
OVERVIEW

This Report contains 18 paragraphs including one review involving underassessment/short payment/loss of revenue etc. of ₹ 1,764.20 crore. Some of the major findings are mentioned below:

I. General

The total receipts of the State during the year 2009-10 amounted to ₹20,451.33 crore, of which the revenue raised by the State Government was ₹16,915.25 crore and receipts from the Government of India were ₹ 3,536.08 crore. The revenue raised constituted 83 *per cent* of the total receipts of the State.

(Paragraph 1.1)

At the end of June 2010, 6002 audit observations involving ₹3,920.65 crore relating to 341 inspection reports issued upto December 2009 remained outstanding.

(Paragraph 1.2.1)

Test check of the records of the Departments of trade and taxes, state excise, entertainment, transport, registration etc. conducted during the year 2009-10, revealed underassessment/short payment/loss of revenue etc. aggregating ₹ 3,140.37 crore in 2696 cases. During the course of the year 2009-10, the Departments concerned accepted underassessments and other deficiencies of ₹ 49.95 crore in 138 cases. Of these, the Department recovered ₹ 0.39 crore in 49 cases during the year 2009-10.

(Paragraph 1.5)

II. Sales Tax/Value Added Tax

Irregular claim of exemption/concessional rate of tax without furnishing proper statutory forms resulted in short payment of tax of ₹ 1,262.26 crore including interest of ₹ 242.39 crore.

(Paragraph 2.13.1)

Application of incorrect rate of tax resulted in short payment of tax of ₹ 10.41 crore including interest of ₹ 2.82 crore.

(Paragraph 2.15)

Excess claim of input tax credit resulted in short payment of tax of ₹ 4.49 crore including interest of ₹ 1.13 crore.

(Paragraph 2.16)

Excess claim of input tax credit of ₹ 10.86 lakh in respect of goods transferred on 'F' form.

(Paragraph 2.24)

Irregular deduction allowed on account of labour and services in case of two dealers resulted in short payment tax of ₹ 33.80 lakh.

(Paragraph 2.25)

Input tax was wrongly claimed on purchase of capital goods to the tune of ₹ 7.78 lakh.

(Paragraph 2.27)

III. Stamp Duty and Registration Fee

Review of **Levy and Collection of Stamp Duty and Registration Fee** revealed the following:

There is no mechanism to ensure that stamp duty and registration fee had been levied on all the instruments due for registration as per provisions of the Acts. The non-levy of stamp duty and registration fee on documents such as debentures, shares allotted, lease deeds, etc. due for registration under the Acts but not presented for registration had deprived the Government of revenue of ₹ 464.38 crore.

(Paragraph 3.7.6)

Remission of fee on any instrument executed in respect of (a) a foreign or Commonwealth Diplomatic Mission in India, (b) any registered society, and (c) mortgage executed by a Government officer for securing advance for purchasing or constructing his own house; without an enabling provision as amendment to the Indian Registration Act was not legal and thus invalid.

(Paragraph 3.7.7)

The Catalogue of 'permanent records', 'stock register of receipt book' and 'movement register' were not being maintained in all the 13 Sub-Registrar Offices audited.

(Paragraph 3.7.9)

Non-reckoning of minimum circle rates for valuation of properties, introduced by the Government, resulted in short payment of stamp duty of ₹ 2.34 crore.

(Paragraph 3.7.10)

Failure to include interest and capitalisation and other costs in the consideration resulted in short payment of stamp duty of ₹ 41.41 lakh.

(Paragraph 3.7.11)

Misclassification of instruments and non-registration of Sale Deeds relating to agreement to sell resulted in non-realisation of stamp duty of ₹ 8.27 lakh.

(Paragraphs 3.7.12 and 3.7.13)

Stamp papers worth ₹ 1,243.09 crore, not in use, were lying unsold in Delhi Treasury for more than 12 years. Non-judicial Stamp papers of ₹ 22.71 crore as per records of Delhi Treasury were lying in stock with the State Bank of India, out of stamp papers worth ₹ 140.80 crore delivered to them after introduction of e-stamping.

(Paragraphs 3.7.14.1 and 3.7.14.2)

IV State Excise

Failure of the Department to recover additional luxury tax and interest resulted in short recovery amounting to ₹ 12.34 lakh.

(Paragraph 4.8)