

## CHAPTER-I: GENERAL

### 1.1 Trend of revenue receipts

**1.1.1** The tax and non-tax revenue raised by the Government of Rajasthan during the year 2008-09, the State's share of divisible Union taxes and grants-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are mentioned below:

(Rupees in crore)

Sl. no.	Particulars	2004-05	2005-06	2006-07	2007-08	2008-09
<b>I.</b>	<b>Revenue raised by the State Government</b>					
	• Tax revenue	8,414.82	9,880.23	11,608.24	13,274.73	14,943.75
	• Non-tax revenue	2,146.15	2,737.67	3,430.61	4,053.93	3,888.46
	<b>Total</b>	<b>10,560.97</b>	<b>12,617.90</b>	<b>15,038.85</b>	<b>17,328.66</b>	<b>18,832.21</b>
<b>II.</b>	<b>Receipts from the Government of India</b>					
	• State's share of divisible Union taxes	4,305.61	5,300.08	6,760.37	8,527.60	8,998.47
	• Grants-in-aid	2,897.01	2,921.21	3,792.96	4,924.36	5,638.17
	<b>Total</b>	<b>7,202.62</b>	<b>8,221.29</b>	<b>10,553.33</b>	<b>13,451.96</b>	<b>14,636.64</b>
<b>III.</b>	<b>Total receipts of the State (I and II)</b>	<b>17,763.59</b>	<b>20,839.19</b>	<b>25,592.18</b>	<b>30,780.62</b>	<b>33,468.85<sup>1</sup></b>
<b>IV.</b>	<b>Percentage of I to III</b>	<b>59</b>	<b>61</b>	<b>59</b>	<b>56</b>	<b>56</b>

The above table indicates that during the year 2008-09 the revenue raised by the State Government was 56 per cent of the total revenue receipts (Rs. 33,468.85 crore). The balance 44 per cent of the receipts during 2008-09 were from the Government of India.

<sup>1</sup> For details, please see Statement No. 11 - Detailed accounts of revenue by minor heads in the Finance Accounts of the Government of Rajasthan for the year 2008-09. Figures under the head 0020 - Corporation tax, 0021 - Taxes on income other than corporation tax, 0022 - Taxes on agriculture income, 0032 - Taxes on wealth, 0037 - Customs, 0038 - Union excise duties and 0044 - Service tax - share of net proceeds assigned to State booked in the Finance Accounts under A - Tax revenue have been excluded from revenue raised by the State and included in State's share of divisible Union taxes in this statement.

**1.1.2** The following table presents the details of tax revenue raised during the period from 2004-05 to 2008-09:

(Rupees in crore)							
Sl. no.	Heads of revenue	2004-05	2005-06	2006-07	2007-08	2008-09	Percentage of increase (+)/ decrease (-) in 2008-09 over 2007-08
1.	• Taxes on sales, trade etc.	4,500.78	5,245.41	6,272.15	7,345.84	8,442.02	(+) 15
	• Central sales tax	296.75	348.23	448.56	404.90	462.48	(+) 14
2.	State excise	1,276.07	1,521.80	1,591.09	1,805.12	2,169.90	(+) 20
3.	Stamp duty and registration fee	817.83	1,031.79	1,293.68	1,544.35	1,356.63	(-) 12
4.	Taxes and duties on electricity	442.76	471.35	515.88	584.23	654.05	(+) 12
5.	Taxes on vehicles	817.21	908.18	1,023.61	1,164.40	1,213.56	(+) 4
6.	Taxes on goods and passengers	144.01	236.71	247.60	160.61	189.87	(+) 18
7.	Other taxes on income and expenditure, tax on professions, trades, callings and employments	1.85	0.25	0.06	0.04	0.04	Nil
8.	Other taxes and duties on commodities and services	47.56	31.70	46.04	58.91	64.52	(+) 10
9.	Land revenue	68.86	84.30	116.71	155.29	162.52	(+) 5
10.	Other taxes	1.14	0.51	52.86	51.04	228.16	(+) 347
<b>Total</b>		<b>8,414.82</b>	<b>9,880.23</b>	<b>11,608.24</b>	<b>13,274.73</b>	<b>14,943.75</b>	<b>(+) 13</b>

The concerned departments mentioned the following reasons for increase/decrease in receipts during 2008-09 over those of 2007-08:

**Taxes on sales, trade etc.:** The increase (15 per cent) was due to proper monitoring, check on tax evasion and recovery efforts of the department.

