

Part 'A'
Revenue Sector

Chapter-1

General

CHAPTER-1

GENERAL

1.1 Trend of revenue receipts

1.1.1 The tax and non-tax revenue raised by the Government of Himachal Pradesh during the year 2018-19, the State's share of net proceeds of divisible Union taxes and duties assigned to the State and Grants-in-Aid received from the Government of India during the year and the corresponding figures for the preceding four years are depicted below:

Table 1.1: Trend of revenue receipts

						(₹ in crore)
Sr. No.	Particular	2014-15	2015-16	2016-17	2017-18	2018-19 ¹
1.	Revenue raised by the State Government					
	Tax revenue	5,940.16	6,695.81	7,039.05	7,107.67	7,575.61 ²
	Non-tax revenue	2,081.45	1,837.15	1,717.24	2,363.85	2,830.04
	Total	8,021.61	8,532.96	8,756.29	9,471.52	10,405.65
2.	Receipts from the Government of India					
	Share of net proceeds of divisible Union taxes and duties	2,644.17	3,611.17	4,343.70	4,801.31	5,426.97 ³
	Grants-in-Aid	7,177.67	11,296.35	13,164.35	13,094.23	15,117.66 ⁴
	Total	9,821.84	14,907.52	17,508.05	17,895.54	20,544.63
3.	Total revenue receipts of the State Government (1 and 2)	17,843.45	23,440.48	26,264.34	27,367.06	30,950.28
4.	Percentage of 1 to 3	45	36	33	35	34

Source: Finance Accounts

The State is actually revenue deficit and is showing revenue surplus due to receipt of post devolution revenue deficit grant of ₹ 8,206 crore under Grants-in-aid. During the year 2018-19, the revenue raised by the State Government (₹ 10,405.65 crore) was 34 per cent of the total revenue receipts. The balance 66 per cent of the receipts was from the Government of India as share of net proceeds of divisible union taxes and Grants-in-Aid. The percentage of revenue receipts of the State Government from its own resources to total revenue receipts declined from 45 to 34 per cent during 2014-2019. The overall trends of revenue receipts from 2014-15 to

¹ Finance Accounts of the State Government.

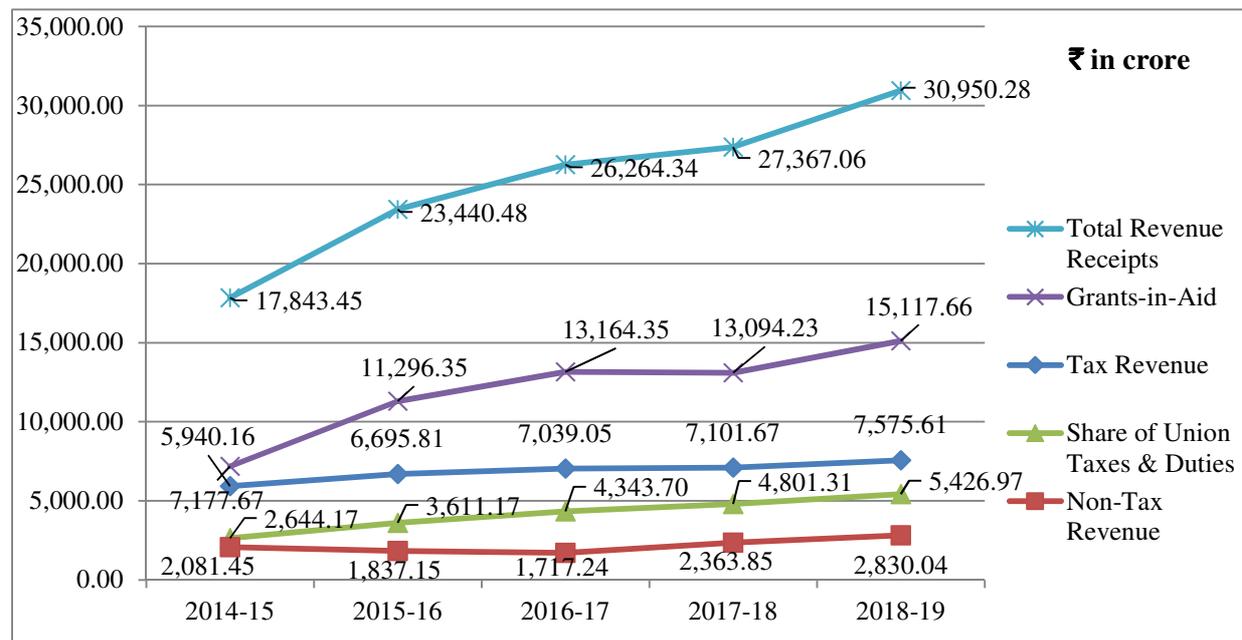
² This includes amount of ₹ 3,342.68 crore received under Major Receipt Head '0006-State Goods and Services Tax'.

