

**Part II**  
**Revenue Sector**



**Chapter III**  
**Revenue Sector**  
**Introduction**



## CHAPTER III

### REVENUE SECTOR

#### Introduction

#### 3.1 Trend of Revenue Receipts

**3.1.1** The tax and non-tax revenues raised by the Government of Jammu and Kashmir during the year 2018-19, the State's share of net proceeds of divisible Union taxes and duties assigned to the State and Grant-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are mentioned below in Table 3.1.

**Table 3.1: Trend of Revenue Receipts**

(₹ in crore)

| Sl. No. | Particulars  | 2014-15          | 2015-16          | 2016-17          | 2017-18          | 2018-19          |
|---------|--|------------------|------------------|------------------|------------------|------------------|
| 1.      | <b>Revenue raised by the State Government</b>                            |                  |                  |                  |                  |                  |
|         | • Tax revenue  | 6,333.95         | 7,326.19         | 7,819.13         | 9,536.40         | 9,826.35         |
|         | • Non-tax revenue  | 1,978.05         | 3,912.79         | 4,072.19         | 4,362.34         | 4,349.35         |
|         | <b>Total</b>   | <b>8,312.00</b>  | <b>11,238.98</b> | <b>11,891.32</b> | <b>13,898.74</b> | <b>14,175.70</b> |
| 2.      | <b>Receipts from the Government of India</b>                             |                  |                  |                  |                  |                  |
|         | • Share of net proceeds of divisible Union taxes and duties              | 4,477.23         | 7,813.48         | 9,488.60         | 11,911.65        | 13,989.80        |
|         | • Grants-in-aid  | 16,149.36        | 16,728.14        | 20,598.55        | 22,701.49        | 23,065.21        |
|         | <b>Total</b>   | <b>20,626.59</b> | <b>24,541.62</b> | <b>30,087.15</b> | <b>34,613.14</b> | <b>37,055.01</b> |
| 3.      | <b>Total revenue receipts of the State Government (total of 1 and 2)</b> | <b>28,938.59</b> | <b>35,780.60</b> | <b>41,978.47</b> | <b>48,511.88</b> | <b>51,230.71</b> |
| 4.      | <b>Percentage of 1 to 3</b>  | <b>29</b>        | <b>31</b>        | <b>28</b>        | <b>29</b>        | <b>28</b>        |

(Source: State Finance Accounts 2018-19)

During the year 2018-19, the overall receipts of the State Government increased by 5.6 per cent over the previous year. However, the revenue raised by the State Government (₹ 14,175.70 crore) was 28 per cent of the total revenue receipts against 29 per cent in the preceding year. The balance 72 per cent of the receipts during 2018-19 came from the Government of India (GoI) of which 62.25 per cent was received in the form of Grants-in-aid. The Grants-in-aid from GoI constituted 45.02 per cent of the total receipts of the State.

**3.1.2** The details of the tax revenue raised during the period 2014-15 to 2018-19 are given in Table 3.2.

**Table 3.2: Details of Tax Revenue raised**

(₹ in crore)

| Sl. No. | Head of Revenue                          | 2014-15         | 2015-16         | 2016-17         | 2017-18         | 2018-19         | Percentage of increase (+) or decrease (-) in Actual in 2018-19 over 2017-18 |
|---------|--|-----------------|-----------------|-----------------|-----------------|-----------------|--|
|         | (a)                                      | (b)             | (c)             | (d)             | (e)             | (f)             | (g) = (f-e)/ e *100  |
| 1.      | Taxes on Sales, Trade etc. including GST | 4,601.52        | 5,276.54        | 6,011.98        | 7,104.37        | 6,891.44        | (-) 3.00   |
| 2.      | Taxes on Goods and Passengers            | 557.81          | 666.21          | 747.88          | 852.62          | 909.22          | (+) 6.64   |
| 3.      | State Excise                             | 466.08          | 532.82          | 569.26          | 833.16          | 1,291.45        | (+) 55.01  |
| 4.      | Taxes and Duties on Electricity          | 313.40          | 428.87          | 89.94           | 179.20          | 188.57          | (+) 5.23   |
| 5.      | Stamps Duty and Registration Fees        | 247.98          | 264.23          | 227.62          | 307.43          | 265.45          | (-) 13.66  |
| 6.      | Taxes on Vehicles                        | 132.34          | 145.15          | 149.71          | 228.11          | 238.93          | (+) 4.74   |
| 7.      | Land Revenue                             | 14.58           | 12.18           | 16.89           | 29.07           | 41.28           | (+) 41.90  |
| 8.      | Others                                   | 0.24            | 0.19            | 5.85            | 2.44            | 0.001           | (-) 99.96  |
|         | <b>Total</b>                             | <b>6,333.95</b> | <b>7,326.19</b> | <b>7,819.13</b> | <b>9,536.40</b> | <b>9,826.34</b> |  |