**State excise:** The increase (20 per cent) was due to implementation of excise policy and increase in sale of liquor.

**Stamp duty and registration fee:** The decrease (12 per cent) was due to decrease in registration of documents and rebate on stamp duty to women owners.

**Taxes and duties on electricity:** The increase (12 per cent) was due to more sale of electricity.

**Taxes on goods and passengers:** The increase (18 per cent) was due to proper monitoring, check on tax evasion and recovery efforts by the department.

**Other taxes and duties on commodities and services:** The increase (10 per cent) was due to increase in revenue from luxury tax and growing influx of tourists.

**Other taxes:** The increase (347 *per cent*) was due to increase in rates approved by District Level Committee for Rock Phosphate bearing land and realisation of arrears.

The commercial tax department did not furnish (October 2009) the reasons for increase (14 *per cent*) in central sales tax despite being requested (June 2009).

**1.1.3** The following table presents the details of major non-tax revenue raised by the State during the period from 2004-05 to 2008-09:

(Rupees in crore)							
Sl. no.	Heads of revenue	2004-05	2005-06	2006-07	2007-08	2008-09	Percentage of increase (+)/ decrease (-) in 2008-09 over 2007-08
1.	Interest receipts	754.94	990.21	1,072.72	1,112.43	1,195.96	(+) 8
2.	Forestry and wild life	39.41	40.07	45.24	58.30	57.74	(-) 1
3.	Non-ferrous mining and metallurgical industries	645.35	814.08	1,196.52	1,226.61	1,275.59	(+) 4
4.	Miscellaneous general services	90.47	305.87	528.28	919.72	580.33	(-) 37
5.	Major and medium irrigation	56.50	46.79	60.56	57.92	54.16	(-) 6
6.	Medical and public health	29.84	16.70	30.62	39.11	36.87	(-) 6
7.	Co-operation	8.71	14.79	22.23	27.01	18.13	(-) 33
8.	Public works	17.85	27.86	47.47	53.41	93.43	(+) 75
9.	Police	54.04	75.86	42.61	94.81	71.43	(-) 25
10.	Other administrative services	91.79	54.02	54.84	54.71	49.57	(-) 9
11.	Other non-tax receipts	357.25	351.42	329.52	409.90	455.25	(+) 11
<b>Total</b>		<b>2,146.15</b>	<b>2,737.67</b>	<b>3,430.61</b>	<b>4,053.93</b>	<b>3,888.46</b>	<b>(-) 4</b>

The concerned departments mentioned the following reasons for increase/decrease in receipts during 2008-09 over those of 2007-08:

**Miscellaneous general services:** The decrease (37 *per cent*) was mainly due to debt relief on repayment of consolidated loan, premium on issue of new Government stock, transfer of amount to Depreciation Reserve Fund and rectification of balances after reconciliation with the balance of Reserve Bank of India.

**Co-operation:** The decrease (33 *per cent*) was mainly due to less receipt of grant-in-aid from National Cooperative Development Corporation.

**Public Works:** The increase (75 per cent) was due to receipt of outstanding rent from Rajasthan Vidyut Vitran Nigam Limited.

**Police:** The decrease (25 per cent) was due to less receipt on account of police force provided to other Governments.

The other departments did not inform (October 2009) the reasons for variations despite being requested (June 2009).