³ The details are as shown in Appendix 1.1.

⁴ This includes amount of ₹ 2,037 crore received from Government of India as compensation of loss due to implementation of Goods and Services Tax

2018-19 is depicted in Chart 1.1:

Chart: 1.1



Source: Finance Accounts

1.1.2 The details of the tax revenue raised during the period 2014-15 to 2018-19 are depicted below:

Table 1.2: Details of Tax Revenue Receipts

Sr. No.	Major Head of revenue receipts	Tax Revenue Receipts (percentage to total tax revenue receipts)					Percentage of increase (+) or decrease (-) in 2018-19 over actual of 2017-18
		2014-15	2015-16	2016-17	2017-18	2018-19	
1.	VAT on sales and trade	3,660.57 (61.62)	3,992.99 (59.63)	4,381.91 (62.25)	2,525.87 (35.53)	1,185.43 (15.64)	-
	State Goods and Service Tax				1,833.16 (25.79)	3,342.68 ⁵ (44.12)	-
2.	State Excise	1,044.14 (17.58)	1,131.22 (16.89)	1,307.87 (18.58)	1,311.25 (18.45)	1,481.63 (19.55)	13
3.	Motor vehicles tax	220.10 (3.71)	317.05 (4.74)	279.58 (3.97)	367.16 (5.17)	408.01 (5.39)	11
4.	Stamp Duty	190.58 (3.21)	205.52 (3.07)	209.16 (2.97)	229.18 (3.22)	250.55 (3.31)	09
5.	Taxes and Duties on electricity	332.82 (5.60)	551.06 (8.23)	371.67 (5.28)	360.79 (5.08)	487.08 (6.43)	35
6.	Others	491.95 (8.28)	497.97 (7.44)	488.86 (6.94)	480.26 (6.76)	420.23 ⁶ (5.55)	-12
	Total	5,940.16	6,695.81	7,039.05	7,107.67	7,575.61	07
	Percentage increase over previous year	16	12.72	5.13	0.97	6.35	
	Overall average growth and growth rate for five years.						6,871.66/ 8.23