(Source: Finance Accounts 2018-19)

There was an increase in actual receipts in 2018-19 over 2017-18 ranging between 4.74 per cent and 55.01 per cent under the heads 'Taxes on Vehicles', 'Taxes and Duties on Electricity', 'Taxes on Goods & Passengers', 'Land Revenue' and 'State Excise'. However, there was a decrease of about 3 per cent to 99.96 per cent under the heads 'Taxes on Sales, Trade etc. including GST', 'Stamps and Registration Fees' and 'Others'. Decrease of 99.96 per cent under the head 'Others' was mainly due to subsuming of Entertainment tax<sup>1</sup> under GST with effect from 8 July 2017.

The respective Departments were asked to provide the reasons for increase/ decrease of revenue in 2018-19 over 2017-18; however, the reasons were provided in respect of the following taxes only:

**Taxes on Sales, Trade etc.:** The decrease in revenue was mainly due to the structural issues and rate reductions in Goods and Services Tax.

**State Excise:** The increase in revenue was due to increase in additional assessment fee on sale of all brands of liquor collected at the rate of 31.50 per cent during 2017-18 to 42 per cent with effect from 30 May 2018 to 25 February 2019 and 35 per cent with effect from 26 February 2019 to 31 March 2019.

**3.1.3** The details of the non-tax revenue raised during the period 2014-15 to 2018-19 are indicated in Table 3.3.

<sup>1</sup> Entertainment tax during 2017-18 was ₹ 2.44 crore, which decreased to ₹ 0.001 crore during 2018-19.

Table 3.3: Details of Non-tax revenue raised

(₹ in crore)

| Sl. No. | Head of Revenue                                  | 2014-15         | 2015-16         | 2016-17         | 2017-18         | 2018-19         | Percentage of increase (+) or decrease (-) in Actual in 2018-19 over 2017-18 |
|---------|--|-----------------|-----------------|-----------------|-----------------|-----------------|--|
|         | (a)  | (b)             | (c)             | (d)             | (e)             | (f)             | (g) = (f-e)/ e *100  |
| 1.      | Power  | 1,427.73        | 1,477.22        | 2,770.24        | 3,150.94        | 3,246.49        | (+) 3.03   |
| 2.      | Forestry and Wildlife                            | 70.85           | 67.84           | 14.40           | 18.12           | 20.33           | (+) 12.20  |
| 3.      | Police   | 19.97           | 34.11           | 67.63           | 32.70           | 88.98           | (+) 172.11   |
| 4.      | Non-ferrous, Mining and Metallurgical Industries | 48.50           | 57.23           | 42.74           | 47.46           | 51.75           | (+) 9.04   |
| 5.      | Water Supply and Sanitation                      | 36.90           | 45.77           | 51.99           | 93.07           | 59.78           | (-) 35.77  |
| 6.      | Public Works                                     | 23.13           | 27.55           | 21.14           | 47.96           | 27.92           | (-) 41.78  |
| 7.      | Medical and Public Health                        | 22.69           | 22.53           | 21.86           | 26.02           | 26.45           | (+) 1.65   |
| 8.      | Interest Receipts                                | 13.58           | 96.35           | 18.62           | 19.44           | 20.84           | (+) 7.20   |
| 9.      | Other Non-tax Receipts                           | 314.70          | 2,084.19        | 1,063.57        | 926.63          | 806.81          | (-)12.93   |
|         | <b>Total</b>                                     | <b>1,978.05</b> | <b>3,912.79</b> | <b>4,072.19</b> | <b>4,362.34</b> | <b>4,349.35</b> |  |

(Source: State Budget 2019-20 and Finance Accounts 2018-19)

There was an increase ranging between 1.65 per cent to 172.11 per cent in actual collections from Medical and Public Health, Power, Interest receipts, Non-Ferrous Mining and Metallurgical Industries, Forestry/ Wildlife and Police over the previous year. Whereas, the receipt under other non-tax receipts, Water Supply and Sanitation and Public Works had decreased by 12.93 per cent to 41.78 per cent.

