken to impose penalty for delay in deposit of TDS. The reply of the Department was not acceptable as the interest amount had been deposited by the dealers before the AA mentioned in his assessment order that separate action would be taken for penalty.

Thus the dealers were required to pay penalty under Section 35 (8) of Uttarakhand Value Added Tax, Act 2005 for delay in deposit of TDS.

The matter was reported to the Government (May 2019 & May 2020). Reply was awaited (December 2020).

2.9 Non-imposition of penalty

The Department did not impose penalty up to ₹18.18 lakh under Section 10-A of the Central Sales Tax Act as the firm had purchased such goods, for which it was not registered, on concessional form.

As per the provisions of Section 10 (b) read with section 10-A of the Central Sales Tax Act 1956, if any person, being a registered dealer, falsely represents when purchasing any class of goods that goods of such class are covered by his certificate of registration, the authority who granted certificate of registration to him may, after giving him a reasonable opportunity of being heard, by order in writing, impose upon him by way of penalty a sum not exceeding one-and-a-half times of the tax which would have been levied under sub-section (2) of Section 8 in respect of the sale to him of the goods, if the sale had been a sale falling within that sub-section. Further, as per sub-rules 1 and 2 under rule 6 of the Uttaranchal Central Sales Tax Rules, 2006, the Assessing Authority (AA) may inspect,

⁴⁷ M/s Alaknanda Hydro Power Company Limited Dehradun and M/s Lanco Infratech Limited Dehradun.

⁴⁸ Anand Nishikava Company versus Commissioner, Trade tax revision no. 16/2005 & 17/2005 dated 18.06.2007.

examine and make such enquiries on books, accounts or other documents from the dealer relating to his business, as he may consider necessary.

Scrutiny of the records of the office of the Deputy Commissioner (Assessment)-2, State Tax, Harbartpur, Vikasnagar revealed (August 2019) that a dealer⁴⁹ purchased goods⁵⁰ at a concessional rate by issuing Form 'C' during the assessment years 2012-13, 2013-14 and 2014-15. However, the purchased goods (as detailed in *Appendix-2.9.1*) were not covered under relevant Central Registration Certificate at the time of purchase of the goods. Hence the dealer was not authorised to purchase the goods at concessional rate. Accordingly, dealer was liable to pay penalty, the maximum of which is ₹ 18.18 lakh as per provisions of section 10 (b) read with section 10-A of the Central Sales Tax Act 1956. However, the penalty was not imposed by the AA.

On being pointed out, the AA imposed penalty of ₹ 18.18 lakh on the dealer in June 2020.

The matter was reported to the Government (January 2020 & May 2020). Reply was awaited (December 2020).

⁴⁹ Tin 05008116694.

⁵⁰ Spare parts, Machine spares and parts, Machine, DG set, Tools & Dies *etc.*