## 1.2 Variations between the budget estimates and actuals

The variations between the budget estimates and actuals of revenue receipts for the year 2008-09 in respect of the main heads of tax and non-tax revenue are mentioned below:

(Rupees in crore)					
Sl. no.	Heads of revenue	Budget estimates	Actuals	Variation excess (+) or shortfall (-)	Percentage of variation
1	2	3	4	5	6
<b>Tax revenue</b>					
1.	Taxes on sales, trade etc.	8,500.00	8,904.50	(+) 404.50	(+) 5
2.	State excise	1,910.00	2,169.90	(+) 259.90	(+) 14
3.	Stamp duty and registration fee	1,725.00	1,356.63	(-) 368.37	(-) 21
4.	Taxes and duties on electricity	635.34	654.05	(+) 18.71	(+) 3
5.	Taxes on vehicles	1,153.00	1,213.56	(+) 60.56	(+) 5
6.	Land revenue	212.06	162.52	(-) 49.54	(-) 23
7.	Taxes on immovable property other than agricultural land	66.88	228.16	(+) 161.28	(+) 241
<b>Total</b>		<b>14,202.28</b>	<b>14,689.32</b>	<b>(+) 487.04</b>	<b>(+) 3</b>
<b>Non-tax revenue</b>					
1.	Non-ferrous mining and metallurgical industries	1,400.00	1,275.59	(-) 124.41	(-) 9
2.	Interest receipts	1,006.87	1,195.96	(+) 189.09	(+) 19
3.	Miscellaneous general services	453.10	580.33	(+) 127.23	(+) 28
4.	Forestry and wild life	53.79	57.74	(+) 3.95	(+) 7
5.	Police	78.02	71.43	(-) 6.59	(-) 8
<b>Total</b>		<b>2,991.78</b>	<b>3,181.05</b>	<b>(+)189.27</b>	<b>(+) 6</b>

The concerned departments mentioned the following reasons for the variations between the budget estimates and actuals of revenue receipts for the year 2008-09:

**State Excise:** The increase (14 *per cent*) was attributed to change in fees structure.

**Stamp Duty and Registration Fee:** The decrease (21 *per cent*) was attributed to decrease in registration of documents and rebate in stamp duty to women.

**Taxes on immovable property other than agricultural land:** The increase (241 *per cent*) was attributed to increase in rates approved by District Level Committee for Rock Phosphate bearing land and realisation of arrears.

**Interest receipts:** The increase (19 *per cent*) was mainly attributed to token provision under the sub-head “interest realised on investment of cash balances” in the absence of pre-determination of its receipts and floating of additional loan.

**Miscellaneous general services:** Reasons for the increase (28 *per cent*) were not intimated by the department.

The other departments did not inform (October 2009) the reasons for variations despite being requested (June 2009).

### 1.3 Cost of collection

The gross collection of the major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the years 2006-07, 2007-08 and 2008-09 alongwith the relevant all India average percentage of expenditure on collection to gross collection for 2007-08 are as follows:

(Rupees in crore)

Sl. no.	Heads of revenue	Year	Collection	Expenditure on collection of revenue	Percentage of expenditure on collection	All India average percentage for the year 2007-08
1.	Taxes on sales, trade etc.	2006-07	6,720.71	60.05	0.9	0.83
		2007-08	7,750.74	53.76	0.7	
		2008-09	8,904.50	70.21	0.8	
2.	State excise	2006-07	1,591.09	42.52	2.7	3.27
		2007-08	1,805.12	48.51	2.7	
		2008-09	2,169.90	64.46	3.0	
3.	Taxes on vehicles	2006-07	1,023.61	15.56	1.5	2.58
		2007-08	1,164.64	17.44	1.5	
		2008-09	1,213.56	29.25	2.4	
4.	Stamp duty and registration fee	2006-07	1,293.68	19.21	1.5	2.09
		2007-08	1,544.35	22.80	1.5	
		2008-09	1,356.63	29.09	2.1	

### 1.4 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2009 in respect of some principal heads of revenue amounted to Rs. 4,751.83 crore, of which Rs. 1,022.06 crore were

outstanding for more than five years as mentioned below:

