

**CHAPTER- IX**  
**OTHER NON-TAX RECEIPTS**

**9.1 Results of Audit**

Test-check of records relating to Public Works, Water Resources and Food and Civil Supplies Department during the year 2002-2003 revealed short-realisation and loss of revenue amounting to Rs.39.37 crore in 3,538 cases which can broadly be categorised as under:

*(Rupees in Crore)*

Sl. No.		Number of cases	Amount
	<b>PUBLIC WORKS DEPARTMENT</b>		
1.	Non-levy of licence fee at penal rates	95	0.06
2.	Non-recovery of losses	10	0.32
3.	Non-imposition of penalty for non-employment of technical staff.	88	0.06
4.	Others	2,984	16.99
	<b>WATER RESOURCES DEPARTMENT</b>		
5.	Non-levy of betterment contribution	88	4.36
6.	Non-imposition of penalty for non employment of technical staff	13	0.01
7.	Non-imposition of penalty on belated payment	1	0.14
8.	Others	173	17.13
	<b>FOOD AND CIVIL SUPPLIES DEPARTMENT</b>		
9.	Non-disposal of confiscated goods	51	0.06
10	Others	35	0.24
	<b>TOTAL</b>	<b>3,538</b>	<b>39.37</b>

A few illustrative cases involving Rs.5.31 crore are discussed in the following paragraphs:

## Public Works Department

### 9.2 Non-realisation of lease money

As per the Madhya Pradesh Works Department Manual, 1983, the right to collect toll tax on bridges may be given out on lease. As per the terms and conditions of lease deed for collection of toll tax, the lessee is required to pay the instalments of lease money on the dates mentioned in the lease deed failing which interest at the rate of 10 percent per annum shall be charged. If the lessee continues to default, the lease may be terminated and unexpired portion of lease be re-auctioned at the risk and cost of the original lessee or the collection of toll tax may be made departmentally.

In seven Public Works (Building and Roads) Divisions<sup>1</sup>, it was noticed that 32 leases for collection of toll tax on toll bridges were auctioned for Rs.1.62 crore during the period between 1997-1998 and 2001-2002. Of these, 22 lessees had deposited Rs.87 lakh with delay ranging between 1 to 319 days out of the total lease money of Rs.1.38 crore leaving a balance of Rs.51 lakh unrecovered. The Department neither recovered the balance amount of Rs.51 lakh nor levied interest of Rs.6.52 lakh for late payments.

In the remaining 10 cases, leases were terminated due to default in payment of instalments by the lessees. Out of this, in one case, the lease was put to re-auction and in the other cases the toll tax was collected departmentally. As a result, an amount of Rs.13.61 lakh was collected against the lease amount of Rs.24.40 lakh. No action was taken to realise the balance amount of Rs.10.79 lakh, which should have been recovered from the defaulters i.e. original lessees. This resulted in non-realisation of government revenue of Rs.68.31 lakh.

The matter was reported to the Government between April 2002 and April 2003; their reply had not been received (June 2004).

### 9.3 Non/short-levy of licence fee of Government buildings let out to private persons/institutions

According to the Government clarifications issued in November 1985 and January 1986 read with provisions of the Madhya Pradesh Works Department Manual, 1983, the licence fee of a government building, if let out to a private person, company, club, association, local body etc. shall be recovered monthly in advance at the prescribed rates.

Test-check of records of the Director of Estate Bhopal revealed that licence fee in respect of 72 public buildings let out to private persons, local bodies, association etc. was either not recovered or recovered at incorrect rates. This resulted in non/short-realisation of revenue of Rs.52.25 lakh for the period from April 1999 to June 2002.

The matter was reported to the Government in January 2003; their reply had not been received (June 2004).

<sup>1</sup> Dhar, Jabalpur No.-2, Katni, Mandla No.-1, Rewa, Seoni and Sidhi

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**9.4 Non/short-levy of licence fee of public-buildings allotted to educational institutions**

Government decided in January 1995 that the government residential buildings allotted to educational institutions be got vacated in a phased manner and licence fee be recovered at market rate.

In the Director of Estate, Bhopal, it was noticed that five government residential buildings in occupation of educational institutions were neither got vacated nor licence fee was recovered at the market rate. This resulted in non-realisation of revenue of Rs.18.48 lakh for the period from April 1999 to March 2002.

This was pointed out in audit and the Director of Estate, Bhopal stated in September 2002 that in two cases revenue recovery certificates had been issued. Reply in other cases was awaited (June 2004).

The matter was reported to the Government between January and April 2003; their reply had not been received (June 2004).

**9.5 Short-levy of licence fee on Public buildings allotted to Journalists and news papers for office use**

As per the instructions issued by Government in December 1990, if the government accommodation is allotted to newspaper agencies for office use, the licence fee shall be recovered at market rate. Market rates of government accommodation were revised by the Superintending Engineer, PWD, (B&R), Bhopal in February 1991 which were again revised by government in July 2000.

In the Director of Estates, Bhopal, it was noticed that 14 buildings were allotted to journalist/newspaper agencies for office use during the period April 1960 to June 2001, but the licence fee in respect of these buildings was recovered at pre-revised rates. This resulted in short-realisation of licence fee of Rs.13.22 lakh during the period from April 1999 to March 2002.