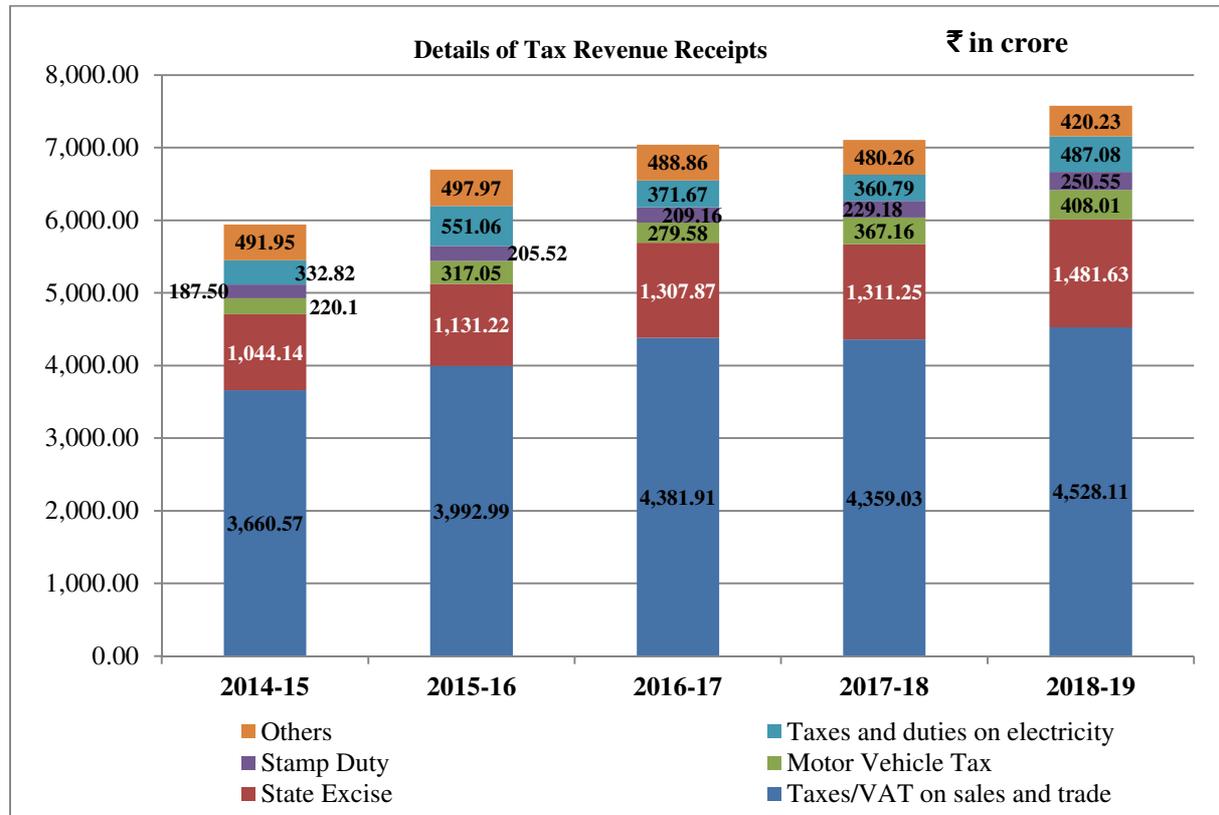
Source: Finance Accounts

⁵ SGST figure for the year 2017-18 was only for nine months and 2018-19 is for 12 months. Hence comparison was not done.

⁶ Other Receipts-Land Revenue: ₹ 8.39 crore, Taxes on Goods and Passengers: ₹ 104.38 crore and Other Taxes and Duties on Commodities and Services: ₹ 307.46 crore

The year-wise trend of various tax revenues is depicted in **Chart 1.2**.

Chart 1.2



Source: Finance Accounts

The tax revenue increased by ₹ 1,635.45 crore (27.53%) during the years 2014-15 to 2018-19 with an average rate of growth of 8.23 per cent. However, rate of growth for 2018-19 was 6.35 per cent mainly due to decline in annual growth rate of tax on Sales (VAT + SGST) to 3.87 per cent during 2018-19, which was 9.08 per cent before implementation of GST.

The respective Departments reported the following reasons for variations during the year:

- **State Excise:** The increase is mainly due to quarterly collection of Licence Fee and Excise Duty and better enforcement of Excise Policy 2018-19.
- **Motor Vehicle Tax:** The increase in collection is due to registration of more number of vehicles, better enforcement, revision of composite fee and increase in number of driving licenses and choice numbers issued.
- **Taxes and duties on electricity:** The increase in receipt is due to the payment of previous outstanding taxes/amounts by Himachal Pradesh State Electricity Board Limited (HPSEBL) during the financial year 2018-19.
- **Taxes on Goods and Passengers:** The decrease is mainly due to reduction by 25 per cent in Additional Goods Tax (AGT) on all types of yarn (excluding woollen yarn), Iron and steel and Plastic Goods under the Himachal Pradesh Passenger and Goods Tax Act, 1955, w.e.f. July, 2018.