(Rupees in crore)

Sl. no.	Heads of revenue	Amount outstanding as on 31 March 2009	Amount outstanding for more than 5 years	Remarks
1	2	3	4	5
1.	Taxes on sales, trade etc.	3,683.13	680.64	Out of Rs. 3,683.13 crore, demands for Rs. 302.12 crore were stayed by judicial authorities, demands for Rs. 171.60 crore were covered under the Land Revenue Act (LR Act) and Revenue Recovery Act, demands of Rs. 36.34 crore were likely to be written off and demands of Rs. 304.28 crore were pending against the dealers who were not traceable. Recovery of Rs. 20.94 crore was pending against Government departments. Arrears of Rs. 2,847.85 crore were at various stages of recovery.
2.	State excise	222.17	194.28	Out of Rs. 222.17 crore, demands for Rs. 88.92 crore were stayed by the High Court/judicial authorities, recovery of Rs. 43.45 crore was likely to be written off and demands for Rs. 89.80 crore were covered by recovery certificates under the LR Act.
3.	Taxes on vehicles	42.97	16.29	Out of Rs. 42.97 crore, demands for Rs. 1.90 crore were stayed by the Courts/Government. Demands for Rs. 39.89 crore were covered under recovery certificates. Demands of Rs. 82 lakh were covered under the LR Act and the Public Debt Recovery Act (PDR Act). Arrears of Rs. 36 lakh were at other stages of recovery.
4.	Taxes on passenger and goods	1.90	1.90	Stage at which the recovery was pending was not intimated by the Transport Department.
5.	Stamp duty and registration fee	117.65	29.81	Out of Rs. 117.65 crore, demands for Rs. 66.34 crore were covered under recovery certificates. Demands for Rs. 51.31 crore were stayed by the High Court and other judicial authorities.
6.	Land revenue	83.74	12.97	Out of Rs. 83.74 crore, demands for Rs. 3.28 crore were stayed by the Government and Rs 22.39 crore stayed by the High Court and other judicial authorities. Arrears of Rs. 58.07 crore were at various stages of recovery.

1	2	3	4	5
7.	Non-ferrous mining and metallurgical industries	103.17	37.92	Out of Rs. 103.17 crore, demands of Rs. 60.32 crore were stayed by the High Court/other judicial authorities and recovery of Rs. 1.43 crore was stayed by the Government. Demands for Rs. 28.29 crore were covered under recovery certificates under LR Act and PDR Act. Arrears of Rs. 2.23 crore were likely to be written off. Demands of Rs. 10.90 crore were at various stages of recovery.
8.	Miscellaneous general services – sale of land	120.63	30.08	Stage at which the recovery was pending was not intimated by the Colonisation Department.
9.	Major and medium irrigation <sup>2</sup>	79.99	16.56	Out of Rs. 79.99 crore, demands of Rs. 4.66 crore pertaining to the Board of Revenue were pending from cultivators. Stages of recovery of Rs. 75.33 crore were not intimated by the Chief Engineer, IGNP Bikaner, Commissioner CAD, Chambal, Kota, Chief Engineer, Irrigation Department, Jaipur and Chief Engineer, Mahi Bajaj Sagar, Banswara.
10.	Police	17.51	1.61	Out of Rs. 17.51 crore, Rs. 1.46 crore was pending collection from the Railways, Rs. 12.93 crore was pending collection from other States, Rs. 3.12 crore was pending collection from the Central Government.
11	Taxes on immovable property other than agriculture land.	278.97	Nil	Out of Rs. 278.97 crore, Rs. 101.47 crore were stayed by High Court and other judicial authorities. Demands for Rs. 177.50 crore were covered under the recovery certificates, under LR Act and PDR Act.
<b>Total</b>		<b>4,751.83</b>	<b>1,022.06</b>	