This was pointed out in audit and the Director of Estates, Bhopal stated in September 2002 that steps for recovery of licence fee at revised rates would be taken. Further reply was awaited (June 2004).

The matter was reported to the Government in December 2002 and again in April 2003; their reply had not been received (June 2004).

**9.6 Loss of revenue due to non-acceptance of highest bid**

According to the provisions of Madhya Pradesh Public Works Department Manual, 1983, toll tax on bridges is to be collected either on giving lease to contractor or departmentally.

Test-check of records of the Executive Engineer (EE) Public Works (Building and Roads) Divisions, Rewa and Mandla revealed that highest bids of Rs.2.20 lakh for collection of toll tax on bridge in Mandla Division for the year 2000-2001 and Rs.8.05 lakh for bridge in Rewa Division for the year 2001-2002 were received against the upset price of Rs.2.62 lakh and Rs.8.04 lakh respectively. The bids were rejected, the reasons for which were not on record. In the subsequent auctions the bid received were low and hence, toll tax collection was done departmentally and revenue of Rs.3.80 lakh was realised. Thus, non-acceptance of bids offered by intending lessees resulted in loss of revenue of Rs.6.45 lakh.

This was pointed out in audit and the EE Rewa Division stated in April 2002 that offered bid being the single tender was rejected and in subsequent auction the bids were too low to accept, hence the collection of toll tax was made departmentally. The reply is not tenable as due to non acceptance of bid higher than reserved price, the government was put to loss. The reply in other case and further action taken in the matter had not been received (June 2004).

The matter was reported to the Government between June 2002 and April 2003; their reply had not been received (June 2004).

## Water Resources Department

### 9.7 Non-levy of betterment contribution

The Madhya Pradesh Irrigation Act, 1931 provides for levy and collection of betterment contribution at the rate of Rs.140 per acre payable in lump sum or at the rate of Rs.224 per acre payable in 20 annual instalments from the permanent holders of land benefited by a new canal constructed after 1 April 1951 (at a cost of Rs.5 lakh or more or which has a command area of 1000 acre or more). The contribution is recoverable from such date as would be notified by Government but not earlier than three years from the date of commencement of the operation of the canal.

Test-check of the records of eight Water Resources Divisions<sup>1</sup>, revealed that 47 Schemes were completed at a total cost of Rs.131.49 crore between the years 1980-81 and 1997-98. The Department had not notified the dates from which betterment contribution would be levied and did not specify the beneficiaries and command areas. This resulted in non-levy of betterment contribution of Rs.3.37 crore (calculated at lumpsum rate of Rs.140 per acre).

This was pointed out in audit the EEs Rewa, Dabra, Ganj Basoda and Jhabua stated that action would be taken to recover the betterment contribution. The EE, Satna and Sagar-I stated that the matter would be taken up with the Government for issue of notification. The reply in other cases and progress made in the cases was awaited (June 2004).

The matter was reported to the Government between April 2002 and April 2003; their reply had not been received (June 2004).

### 9.8 Short-levy/recovery of penalty on belated payments of water rates

The Irrigation Manual provides for levy of penalty at the prescribed rates for belated payment of water rates.

Test-check of the records of the EE, Water Resources Division, Dabra (Gwalior), revealed that the Department collected arrears of water rate of Rs.1.27 crore during the period from 1998-99 to 2001-02. Against the penalty of Rs.16.52 lakh recoverable, the Department recovered Rs.2.48 lakh only. This resulted in short-realisation of penalty of Rs.14.04 lakh.

<sup>1</sup> Chhindwara, Dabra (Gwalior), Ganj Basoda (Vidisha), Harda, Jhabua, Rewa, No.-I Sagar and Satna

This was pointed out in audit and the EE, Water Resource Division, Dabra stated in May 2002 that recovery would be made after scrutiny of records. Further reply was awaited (June 2004).

The matter was reported to the Government between August, 2002 and April 2003; their reply had not been received (June 2004).

## **FOOD AND CIVIL SUPPLIES DEPARTMENT**

### **9.9 Non-realisation of cost of godown**

The transfer of ownership of all food grain godowns from the control of the Food Department to Madhya Pradesh State Warehousing Corporation (MPSWC) was under the consideration of Government. In June, 1978, the Government permitted the use of these godowns by MPSWC till final decision was taken. Further, the Government instructed the Collectors in December 1981, to form a committee for valuation of these godowns. The Government finally decided in October 2000 that the value of godowns and land as on date was to be fixed by the Public Works Department and this amount be recovered from the users.

Test-check of records of the Food Officer, Datia revealed that a godown having a plinth area of 895.89 square metres was under the occupation of MPSWC since November 1978. The value of godown was fixed at Rs.1.30 lakh by Collector, Datia in October 1981 and the amount was deposited by the corporation belatedly in March 2001. However, the value of godown was fixed in November 2001 at Rs.22.47 lakh by the Public Works Department in the light of Government order of October 2000. The Corporation was directed to deposit the same but the amount was not deposited. This resulted in short- realisation of revenue of Rs.21.17 lakh.

The matter was reported to the Government between July 2002 and April 2003; their reply had not been received (June 2004).

**Bhopal**  
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