Report of the Comptroller and Auditor General of India

On

Revenue Sector

and

Public Sector Undertakings (Social, General and Economic Sectors)

for the year ended 31 March 2013

Government of Jammu and Kashmir Report No.1 of the year 2014

TABLE OF CONTENTS

Description	Reference to			
	Paragraph	Page No.		
Preface		V		
PART-A (Revenue Sector)				
Overview		vii-x		
Chapter-1 : General information				
Trend of Revenue Receipts	1.1	1		
Variation between the budget estimates and actuals	1.2	3		
Analysis of collection of tax revenue	1.3	4		
Cost of collection of revenue receipts	1.4	5		
Analysis of arrears of revenue	1.5	5		
Arrears in Assessment	1.6	6		
Evasion of Tax	1.7	7		
Non disposal of refund cases	1.8	8		
Response of the Departments/ Government towards Audit	1.9	8		
Position of Inspection Reports	1.10	8		
Departmental Audit Committee Meetings	1.11	9		
Response of the Departments to draft audit paragraphs	1.12	9		
Follow up on Audit Reports -summarized position	1.13	9		
Assurances given by the Department/Government on the issues highlighted in the Audit Reports	1.14	10		
Results of Audit	1.15	10		
Contents of the Revenue Chapter	1.16	11		
Chapter-2 : Audit Findings				
Performance Audit				
Finance Department				
Audit on Exemption and remission of taxes to Industrial units	2.1	13		

Audit of Transactions		
Finance Department		
Sales Tax/Value Added Tax		
Incorrect exemption of tax	2.2	27
Short levy of tax/penalty due to concealment of purchases	2.3	27
Short levy of tax due to misclassification of goods	2.4	29
Short levy of tax due to non-verification of credit notes	2.5	29
Transport Department		
Revenue Mobilisation in Motor Vehicles Department	2.6	31
Revenue Department		
Irregularities in Implementation of the Jammu and Kashmir State Lands (Vesting of Ownership to the Occupants) Act, 2001 (Roshni Act)	2.7	38
PART-B : PUBLIC SECTOR UNDERTA	KINGS (PSU	Js)
CHAPTER-3: General information		
CHAPTER-3: General information About the State Public Sector Undertakings (PSUs)	3.1	57
	3.1 3.2	57 57
About the State Public Sector Undertakings (PSUs)		
About the State Public Sector Undertakings (PSUs) Audit Mandate	3.2	57
About the State Public Sector Undertakings (PSUs) Audit Mandate Investment in PSUs	3.2 3.3	57 58
About the State Public Sector Undertakings (PSUs)Audit MandateInvestment in PSUsBudgetary outgo, grants/subsidies, guarantees and loans	3.2 3.3 3.4	57 58 60
About the State Public Sector Undertakings (PSUs) Audit Mandate Investment in PSUs Budgetary outgo, grants/subsidies, guarantees and loans Reconciliation with Finance Accounts of the Government	3.2 3.3 3.4 3.5	57 58 60 61
About the State Public Sector Undertakings (PSUs) Audit Mandate Investment in PSUs Budgetary outgo, grants/subsidies, guarantees and loans Reconciliation with Finance Accounts of the Government Performance of PSUs	3.2 3.3 3.4 3.5 3.6	57 58 60 61 62
About the State Public Sector Undertakings (PSUs) Audit Mandate Investment in PSUs Budgetary outgo, grants/subsidies, guarantees and loans Reconciliation with Finance Accounts of the Government Performance of PSUs Arrears in finalization of accounts	3.2 3.3 3.4 3.5 3.6 3.7	57 58 60 61 62 63
About the State Public Sector Undertakings (PSUs)Audit MandateInvestment in PSUsBudgetary outgo, grants/subsidies, guarantees and loansReconciliation with Finance Accounts of the GovernmentPerformance of PSUsArrears in finalization of accountsWinding up of non-working PSUs	3.2 3.3 3.4 3.5 3.6 3.7 3.8	57 58 60 61 62 63 64
About the State Public Sector Undertakings (PSUs)Audit MandateInvestment in PSUsBudgetary outgo, grants/subsidies, guarantees and loansReconciliation with Finance Accounts of the GovernmentPerformance of PSUsArrears in finalization of accountsWinding up of non-working PSUsAccounts comments	3.2 3.3 3.4 3.5 3.6 3.7 3.8 3.9	57 58 60 61 62 63 64 65
About the State Public Sector Undertakings (PSUs)Audit MandateInvestment in PSUsBudgetary outgo, grants/subsidies, guarantees and loansReconciliation with Finance Accounts of the GovernmentPerformance of PSUsArrears in finalization of accountsWinding up of non-working PSUsAccounts commentsInternal control/Internal audit	3.2 3.3 3.4 3.5 3.6 3.7 3.8 3.9 3.10	57 58 60 61 62 63 63 64 65 68
About the State Public Sector Undertakings (PSUs) Audit Mandate Investment in PSUs Budgetary outgo, grants/subsidies, guarantees and loans Reconciliation with Finance Accounts of the Government Performance of PSUs Arrears in finalization of accounts Winding up of non-working PSUs Accounts comments Internal control/Internal audit	3.2 3.3 3.4 3.5 3.6 3.7 3.8 3.9 3.10 3.11	57 58 60 61 62 63 63 64 65 68 68 69

CHAPTER-4: AUDIT OF TRANSACTIONS				
INDUSTRIES AND COMMERCE DEPARTMENT (Jammu & Kashmir State Industrial Development Corporation Limited)				
POWER DEVELOPMENT DEPARTMENT				
(Jammu and Kashmir State Power Development Corpo	ration Limited	d)		
Implementation of Rajiv Gandhi Grameen Vidyuti Karan Yojana	4.2	81		
FINANCE DEPARTMENT				
(Jammu and Kashmir State Financial Corporation)				
Recovery of Loans	4.3	84		