The respective departments were asked to provide the reasons for increase/ decrease of revenue in 2018-19 over 2017-18; however, the reasons were provided by the following Departments only:

**Police:** The increase in revenue was mainly due to increase of guard charges as onetime receipt and auction proceeds.

**Forestry and Wild Life:** The increase in revenue was due to extraction of firewood and royalty amount deposited by the State Forest Corporation.

### 3.2 Analysis of Arrears of Revenue

The arrears of revenue as on 31 March 2019 in respect of certain major heads of revenue amounted to ₹ 1,474.11 crore, of which ₹ 719.92 crore was outstanding for more than five years, is detailed in the Table 3.4.

**Table 3.4: Arrears of revenue**

(₹ in crore)

| Sl. No.      | Head of revenue               | Total Amount outstanding as on 31 March 2019 | Amount outstanding for more than five years as on 31 March 2019 | Replies of Department   |
|--------------|-------------------------------|--|---|---|
| 1.           | Taxes on Sales/ VAT Trade etc | 1,426.58                                     | 672.63  | Stay on Collection for an amount of ₹ 107.77 crore proposed for recovery as arrears of land revenue has been granted by the courts/ appellate authorities. The Department takes various measures like issue of notice of demand (Dastak), issue of memo, seizure of bank accounts and thereafter attachment of immovable property in addition to this, arrest warrants are issued to ensure recovery of the arrears.<br><br>Stay on recovery of total arrears, of ₹ 45.36 crore was granted by the court/ appellate authorities. However, balance arrears of ₹ 2.08 crore were referred to the Collectors for collection as arrears under the Land Revenue Act. |
| 2.           | Motor spirit tax              | 0.09   | 0.09  |   |
| 3.           | Entertainment tax             | 0.21   | 0.21  |   |
| 4.           | Toll Tax                      | 28.24  | 28.00   |   |
| 5.           | State Excise                  | 18.99  | 18.99   |   |
| <b>Total</b> |                               | <b>1,474.11</b>                              | <b>719.92</b>   |   |

(Source: Data provided by the Departments)

### 3.3 Arrears in assessments

The details of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed during the year and number of cases pending for finalisation at the end of the year as furnished by the State Taxes Department in respect of Sales Tax/ VAT and Taxes on Works contracts are given in Table 3.5.

**Table 3.5: Arrears in assessments**

| Head of Revenue       | Opening balance as on 1 April 2018 | New cases due for assessment during 2018-19 | Total assessments due | Cases disposed of during 2018-19 | Balance at the end of the year | Percentage of disposal (col. 5 to 4) |
|-----------------------|------------------------------------|---|-----------------------|----------------------------------|--------------------------------|--------------------------------------|
| 1                     | 2                                  | 3   | 4                     | 5                                | 6                              | 7                                    |
| Sales Tax/ VAT        | 8,991                              | 6,859                                       | 15,850                | 7,098                            | 8,752                          | 44.78                                |
| Tax on Works Contract | 48,651                             | 14,494                                      | 63,145                | 24,217                           | 38,928                         | 38.35                                |

(Source: Data provided by the Department)

The assessments completed (out of the total cases due for assessment) was 45 per cent in respect of Sales Tax/ VAT and 38 per cent in the case of Taxes on Works Contract. Reasons for less assessments during 2018-19, were attributed (June 2020) to the fact that the Assessing Authorities are adapting to the new tax regime which takes extra time for completion of assessments. However, it was also stated that the Department shall make all efforts to finalise the pending assessments as soon as possible.

**In order to avoid the risk of time barring of assessments (five years), Government may consider fixing a time limit for finalisation of the pending assessments and ensure that the time limit so fixed is adhered to by the Departmental Authorities.**



### 3.4 Evasion of tax detected by the Department

The details of cases of evasion of tax detected, cases finalized and the demands for additional tax raised, as reported by the Department are given in Table 3.6.