### 1.5 Arrears in assessments

The details of cases pending assessment during the years 2004-05 to 2008-09

<sup>2</sup> This information pertains to Board of Revenue, Rajasthan, Ajmer (Rs. 4.66 crore), Chief Engineer, IGNP Bikaner (Rs. 7.72 crore), Commissioner CAD, Chambal, Kota (Rs. 13.63 crore), Chief Engineer, Irrigation Department, Jaipur (Rs. 31.38 crore) and Chief Engineer, Mahi Bajaj Sagar, Banswara (Rs. 22.60 crore).

as furnished by the department are mentioned below:

Year	Opening balance	New cases due for assessment	Total	Cases disposed	Cases pending at the end of year
<b>Sales tax</b>					
2004-05	81,346	2,12,397	2,93,743	2,28,913	64,830
2005-06	64,830	1,90,787	2,55,617	2,54,740	877
2006-07	877	2,43,771	2,44,648	2,43,618	1,030
2007-08	1,030	2,57,923	2,58,953	2,57,609	1,344
2008-09	1,344	2,54,289	2,55,633	2,55,262	371
<b>Entertainment tax</b>					
2004-05	2,060	2,514	4,574	2,606	1,968
2005-06	1,968	2,996	4,964	3,619	1,345
2006-07	1,345	2,193	3,538	2,546	992
2007-08	992	1,772	2,764	1,642	1,122
2008-09	1,122	1,206	2,328	1,451	877

## 1.6 Evasion of tax

The details of cases of evasion of tax detected by the departments, cases finalised and the demand for additional tax raised during 2008-09 as reported by the departments are mentioned below:

Sl. no.	Heads of revenue	Opening balance as on 1 April 2008	No. of cases detected	Total	No. of cases in which assessments/investigations completed and additional demands including penalty etc. raised		No. of cases pending as on 31 March 2009
					No. of cases	Amount of demand (Rs. in crore)	
1.	Taxes on sales, trade etc.	110	11,734	11,844	11,716	82.02	128
2.	Non-ferrous mining and metallurgical industries	7,556	1,612	9,168	1,531	Not intimated by the department	7,637
3.	Stamp duty and registration fee	4,664	7,364	12,028	7,101	51.21	4,927

Thus, 83 per cent of the evasion cases were pending as on 31 March 2009 under the revenue head "Non-ferrous mining and metallurgical industries". Steps need to be taken to dispose these cases expeditiously.

### 1.7 Write off and waiver of revenue

During the year 2008-09, demands for Rs. 6.07 crore in 801 cases were written off/waived/remitted as reported by the departments. The details are mentioned below:

Sl. no.	Name of the department	Number of cases	Amount (Rupees in crore)	Reasons
1.	Commercial taxes	440	1.58	Reasons not intimated by the department.
2.	Registration and stamps	361	4.49	Reasons not intimated by the department.
<b>Total</b>		<b>801</b>	<b>6.07</b>	

### 1.8 Refunds

The number of refund cases pending at the beginning of the year 2008-09, claims received during the year, refunds allowed during the year and cases pending at the close of the year 2008-09 as reported by the departments are mentioned below:

Name of the department	Number of cases Amount (Rupees in crore)			
	Opening balance	Claims received	Refunds allowed	Closing balance
Commercial taxes	<u>609</u> 15.30	<u>7,337</u> 175.90	<u>7,359</u> 164.46	<u>587</u> 26.74
Registration and stamps	<u>526</u> 0.86	<u>1,446</u> 2.99	<u>1,375</u> 2.50	<u>597</u> 1.35
Land revenue	<u>7</u> 0.10	<u>38</u> 0.39	<u>34</u> 0.43	<u>11</u> 0.06
Colonisation	<u>21</u> 0.05	<u>23</u> 0.07	<u>33</u> 0.09	<u>11</u> 0.03
Non-ferrous mining and metallurgical industries	<u>13</u> 0.10	<u>43</u> 0.11	<u>14</u> 0.14	<u>42</u> 0.07
<b>Total</b>	<b><u>1,176</u></b> <b>16.41</b>	<b><u>8,887</u></b> <b>179.46</b>	<b><u>8,815</u></b> <b>167.62</b>	<b><u>1,248</u></b> <b>28.25</b>

