

**CHAPTER VII**  
**NON TAX RECEIPTS**  
**MINES AND MINERALS**

**7.1 Results of Audit**

Test check of records of departmental offices conducted during the period from April 2004 to March 2005 revealed under assessment amounting to Rs.4.67 crore in 55 cases which broadly fall under the following categories.

**(Rupees in crore)**

<b>Sl. No.</b>	<b>Categories</b>	<b>No. of cases</b>	<b>Amount</b>
1	Non/short levy of royalty, dead rent and seigniorage fee	27	1.75
2	Others	28	2.92
	<b>Total</b>	<b>55</b>	<b>4.67</b>

During the course of the year 2004-05, the Department concerned accepted underassessment of Rs.25.17 lakh in 19 cases, out of which Rs.2.62 lakh involving three cases were pointed out during the year and the rest in earlier years. Of these, the Department recovered Rs.5.04 lakh.

An illustrative case involving Rs.7.32 lakh is mentioned below:

**7.2 Non collection of brick mineral annual fee**

Government, by two orders of December 2002, directed that every brick manufacturing unit in Tamil Nadu, on registration, shall apply for grant of permit for quarrying brick earth alongwith non refundable application fee<sup>40</sup> of Rs.1,500 and brick mineral annual fee<sup>41</sup> for different types of brick kiln at prescribed rates.

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<sup>40</sup> Application fee - Non refundable application fee payable by brick manufacturing units applying for permit to quarry brick earth.

<sup>41</sup> Brick mineral fee - Annual fee payable for quarrying brick earth. This fee is leviable based on number of kilns

It was noticed in the offices of the Assistant Director of Geology and Mining, Tuticorin and Trichy, that in respect of 25 brick manufacturing units registered during 2003-04, application fee and brick mineral fee were not levied and collected. This resulted in non collection of application fee and brick mineral fee amounting to Rs.7.32 lakh.

After this was pointed out in audit in October 2003/December 2004, the Department stated in April 2004, that Rs.5.04 lakh due from brick manufacturing units in Tuticorin has since been collected and further stated in February 2005 that action is being taken to collect the amount from units situated in Trichy. Further report is awaited (September 2005).

The matter was reported to the Government in April 2005; reply has not been received (September 2005).

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