**Table 3.6: Evasion of Tax**

| Sl. No. | Head of revenue | Cases pending as on 31 March 2018 | Cases detected during 2018-19 | Total        | Number of cases in which assessment/ investigation completed and additional demand with penalty, etc. raised |                               | Amount of demand recovered (₹ in crore) | Number of cases pending for finalisation as on 31 March 2019 |
|---------|-----------------|-----------------------------------|-------------------------------|--------------|--|-------------------------------|---|--|
|         |                 |                                   |                               |              | Number of cases  | Amount of demand (₹ in crore) |   |  |
| 1.      | Sales Tax/ VAT  | 220                               | 1,466                         | 1,686        | 1,401  | 32.67                         | 0.83                                    | 285  |
| 2.      | GST             | -                                 | 218                           | 218          | 195  | 53.39                         | 52.26                                   | 23   |
|         | <b>Total</b>    | <b>220</b>                        | <b>1,684</b>                  | <b>1,904</b> | <b>1,596</b>   | <b>86.06</b>                  | <b>53.09</b>                            | <b>308</b>   |

(Source: Data furnished by the Department)

Against the total demand of ₹ 86.06 crore raised in 1,596 cases during 2018-19, an amount of ₹ 53.09 crore had been recovered which is 61.69 per cent of the total recoverable amount. In reply, Assistant Commissioner (Technical) State Taxes stated (June 2020) that the Department is adopting the prescribed procedures for recovery of arrears. It was also stated that the Government has announced Amnesty scheme which can be availed upto 30 June 2020 and recovery proceedings shall be started after the closure of the scheme.

### 3.5 Pendency of Refund Cases

The number of refund cases pending at the beginning of the year 2018-19, claims received during the year, refunds allowed during the year and the cases pending at the close of the year 2018-19 as reported by the Department is given in Table 3.7.

**Table 3.7: Details of pendency of refund cases**

| Sl. No. | Particulars                                     | GST          |                     | Sales tax/ VAT |                     |
|---------|---|--------------|---------------------|----------------|---------------------|
|         |   | No. of cases | Amount (₹ in crore) | No. of cases   | Amount (₹ in crore) |
| 1.      | Claims outstanding at the beginning of the year | 264          | 1.26                | 7              | 0.75                |
| 2.      | Claims received during the year                 | 811          | 27.99               | 26             | 2.33                |
| 3.      | Refunds made during the year                    | 558          | 16.04               | 22             | 0.59                |
| 4.      | Balance outstanding at the end of the year      | 517          | 13.21               | 11             | 2.49                |

(Source: Data furnished by the Department)

The number of outstanding refund cases both under Sales Tax/ VAT and GST has increased by 95 per cent from 271 cases to 528 cases during 2018-19. This could affect the amount of compensation receivable from the Government of India.

**The Government may take effective steps for immediate disposal of the refund cases.**

### **3.6 Response of the Government/ Departments to Audit**

The Principal Accountant General (Audit), Jammu and Kashmir (PAG), conducts periodical inspection of the Government Departments to test-check the transactions and verify the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with the Inspection Reports (IRs) incorporating findings, which are issued to the Heads of the Offices inspected with copies to the next higher authorities for taking prompt corrective action. The Heads of the Offices/ Government are required to take necessary corrective action on the observations contained in the IRs, rectify the defects and omissions and report compliance through initial reply to the PAG (Audit) within four weeks from the date of receipt of the IRs. Serious financial irregularities are reported to the Heads of the Departments and the Government.

A review of Inspection Reports issued up to December 2018 in respect of State Taxes, State Excise, Transport and Law Department disclosed that 4,539 paragraphs relating to 859 IRs and involving ₹ 2,095.52 crore remained outstanding at the end of June 2019 as mentioned along with the corresponding figures for the preceding two years below in Table 3.8.

**Table 3.8: Details of pending Inspection Reports**

|  | June 2017 | June 2018 | June 2019 |
|--|-----------|-----------|-----------|
| Number of IRs pending for settlement     | 775       | 811       | 859       |
| Number of outstanding audit observations | 3,875     | 4,111     | 4,539     |
| Amount of revenue involved (₹ in crore)  | 1,176.45  | 1,216.35  | 2,095.52  |

**3.6.1** The Department-wise details of the IRs and audit observations outstanding as on 30 June 2019 and the amounts involved in respect of State Taxes, State Excise, Transport and Law Department (Revenue Sector) are mentioned in the Table 3.9.

