

## TABLE OF CONTENTS

	Reference to	
	Paragraph	Page
<b>Preface</b>		iv
<b>Overview</b>		v-xi
<b>CHAPTER-I : GENERAL</b>		
Trend of revenue receipts	1.1	1
Response of the Departments/Government towards audit	1.2	4
Outstanding IRs and audit observations	1.2.1	4
Adhoc committee meetings	1.2.2	5
Non-production of records to audit for scrutiny	1.2.3	6
Response of the Departments to draft audit paragraphs	1.2.4	6
Follow-up on Audit Reports – summarised position	1.2.5	7
Compliance with earlier Audit Reports	1.2.6	8
Analysis of the mechanism for dealing with the issues raised by Audit	1.3	8
Position of IRs	1.3.1	9
Assurances given by the Department/Government on the issues highlighted in the Audit Reports	1.3.2	9
Audit planning	1.4	10
Results of audit	1.5	11
Position of local audit conducted during the year	1.5.1	11
This report	1.5.2	11
<b>CHAPTER-II : TAXES ON SALES, TRADE ETC.</b>		
Tax administration	2.1	14
Trend of receipts	2.2	14
Analysis of arrears of revenue	2.3	15
Cost of VAT per assessee	2.4	15
Cost of collection	2.5	15
Impact of Audit Reports	2.6	16
Working of Internal Audit Wing	2.7	16
Results of audit	2.8	16
<b>Cross verification of “Declaration Forms in Inter-State Trade And Commerce’ (A Performance audit)</b>	2.9	18
Non-observance of provisions of the Acts/Rules	2.10	36
Excess adjustment of credit/refund amount	2.10.1	36
Failure to demand of tax	2.10.2	37
Non/short levy of penalty on shortfall in payment of taxes as per returns	2.10.3	38
Excess/Incorrect allowance of input tax	2.10.4	39
Non-levy of interest	2.10.5	39
Underassessment of output tax	2.10.6	40
Short payment of tax	2.10.7	41
Incorrect acceptance of belated returns	2.10.8	41
Incorrect exemption as sale in the course of export/import	2.11	41
<b>CHAPTER-III : STATE EXCISE</b>		
Tax administration	3.1	43
Trend of receipts	3.2	43

	Reference to	
	Paragraph	Page
Cost of collection	3.3	44
Impact of Audit Reports	3.4	44
Results of audit	3.5	45
<b>State Excise Receipts (A Performance audit)</b>	3.6	46
<b>CHAPTER-IV : TAXES ON MOTOR VEHICLES</b>		
Tax administration	4.1	68
Trend of receipts	4.2	68
Cost of collection	4.3	69
Impact of Audit Reports	4.4	69
Working of Internal Audit Wing	4.5	69
Results of audit	4.6	70
<b>Computerisation of Transport Department (A Performance audit)</b>	4.7	71
Non-observance of provisions of the Acts/Rules	4.8	94
Non-payment of tax	4.8.1	94
Short levy of lifetime tax	4.8.2	95
<b>CHAPTER-V : STAMPS AND REGISTRATION FEES</b>		
Tax administration	5.1	98
Trend of receipts	5.2	98
Analysis of arrears of revenue	5.3	99
Cost of collection	5.4	99
Working of Internal Audit Wing	5.5	99
Impact of Audit Reports	5.6	100
Results of audit	5.7	100
Non-observance of provisions of the Acts/Rules	5.8	102
Short levy of stamp duty/registration fee due to suppression of facts	5.8.1	103
Non-realisation of stamp duty	5.8.2	106
Short levy of stamp duty and registration fees	5.8.3	107
Short levy due to undervaluation	5.8.4	108
Non-levy of fine	5.8.5	110
<b>CHAPTER-VI : LAND REVENUE</b>		
Tax administration	6.1	112
Trend of receipts	6.2	112
Impact of Audit Reports	6.3	113
Results of audit	6.4	113
Non-observance of provisions of the Acts/Rules	6.5	115
Short levy of fees for pre-mutation sketch	6.5.1	115
Non/short levy of conversion fine and compounding amount	6.5.2	116
Misappropriation of Government revenue	6.5.3	118
<b>CHAPTER-VII : NON-TAX RECEIPTS</b>		
Results of audit	7.1	119
<b>IRRIGATION RECEIPTS</b>		
Non-raising of demands for water rate and penal water charges	7.2	120