### 1.9 Failure of the senior officials to enforce accountability and protect the interest of the Government

Audit observations on underassessments, short determination/realisation of taxes, duties, fees *etc.* and defects in the maintenance of initial records, which are not settled on the spot, are communicated to the heads of the departments through inspection reports. Important irregularities are also reported to the Government/departments by the office of the Accountant General (Commercial & Receipt Audit) to which replies are required to be furnished by them within one month.

The number of inspection reports and audit observations relating to revenue receipts issued upto 31 December 2008 which were pending with the departments as on 30 June 2009 alongwith figures for the preceding two years, are mentioned below:

Sl. no.	Particulars	As on 30 June		
		2007	2008	2009
1.	Number of inspection reports pending settlement	2,313	2,335	2,502
2.	Number of outstanding audit observations	6,428	6,435	6,918
3.	Amount of revenue involved (Rs. in crore)	1,527.75	1,554.58	1,391.66

Department wise break up of the inspection reports and audit observations outstanding as on 30 June 2009 is mentioned below:

Sl. no.	Department	Number of outstanding inspection reports	Number of outstanding audit observations	Amount (Rs. in crore)	Earliest year to which the reports relate	Number of inspection reports where even first compliance has not been received
1.	Commercial taxes	408	1396	474.35	2000-01	67
2.	Land revenue	292	427	144.03	1994-95	21
3.	Registration and stamps	741	1863	66.17	2000-01	82
4.	Transport	481	1582	71.38	1998-99	Nil
5.	Forest	141	274	2.22	1999-00	Nil
6.	Mines and geology	188	812	419.42	2000-01	2
7.	State excise	163	410	198.39	1998-99	Nil
8.	Land and buildings tax	8	10	0.52	1999-00	Nil
9.	Electrical inspectorate	49	84	1.70	1999-00	Nil
10.	Colonisation	31	60	13.48	1999-00	Nil
<b>Total</b>		<b>2,502</b>	<b>6,918</b>	<b>1,391.66</b>		<b>172</b>

Since the outstanding amount represents unrealised revenue and the period of pendency of audit comments ranged between 8 to 14 years, the Government needs to take speedy and effective action on the issues raised in the inspection reports.

### 1.10 Departmental audit committee meetings

Audit committees have been set up in different departments to discuss contentious issues with top management and to expedite settlement of audit observations. The Government, the concerned department and the office of the Accountant General (Commercial and Receipt Audit) Rajasthan are represented on this committee. Audit committee meetings are to be arranged by each department on quarterly basis. Department wise position of audit

committee meetings held during the year 2008 was as under:

Sl. no.	Name of the department	Number of meetings held during 2008				
		1 <sup>st</sup> quarter ending March 2008	2 <sup>nd</sup> quarter ending June 2008	3 <sup>rd</sup> quarter ending September 2008	4 <sup>th</sup> quarter ending December 2008	Total
1.	Commercial taxes	1	Nil	Nil	1	2
2.	State excise	1	Nil	1	1	3
3.	Transport	1	1	1	Nil	3
4.	Registration and stamps	Nil	Nil	Nil	1	1
5.	Land revenue	Nil	Nil	Nil	Nil	Nil
6.	Mines and geology	Nil	Nil	1	Nil	1
<b>Total</b>		<b>3</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>10</b>

The Government needs to take immediate measures to revive the system of audit committees which has become ineffective and non-functional.

### **1.11 Response of the departments to draft audit paragraphs**

The Finance Department issued directions to all the departments in August 1969 to send their response to the draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India within three weeks of their receipt. The draft paragraphs are forwarded to the Secretaries of the concerned department through demi-official letters drawing their attention to the audit findings and requesting them to send their response within three weeks. The fact of non-receipt of replies from the Government is invariably indicated at the end of each such paragraph included in the Audit Report.

