

## OVERVIEW

The Report contains one Performance Audit on Levy and Collection of Stamp Duty and Registration Fee and two paragraphs involving ₹ 536 crore, relating to underassessment/short payment/loss of revenue etc. in Part A and one Performance Audit and seven paragraphs involving ₹ 182.89 crore relating to PSUs in Tourism, Power and Transport Departments etc. in Part B. Thus, the total money value of this Report containing two Performance Audits and nine audit paragraphs is ₹ 718.89 crore. Some of the major findings are mentioned below:

### Part – A: Revenue Sector

#### General

The total revenue receipts of the Government for the year 2012-13 were ₹ 25,560.97 crore as compared to ₹ 22,393.18 crore in the year 2011-12. Out of this, 94 *per cent* was raised through tax revenue (₹ 23,431.52 crore) and non-tax revenue (₹ 626.93 crore). The balance 6 *per cent* was received from the Government of India as grants-in-aid (₹ 1,502.52 crore). The increase in tax revenue and non-tax revenue was 17.32 *per cent* and 36.03 *per cent* respectively over the previous year.

(Paragraph 1.1)

Test check of the records of 96 units of the Departments of Trade & Taxes, State Excise, Transport, Entertainment, Luxury & Betting and Revenue conducted during the year 2012-13 showed underassessment/short levy/loss of revenue aggregating to ₹ 2,041.32 crore in 2238 cases. The concerned departments accepted underassessment and other deficiencies of ₹ 50.46 crore involved in 627 cases pointed out in audit during 2012-13 and earlier years. The departments recovered ₹ 5.61 lakh in six cases during the year 2012-13.

(Paragraph 1.10)

#### Sales Tax/Value Added Tax

Out of 263 cases involving an amount of ₹ 5,150.27 crore, the Department reassessed only 45 cases (17 *per cent*) involving an amount of ₹ 98.56 crore, but could recover only an amount of ₹ 8.15 crore. The action of the Objection Hearing Authority (OHA) to remand back the cases was not correct as he has no power to remand back the cases under the DVAT Act.

(Paragraph 2.3.1(i))

The OHA set aside all default assessment orders due to delayed dispatch of assessment orders by the Assessing Authority in respect of a private bank which resulted in non-realization of demand of ₹ 480.12 crore.

(Paragraph 2.3.2)

The OHA set aside the re-assessment order on the grounds that the Assessing Authority did not pass the order through computer system and passed single

order for both the years which resulted in non-realization of demand of ₹ 7.97 crore.

**(Paragraph 2.3.3)**

The OHA set aside the assessment and penalty order on the grounds that it had no power to remand back the objection which resulted in non-realization of demand of ₹ 3.71 crore.

**(Paragraph 2.3.4)**

### **Stamp Duty and Registration Fee**

A performance audit on "**Levy and collection of stamp duty and registration fee**" was conducted. Some major findings are given below:

Non-levy of stamp duty and registration fee in 551 cases resulted in loss of stamp duty of ₹ 28.05 crore and registration fee of ₹ 0.03 crore to the Government.

**(Paragraph 2.6.6.1)**

Short levy of stamp duty and registration fee in 227 cases due to change of land use, wrong calculation and misclassification of instruments, resulted in loss of stamp duty of ₹ 5.31 crore and registration fee of ₹ 0.69 crore to the Government.

**(Paragraph 2.6.7)**

Incorrect allowance of exemption of stamp duty and registration fee in 22 cases resulted in loss of stamp duty of ₹ 1.04 crore and registration fee of ₹ 0.22 crore to the Government.

**(Paragraph 2.6.8.1)**

Non-realization of stamp duty on shares allotted by 523 companies resulted in loss of stamp duty of ₹ 8.12 crore to the Government.

**(Paragraph 2.6.9.1)**

## **Part-B: Public Sector Undertakings (PSUs)**

### **Status of State Public Sector Undertakings**

As on 31 March 2013, Delhi had 17 working Public Sector Undertakings (PSUs) – 15 Government Companies and two Statutory Corporations. The investment (capital and long term loans) in these 17 PSUs was ₹ 28,043.99 crore. It grew by 81 *per cent* from ₹ 15,455.50 crore in 2008-09. The Government contributed ₹ 2,784.95 crore towards Equity, Loans and Grants/Subsidies to State PSUs during 2012-13.

**(Paragraph 3.3 and 3.4)**

Out of 17 working PSUs for which the accounts were received upto 30 September 2013, nine PSUs earned profit of ₹ 1,029.17 crore, seven PSUs incurred loss of ₹ 2,543.67 crore and one PSU was at breakeven.

**(Paragraph 3.6)**

Three PSUs had arrears of 12 accounts as of September 2013. The delay in finalisation of accounts resulted in violation of provisions of the Companies Act, 1956.

*(Paragraph 3.7)*

Eleven out of 21 accounts finalised during October 2012 to September 2013 received qualified certificates. There were 14 instances of non-compliance with Accounting Standards in accounts of five Companies and two Corporations.

*(Paragraph 3.8)*

### Performance audit and Transaction audit

Performance audit relating to 'Delhi State Industrial and Infrastructure Development Corporation Limited' was conducted. Important audit findings are as under:

The Company had outstanding ground rent of ₹ 99.67 crore receivable from 14,906 allottees of industrial plots in its industrial areas.

*(Paragraph 4.1.4)*

As against the intent of the Government to lay concrete roads only where sewer lines and water lines had been laid, the company laid cement concrete roads valuing ₹ 206.96 crore in colonies without ensuring laying of sewer lines and water lines by Delhi Jal Board.

*(Paragraph 4.1.5.1)*

Irregularities were noticed in appointment of consultants for various projects. Non-compliance of provisions of CPWD Works Manual relating to availability of structural drawings, approved layout plans, fixing completion period for projects, award of work, preparation of justified rates and technical evaluation of bids were also observed.

*(Paragraph 4.1.4.1, 4.1.6.1, 4.1.6.2, 4.1.6.3, 4.1.7.2, 4.1.9.1, 4.1.11)*

The Company constructed dwelling units with G+2 and G+3 structures as against the provisions of MPD-2021 which envisaged dwelling units with G+3 and G+4 structures, thereby losing opportunity to construct additional 3720 low cost houses.

*(Paragraph 4.1.7.1)*

Incorrect projections for annuity of Narela industrial estate PPP on UOMT basis caused an avoidable future outgo of ₹ 91.50 crore during the 15 years period from 2013-14 to 2028-29.

*(Paragraph 4.1.12)*

### **Transaction audit observations**

#### **Delhi Tourism and Transportation Development Corporation Limited**

Delay in selection and appointment of Advisor for selection of an operator resulted in blockage of funds to the tune of ₹ 5.67 crore.

*(Paragraph 4.2.2)*

Loss of ₹ 1.44 crore in operation and management of a canteen in Delhi Legislative Assembly due to absence of a formal agreement and non-conducting any cost-benefit analysis.

*(Paragraph 4.2.3)*

**Indraprastha Power Generation Company Limited** by delaying recovery of advance income tax paid, blocked their funds and suffered interest loss of ₹ 6.42 crore leading to undue financial benefit to DISCOMs.

*(Paragraph 4.3.1)*

**Delhi Transport Corporation** suffered avoidable loss of ₹ 53.59 crore on account of unauthorized occupation of staff quarters at two staff colonies.

*(Paragraph 4.5.1)*