1.1.3 Details of the non-tax revenue raised during the period 2014-15 to 2018-19 are indicated in the Table below:

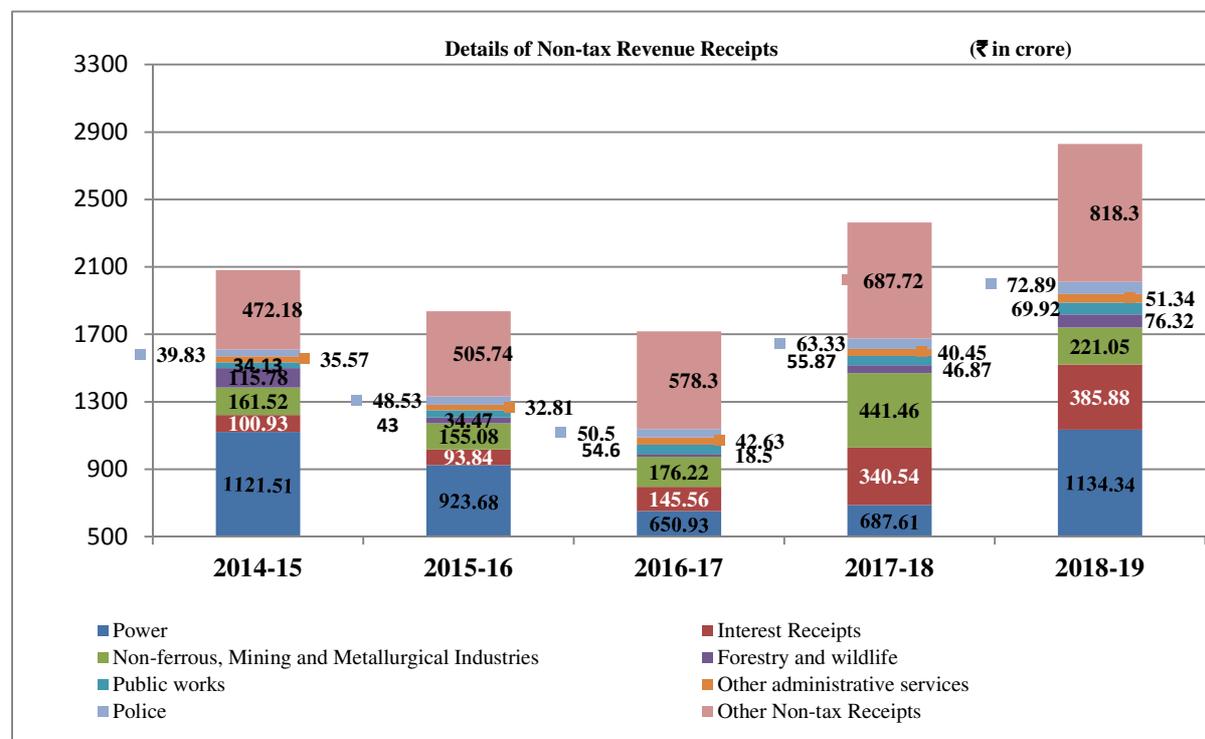
Table 1.3: Non-Tax Revenue raised

Sr. No.	Major Head of revenue receipts	Non-tax Revenue Receipts (percentage to total Non-tax Revenue Receipts)					Percentage of increase (+) or decrease (-) in 2018-19 over actual of 2017-18
		₹ in crore					
		2014-15	2015-16	2016-17	2017-18	2018-19	
1.	Power	1,121.51 (53.88)	923.68 (50.28)	650.93 (37.91)	687.61 (29.09)	1,134.34 (40.08)	65
2.	Interest receipts	100.93 (4.85)	93.84 (5.11)	145.56 (8.48)	340.54 (14.41)	385.88 (13.64)	13
3.	Non-ferrous, Mining and Metallurgical Industries	161.52 (7.76)	155.08 (8.44)	176.22 (10.26)	441.46 (18.68)	221.05 (7.81)	-50
4.	Forestry and Wildlife	115.78 (5.56)	34.47 (1.88)	18.50 (1.08)	46.87 (1.98)	76.32 (2.70)	63
5.	Public works	34.13 (1.64)	43.00 (2.34)	54.60 (3.18)	55.87 (2.36)	69.92 (2.47)	25
6.	Other administrative services	35.57 (1.71)	32.81 (1.79)	42.63 (2.48)	40.45 (1.71)	51.34 (1.81)	27
7.	Police	39.83 (1.91)	48.53 (2.64)	50.50 (2.94)	63.33 (2.68)	72.89 (2.58)	15
8.	Other Non-tax revenue ⁷	472.18 (22.69)	505.74 (27.53)	578.30 (33.68)	687.72 (29.09)	818.30 (28.91)	19
Total		2,081.45	1,837.15	1,717.24	2,363.85	2,830.04	20

Source: Finance accounts

The year-wise trend of non-tax revenue during 2014-15 to 2018-19 is depicted in Chart 1.3 below:

Chart 1.3



Source: Finance Accounts

⁷ The details of Other Non-tax revenue are in Appendix 1.2.

The overall non-tax revenue receipts increased from ₹ 2,363.85 crore in 2017-18 to ₹ 2,830.04 crore in 2018-19 (20 per cent). Power (40.08 per cent), Interest receipts (13.64 per cent) and Non-ferrous, Mining and Metallurgical Industries (7.81 per cent) are the main contributors to non-tax revenue and as a whole contribute 61.53 per cent to total non-tax revenue.

The respective Departments reported the following reasons for variations during the year.

- **Forestry and Wildlife:** The increase was mainly due to realisation of more royalty money for the sale of Timber/Wood etc. by the State Forest Corporation.
- **Public works:** The increase was due to increase in rental income from residential and non-residential buildings and rest houses/circuit houses.
- **Home Guards and Civil Defence:** The increase was due to condemnation of old vehicles in the department.
- **Police:** The increase was due to recoveries from Bhakra Beas Management Council for guards, Railway Police and issue of permits to vehicles for plying on restricted roads in Shimla.
- **Education, Sports, Art and Culture:** Shortfall in receipts was mainly due to non-receipt of reimbursement from the State Project Director, Rashtriya Madhyamik Siksha Abhiyan (RMSA) scheme and less recovery of over payments.
- **Other administrative services:** The majority of increase was in the Sub Major Head Elections (47 per cent) owing to more compensation received by the State Government for conducting the Lok Sabha Elections 2019.
- **Non-ferrous, Mining and Metallurgical Industries:** The reason for decrease in 2018-19 as compared to 2017-18 is that in 2017-18, ₹ 208.92 crore was deposited by M/s. Ultratech Cement Company on account of transfer fees of mining lease.