Draft paragraphs proposed to be included in the Report of the Comptroller and Auditor General of India (Revenue Receipts) for the year ended 31 March 2009 were forwarded to the Secretaries of the respective departments between July 2009 and December 2009. Out of 102 cases (clubbed into 48 paragraphs of this report) issued, the departments have accepted the audit observations in 58 cases.

### **1.12 Follow-up on Audit Reports - summarised position**

According to the instructions issued by the Finance Department, all departments are required to furnish explanatory memoranda vetted by Audit to the Secretariat of State Legislature in respect of paragraphs included in the Audit Reports within three months of their being laid on the table of the House.

The position of paragraphs which appeared in the Audit Reports and those pending discussion as on 31 October 2009 is given in **Annexure 'A'**. A total of 143 paragraphs pertaining to the period 2002-03 to 2007-08 were pending discussion by the Public Accounts Committee (PAC).

As per the Rules and Procedures of the PAC of the Rajasthan State Assembly framed in 1997, the concerned departments have to take necessary steps to send their action taken notes (ATNs) on the recommendations of the PAC on the Audit Reports within six months from the date of its presentation to the House. The position of the outstanding ATNs is given in **Annexure ‘B’**.

### 1.13 Compliance with the earlier Audit Reports

In respect of Audit Reports pertaining to the years from 2003-04 to 2007-08, the Government/departments accepted audit observations involving Rs. 748.48 crore of which Rs. 143.38 crore had been recovered till September 2009 as mentioned below:

(Rupees in crore)			
Year of Audit Report	Total money value	Accepted money value	Recovery made
2003-04	381.48	234.77	49.50
2004-05	276.63	15.95	5.85
2005-06	352.81	113.52	18.56
2006-07	315.25	253.31	2.61
2007-08	666.55	130.93	66.86
<b>Total</b>	<b>1,992.72</b>	<b>748.48</b>	<b>143.38</b>

Thus, the recovery was 19 *per cent* of the amount accepted during the last five years.

### 1.14 Amendment in Acts/Rules

During the year 2008-09, the Government had amended the concerned Act in one case to address the concern raised by audit through Audit Report. The change is briefly mentioned in the following table:

Reference to Audit Report Paragraph	Issue raised in audit.	Amendment in Acts/Rules etc.
Paragraph 5.2 of Audit Report 2006-07 (Revenue Receipt).	Under the Rajasthan Excise Act, 1950, excise duty on Beer was leviable at the rate of 140 <i>per cent advalorem</i> . However, the duty on beer was levied either on value which was less than the sale value charged or the elements like differential cost was not included in the sale value.	The Government vide notification dated 31.05.2008, amended prospectively the existing expression of excise duty on beer “140 <i>per cent advalorem</i> ” by the expression “140 <i>per cent advalorem</i> of ex-brewery price (including export fee, incremental overheads and CST but excluding any other amount) as accepted by RSBCL”.

### 1.15 Results of audit

Test check of the records of sales tax, motor vehicles tax, land revenue, electricity duty, stamps duty and registration fee, state excise and other non-tax receipts conducted during the year 2008-09 revealed underassessment,

short levy and loss of revenue amounting to Rs. 808.41 crore in 23,583 cases. The concerned departments accepted underassessment and other deficiencies of Rs. 123.95 crore involved in 14,681 cases of which 6,372 cases involving Rs. 50.63 crore had been pointed out in audit during the year 2008-09 and the rest in earlier years. The departments recovered Rs. 16.33 crore in 4,095 cases at the instance of audit during the year 2008-09.

This report contains 48 paragraphs including three reviews pointing out non/short levy of taxes, duties, interest and penalties *etc.* involving Rs. 392.71 crore. The Government/departments accepted audit observations involving Rs. 207.67 crore of which Rs. 11.71 crore had been recovered upto October 2009. These are discussed in succeeding chapters II to VI.

