

TABLE OF CONTENTS

Paragraph	Particulars	Page
	Preface	iv
	Overview	v
CHAPTER I GENERAL		
1.1	Trend of Revenue Receipts	1
1.1.1	Tax Revenue	2
1.1.2	Non-tax Revenue	3
1.2	Analysis of Arrears of Revenue	3
1.3	Arrears in Assessments	5
1.4	Evasion of Tax detected by the Department	5
1.5	Pendency of Refund Cases	6
1.6	Response to Audit	6
1.6.1	Follow-up action on earlier Audit Reports	6
1.6.2	Response to Inspection Reports	7
1.6.3	Department-wise details of IRs	7
1.6.4	Departmental Audit Committee (DAC) Meetings	8
1.6.5	Constraints in Audit	8
1.6.6	Response of Departments to Draft Audit Paragraphs	9
1.7	Analysis of the mechanism for dealing with the issues raised by Audit	9
1.7.1	Position of Inspection Reports	10
1.7.2	Recovery of Accepted Cases	10
1.8	Audit Planning	11
1.9	Results of Audit	11
1.10	Coverage of this Report	11
CHAPTER II VALUE ADDED TAX, ENTRY TAX AND GOODS AND SERVICES TAX, ETC.		
2.1	Tax Administration	13
2.2	Internal Audit	13
2.3	Audit Methodology and Results of Audit	13
2.4	Audit observations	14
2.5	Non-observance/ compliance of the provisions of the Act and Rules read with Government notifications	15
2.5.1	Short levy of tax due to application of incorrect rate of tax	15

Paragraph	Particulars	Page
2.5.2	Interest and penalty not levied for delayed payment of tax	16
2.5.3	Non-initiation of action against dealers for non-submission of Certified Annual Audited Accounts	17
2.5.4	Short levy of Tax due to excess adjustment of Input Tax Credit against Central Sales Tax payable	18
2.6	Non-observance/ compliance of the provisions of Odisha Entry Tax Act/ Rules read with Government notifications	18
2.6.1	Entry Tax on minor minerals not levied	19
2.7	Preparedness for transition to Goods and Services Tax	19
CHAPTER III STATE EXCISE		
3.1	Tax Administration	29
3.2	Internal Audit	29
3.3	Results of Audit	29
3.4	Detailed Compliance Audit on “Regulation of Mohua Flower Utilisation and Production of Out Still Liquor”	30
3.5	Other Audit observations	39
3.6	Provisions of the Acts/ Rules/ Annual Excise Policies and instructions of Government not observed	39
3.6.1	Excise Duty short/ non levied for short lifting of IMFL/Beer	40
3.6.2	Short realisation of Excise Duty on short lifting of Country Spirit	41
3.6.3	Charges for extra hour operations not realised	42
3.6.4	Fees towards cost of establishment not realised	42
CHAPTER IV STAMP DUTY AND REGISTRATION FEE		
4.1	Tax Administration	45
4.2	Internal Audit	45
4.3	Audit Methodology and Results of Audit	45
4.4	Audit Observations	46
4.5	Non-observance of the provisions of the Acts/ Rules and Government instructions	47
4.5.1	Short levy of Stamp Duty and Registration Fee on Agreement to Sale	47
4.5.2	Short levy of Stamp Duty and Registration Fee on Certificate of Sale	48

Paragraph	Particulars	Page
4.5.3	Short realisation of Stamp Duty and Registration Fee due to under valuation of land and building	49
CHAPTER V MOTOR VEHICLE TAX		
5.1	Tax Administration	51
5.2	Internal Audit	51
5.3	Audit Methodology and Results of Audit	51
5.4	Audit Observations	52
5.5	Non-compliance of the provisions of the Acts/ Rules	52
5.5.1	Non-realisation of Motor Vehicle tax/ additional tax	53
5.5.1.1	Goods Carriages and Contract Carriages	53
5.5.1.2	Tractor Trailer Combinations, Private Service Vehicles and Educational Institution Buses	54
5.5.2	Permit databases of STA and RTA not interlinked	55
5.5.3	Short realisation of revenue due to irregular issue of permit	55
5.5.4	Delayed notification of tax structure for Air-Conditioned Stage Carriages	56
CHAPTER VI MINING RECEIPTS		
6.1	Non-tax revenue Administration	59
6.2	Internal Audit	59
6.3	Results of Audit	59
6.4	Audit observations	60
6.5	Non-observance of provisions of the Acts/ Rules	60
6.5.1	Short levy of royalty on sized coal	60
6.5.2	Dead Rent and Surface Rent not levied	61
6.5.3	Salary component of Government staff posted in private weighbridges not realised	62
APPENDICES		
	APPENDIX-I	65
	APPENDIX-II	66
	GLOSSARY	67