The other Departments did not intimate reasons for variations of actual receipts from the previous year (November 2020).

1.2 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2019 realizable under some Major Receipt Heads amounted to ₹ 4,216.87 crore, of which ₹ 415.22 crore was outstanding for more than five years as depicted below:

Table 1.4: Arrears of revenue

₹ in crore				
Sr. No.	Major Head of revenue receipts	Amount outstanding as on 31 March 2019	Amount outstanding for more than 5 years as on 31 March 2019	Replies of the Departments
1.	Taxes/VAT on Sales and Trade	3,390.36	145.91	Most of the cases have been declared arrears of land revenue under the HP Land Revenue Act, 1955. The field offices and the concerned AAs have been directed to make prompt efforts to recover the outstanding amount. Besides this, in some cases the amount to be recovered is stayed by the Courts. All out efforts are being made to recover the outstanding amounts.
2.	State Excise	256.25	12.70	
3.	Other Taxes and Duties on Commodities and Services	84.35	24.83	
4.	Taxes on Goods and Passengers	7.07	6.60	
5.	Water supply, Sanitation, Housing and Minor Irrigation	310.28	198.79	₹ 229.64 crore is outstanding from the Municipal Corporation Shimla. Notices have been issued to the consumers by the Department. Due to shortage of Village Revenue Officer and Field Staff, the outstanding amount had not been recovered.
6.	Taxes and duties on electricity	16.95	0	The adjustment of Electricity Duty payable is being made with the receivables from HP Government from time to time.
7.	Forestry and Wildlife	116.45	18.78	₹ 113.68 crore was recoverable from the Himachal Pradesh State Development Corporation Limited and other Government Departments. ₹ 2.77 crore was recoverable from contractors, of which some cases are under litigation and others sent to the GoHP for writing off.
8.	Police	24.26	4.91	Arrears of ₹ 14.15 lakh pertains to M/s Ultratech Cement Ltd. Bagga, Distt Solan, ₹ 3.86 lakh pertains to M/s Patel Engineers Ltd. Kullu and the remaining from the Government Departments/Undertakings for supply of Police force.
9.	Village and Small Industries	0.05	0.02	Arrears accumulated from the year 1980-81. Arrears pertained to rent of sheds (Industrial Estate), rent of Government accommodation/receipt of sale of Mulberry plants etc.
10.	Printing and Stationery	5.18	0.38	Arrears of ₹ 1.16 crore from the Director HP State Women and Child Development, ₹ 1.07 crore from the State Project Officer, SSA Lal-Paani, ₹ 32.46 lakh from CE (MM) HPSEB and ₹ 2.62 crore from other Industries/Departments/Corporations were recoverable.
11.	Non-ferrous, Mining and Metallurgical Industries	0.93	0.61	Arrears accumulated from the year 1970-71. Arrears pertain to Mining Offices and DDO (Headquarters) Geological Wing Directorate of industries on account of recovery of royalty/drilling charges etc.
12.	Public Works	0.23	0.15	Arrears pertained to rent of residential and non-residential buildings.
13.	Industries	4.52	1.54	Arrears accumulated from the year 1989-90. Arrears pertained to outstanding premium of plots (Industrial areas) etc.
Total		4,216.87	415.22	

Source: Departmental figures

1.3 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 number of cases pending for finalization at the end of the year as furnished by the Excise Department in respect of Sales Tax, Motor Spirit Tax, Luxury Tax and Tax on Works Contracts are depicted below:

Table 1.5: Arrears in assessments

Major Head of revenue receipts	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/VAT on Sales and Trade	2,15,448	13,134	2,28,582	57,193	1,71,389	25
Luxury Tax	3,971	870	4,841	1,029	3,812	21
Tax on Works Contracts	1,124	493	1,617	482	1,135	30
Motor Spirit Tax	28	27	55	25	30	45

Source: Departmental figures

The low percentage of disposal (21 per cent in the case of Luxury Tax and 25 per cent in VAT) was a matter of serious concern because of the large and increasing volume of arrears. The Department stated that arrears in assessment are being processed/completed as per agreement with the World Bank to clear the pendency under VAT/CST regime by fixing the targets to be achieved by each district.

The Department may take necessary steps to clear the arrears under VAT assessment as these are now merged with GST.

1.4 Evasion of tax

The details of cases of evasion of tax detected by different Departments, cases finalized and demands for additional tax raised by the Department are depicted below:

Table 1.6: Evasion of Tax

Sr. No.	Major Head of revenue receipts	Cases pending as on 1 April 2018	Cases detected during 2018-19	Total	Number of cases in which assessment/investigation completed and additional demand with penalty etc. raised		Number of cases pending for finalization as on 31 March 2019
					Number of cases	Amount (₹ in crore)	
1.	Taxes/VAT on Sales and Trade	111	954	1,065	1,000	9.96	65
2.	State Excise	27	779	806	734	2.02	72
3.	Passengers and Goods Tax	28	14,035	14,063	14,027	5.41	36
4.	Other Taxes and Duties on Commodities and Services	5	872	877	870	1.25	7
5.	Land Revenue	1,852	125	1,977	528	49.49	1,449
Total		2,023	16,765	18,788	17,159	68.13	1,629

Source: Departmental figures

In Excise and Taxation Department, the total number of cases pending for finalization had increased from 171 at the beginning of financial year to 180 at the end of the financial year 2018-19. The Department stated that all out efforts were being made by the field offices to reduce pendency. However, due to introduction of the GST w.e.f. July, 2017 in the State, more focus was on effective implementation of GST in State.

1.5 Refund cases

The details 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 are depicted below:

Table 1.7: Pendency of refund cases

Sr. No.	Particulars	Sales Tax/VAT		State Excise	
		No. of cases	Amount (₹ in crore)	No. of cases	Amount (₹ in crore)
1.	Claims outstanding at the beginning of the year	41	4.95	15	1.03
2.	Claims received during the year	124	34.77	107	19.04
3.	Refunds made during the year	117	28.21	99	18.99
4.	Balance outstanding at the end of year	48	11.51	23	1.08

Source: Departmental figures

The number of cases outstanding at the end of the financial year 2018-19 had increased for both Sales Tax/VAT and State Excise as compared to cases outstanding at the beginning of the financial year which was due to low rate of disposal of 75.26 per cent as compared to 81.45 per cent disposal during the previous year.

1.6 Response of Government/Departments towards Audit

The Principal Accountant General (Audit), Himachal Pradesh (PAG), conducts periodic inspection of the Government Departments to test check the transactions and verify the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with 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 next higher authorities for taking prompt 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 receipt of the IRs. Serious financial irregularities are reported to the Heads of the Department and the Government.

Inspection Reports issued up to March 2019, disclosed that 8,439 audit observations involving ₹ 2,209.43 crore relating to 2,742 IRs remained outstanding at the end of June 2019 as shown in **Table 1.8** along with the corresponding figures for the preceding two years.

Table 1.8: Details of pending Inspection Reports

	June 2017	June 2018	June 2019
Number of IRs pending for settlement	2,582	2,660	2,742
Number of outstanding audit observations	7,764	7,924	8,439
Amount of revenue involved (₹ in crore)	1,817.56	1,958.98	2,209.43

Source: Inspection Reports

The number of IRs, audit observations pending for settlement and the total money value showed an increasing trend during the last three years.

The Department-wise details of the IRs and audit observations outstanding as on 30 June 2019 and the amounts involved are mentioned in **Table 1.9** below:

Table 1.9: Department-wise details of pending Inspection Reports

Sr. No.	Name of the Department	Nature of receipts	Number of outstanding IRs	Number of outstanding audit observations	Money value involved (₹ in crore)
1.	Excise and Taxation	Taxes/VAT on Sales and Trade	146	1,055	453.90
		State Excise	64	308	333.45
		Passengers and Goods Tax	186	426	231.89
		Other Taxes and Duties on Commodities and Services	126	159	6.70
		Entertainment and Luxury tax etc.	65	124	21.80
2.	Revenue	Land Revenue	219	413	169.05
		Stamp and Registration Fees	675	1,532	64.09
3.	Transport	Taxes on Motor Vehicles	716	2,709	303.80
4.	Forestry and Wildlife	Forest Receipts	545	1,713	624.75
Total			2,742	8,439	2,209.43

Source: Inspection Reports

Audit did not receive even the first reply from the respective Heads of Offices after the stipulated time of four weeks in respect of 57 IRs out of 164 IRs issued during the year 2018-19.

The purpose of audit is to check whether prescribed rules, laws and procedures are being adhered to, and to highlight cases of non-compliance, systemic weaknesses and failures. The increasing trend of IRs and audit observations pending settlement indicate inadequate response to audit observations. The lack of action on these audit observations weakens accountability and raises the risk of loss of revenue. Increasing pendency of audit paragraphs merits urgent attention of the Government for addressing the issues consistently raised by Audit.

1.6.1 Departmental audit committee meetings

The Government had set up audit committees to monitor and expedite the settlement of paragraphs included in the IRs. The details of audit committee meetings held during the year 2018-19 and the paragraphs settled are depicted below:

Table 1.10: Details of Departmental Audit Committee meetings

Sr. No.	Department	Number of meetings held	Number of paragraphs outstanding	Number of paragraphs settled	Amount (₹ in crore)
1.	Excise and Taxation	1	1,826	167	0.36
	Revenue	1	1,826	32	0.2
	Transport	1	2,598	47	1.04
2.	Forest	1	1,633	9	0.43
Total		4	7,883	255	2.03

Source: Revenue and Economic (Non-PSU) Sectors, Shimla

In 2018-19, out of 7,883 outstanding paragraphs, 255 paragraphs (3.23 per cent) involving an amount of ₹ 2.03 crore were settled in four Audit Committee meetings held for Revenue and Forest Departments.

The Government should ensure holding of meetings of the Audit Committee at regular intervals for all the Departments.

1.6.2 Response of Departments to draft audit paragraphs

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

Twenty seven paragraphs were sent to the Principal Secretaries/Secretaries of the respective Departments between July 2019 and July 2020 of which, 23 paragraphs have featured in this Report. Progress of recovery in accepted cases was very slow which is depicted in chart 1.4.

1.6.3 Follow-up on the Audit Reports-summarised position

The Public Accounts Committee notified (December 2002) that after the presentation of the Audit Report of the Comptroller and Auditor General of India in the Legislative Assembly, the Departments shall initiate action on the audit paragraphs and action taken notes thereon should be submitted by the Government within three months of the tabling the Report, for the consideration of the Committee. However, in spite of these provisions, the action taken notes on audit paragraphs of the Reports were delayed inordinately. A total of 112 paragraphs (including Performance Audits) included in the Audit Reports on Revenue Sector of the Comptroller and Auditor General of India of the Government of Himachal Pradesh for the years ended 31 March of 2014, 2015, 2016, 2017 and 2018 were placed before the State Legislative Assembly between 10 April 2015 and 14 December 2019. Action taken notes on these paragraphs were, however, received very late from the Departments with an average delay of 12, 24, 12 and 16 months respectively for these Audit Reports. The PAC had discussed seven paragraphs pertaining to the Audit Report (2013-14) on Revenue Sector during the year 2018-19.

1.7 Action taken by the Departments on issues raised by Audit: Detailed status for Transport Department

The action taken on the Paragraphs and Performance Audits included in the Audit Reports of the last 10 years for the Transport Department under Major Receipt Head '0041-Motor Vehicle Tax' was evaluated and is detailed in the succeeding paragraphs 1.7.1 to 1.7.3.

1.7.1 Inspection Reports

The summarized position of the inspection reports issued during the last 10 years, paragraphs included in these reports and their status as on 31 March 2019, relating to Transport Department is depicted in *Appendix 1.3*.

Against 619 IRs with 1,910 paragraphs outstanding as on start of 2009-10, the number of outstanding IRs increased to 722 with 2,694 paragraphs at the end of 2018-19. The corresponding money value pointed out in IRs increased from ₹ 28.53 crore to ₹ 312.29 crore.

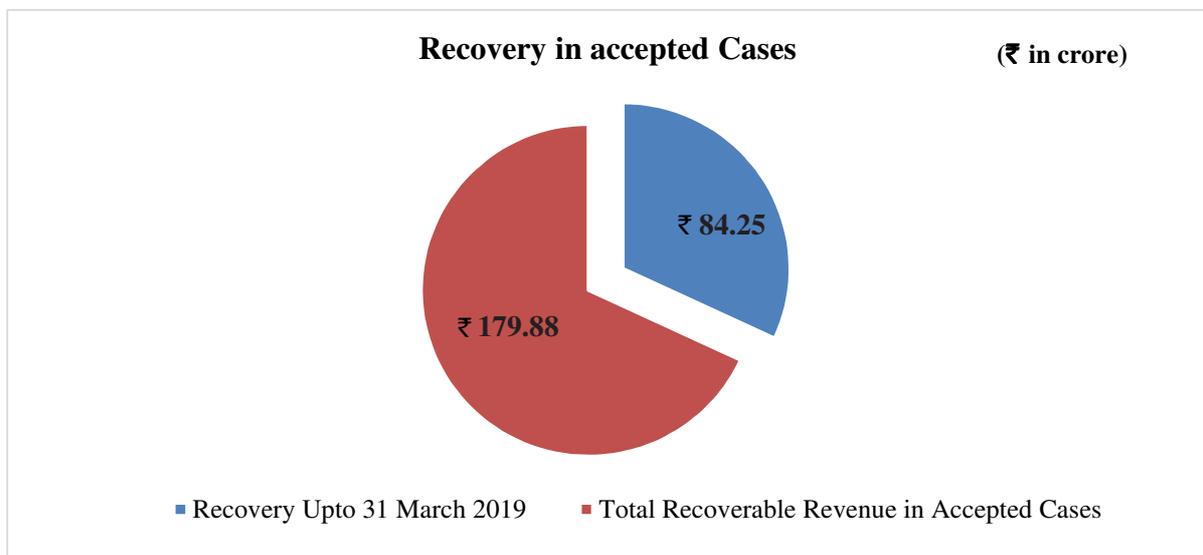
1.7.2 Recovery of accepted cases

The position of paragraphs included in the Audit Reports of the last 10 years, those accepted by the Transport Department and the amount recovered is depicted in *Appendix 1.4*.

The progress of recovery even in accepted cases was low as only ₹ 84.25 crore (47 per cent) were recovered up to 31 March 2019 against the total recoverable revenue of ₹ 179.88 crore in accepted paragraphs.

The recovery of accepted cases and the amount recovered by the Transport Department is depicted in Chart below:

Chart 1.4



Source: PAC, Revenue Sector, Shimla

1.8 Internal Audit

Internal Audit Cells (IAC) in the Departments under the charge of the Assistant Controller (F and A), were required to conduct test check of the cases of assessment as per the approved action plan and in accordance with the criteria decided by the Steering Committee to ensure adherence to the provisions of the Acts and Rules as well as Departmental instructions issued from time to time.

Name of the Department	Total auditable units	No. of units planned for audit	No. of units audited	Shortfall
Excise and Taxation	13	9	03	06
Revenue	169	20	15	05
Transport	06	06	06	0
Forest	There was no Internal Audit Cell.			

Source: Departmental figures

The Excise and Taxation Department and Revenue Department attributed the shortfall in internal audit to shortage of staff. Information regarding internal audit was not provided by Transport Department while Forest Department stated that there was no IAC in the Department.

1.9 Audit planning and Results of audit

There were a total of 383 auditable units in the State of Himachal Pradesh, of which 166 units⁸ of Sales Tax/Value Added Tax, State Excise, Motor Vehicles, Goods and Passengers Tax and Forest Receipts were audited during the year 2018-19 through test check of records. The units were selected on the basis of risk analysis.

The major deficiencies observed in the functioning of the Departments included; failure to detect suppression of sales and purchases; under-assessment/wrong allowance of Input Tax Credit; application of incorrect rate of tax; short recovery of excise duty, license fee and interest by AAs; short levy of stamp duty and registration fees, incorrect determination of market value of property by Sub-Registrars; short recovery of token tax, special road tax, composite fee by the Transport Department; non-realization of passenger and goods tax by the Excise and Taxation Department and short recovery of royalty and extension fee by the Forest Department. The total revenue loss on account of the deficiencies highlighted by Audit through IRs during 2018-19 amounted to ₹ 297.10 crore⁹ in 1,168 cases.

During the year 2018-19, the Departments concerned accepted audit observations of ₹ 18.59 crore in 860 cases, of which ₹ 3.92 crore in 188 cases related to audit findings of previous years. The Department also recovered an amount of ₹ 2.72 crore in 195 cases of which ₹ 2.69 crore in 188 cases related to audit findings of previous years and remaining amount pertaining to findings of current year.

1.10 Coverage of Revenue Chapter of Report

This Revenue Chapter of the Report contains 23 paragraphs having a total revenue implication of ₹ 173.63 crore. The Departments/Government accepted audit observations involving ₹ 77.45 crore, of which ₹ 0.40 crore was recovered in nine cases.

⁸ These units included three units of Apex level of Excise, Transport and Revenue Departments, one unit (Economic Intelligence Unit) of the office of the ETC, Shimla (these four Inspection Reports had not been issued), units of Luxury Tax, Entertainment Tax, Toll Tax and Multi-Purpose Barriers and Forest Department.

⁹ Taxes/VAT on sales and Trade: amount: ₹ 71.15 crore: cases: 316; State Excise: amount: ₹ 109.66 crore: cases:72; Stamp Duty: amount: ₹ 10.65 crore: cases: 305; Taxes on vehicles, Passenger and Goods : amount: ₹ 86.87: cases:411; Forest Receipts: amount: ₹ 18.77: cases: 64.