**Table 3.9: Department-wise details of Inspection Reports/ Audit observations**

| Sl. No.      | Name of the Department | Nature of receipts               | Numbers of outstanding IRs | Numbers of outstanding audit observations | Money value involved (₹ in crore) |
|--------------|------------------------|----------------------------------|----------------------------|---|-----------------------------------|
| 1.           | State Taxes            | Taxes on Sales, Trade etc.       | 535                        | 3,373                                     | 1,822.20                          |
| 2.           | State Excise           | State Excise                     | 154                        | 377                                       | 120.95                            |
| 3.           | Transport              | Taxes on Motor Vehicles          | 112                        | 484                                       | 141.86                            |
| 4.           | Law                    | Stamps Duty and Registration fee | 58                         | 305                                       | 10.51                             |
| <b>Total</b> |                        |                                  | <b>859</b>                 | <b>4,539</b>                              | <b>2,095.52</b>                   |

Audit did not receive any replies from the heads of offices within four weeks from the date of issue of 51 IRs issued during 2018-19. This large pendency of the IRs due to non-receipt of the replies is indicative of the fact that the Heads of Offices and the Departments did not initiate action to rectify the defects, omissions and irregularities pointed out by the PAG (Audit) through the IRs. Further, no Audit Committee was

constituted by the State Government for discussion of pending objections relating to Tax Revenue (State Taxes, State Excise and Taxes on Motor Vehicles).

**It is recommended that the Government should advise the concerned Departments to hold Audit Committee Meetings frequently at least three meetings in a quarter to monitor the progress of settlement of paragraphs and also ensure that demands/recoveries are addressed in time.**

### 3.7 Status of Inspection Reports

The summarised position of the Inspection Reports of Departments of State Taxes, State Excise, Law and Transport (Revenue Sector) issued during the last five years, paragraphs included in these Reports and their status as on 31 March 2019 are tabulated in Table 3.10.

Table 3.10: Position of Inspection Reports

| Year    | Opening Balance |             |                          | Addition during the year |             |                          | Clearance during the year |            |                          | Closing balance during the year |             |                          |
|---------|-----------------|-------------|--------------------------|--------------------------|-------------|--------------------------|---------------------------|------------|--------------------------|---------------------------------|-------------|--------------------------|
|         | IRs             | Para-graphs | Money value (₹ in crore) | IRs                      | Para-graphs | Money value (₹ in crore) | IRs                       | Para-graph | Money value (₹ in crore) | IRs                             | Para-graphs | Money value (₹ in crore) |
| (a)     | (b)             | (c)         | (d)                      | (e)                      | (f)         | (g)                      | (h)                       | (i)        | (j)                      | (k)                             | (l)         | (m)                      |
| 2014-15 | 617             | 2,830       | 1,188.29                 | 59                       | 553         | 67.00                    | 08                        | 194        | 24.93                    | 668                             | 3,189       | 1,230.36                 |
| 2015-16 | 668             | 3,189       | 1,230.36                 | 70                       | 494         | 76.86                    | 07                        | 140        | 25.90                    | 731                             | 3,543       | 1,281.32                 |
| 2016-17 | 731             | 3,543       | 1,281.32                 | 51                       | 403         | 329.16                   | 28                        | 237        | 424.04                   | 754                             | 3,709       | 1,186.44                 |
| 2017-18 | 754             | 3,709       | 1,186.44                 | 89                       | 767         | 173.79                   | 09                        | 110        | 41.24                    | 834                             | 4,366       | 1,318.99                 |
| 2018-19 | 834             | 4,366       | 1,318.99                 | 54                       | 632         | 960.10                   | 07                        | 160        | 52.77                    | 881                             | 4,838       | 2,226.32                 |

The Government of J&K has not constituted any Audit Committee for settlement of old paragraphs, as a result, the position of outstanding IRs, Paras with corresponding money value (State Taxes, State Excise and Taxes on Motor Vehicles) increased as is evident from the above table.

This indicates that adequate steps were not taken by the Departments resulting in increase of the outstanding IRs and Paragraphs.

### 3.8 Follow up on Audit Reports

#### 3.8.1 Non-submission of *suo-moto* Action Taken Notes

The State Government (Finance Department) had issued instructions in June 1997 to all administrative departments to furnish *suo-moto* Action Taken Notes (ATNs) on all the audit paragraphs featuring in the Audit Reports to the Public Accounts Committee (PAC) irrespective of whether they were taken up for discussion by the Committee or not. These ATNs are to be submitted to the Committee duly vetted by the Principal Accountant General (Audit) within a period of three months from the date of presentation of Audit Reports in the State Legislature.

It was, however, noticed that out of 110 audit paragraphs featuring in the Chapters of Revenue Sector of Audit Reports from 2000-01 to 2015-16<sup>2</sup>, *suo-moto* ATNs in respect of 88 audit paragraphs had not been received up to 31 March 2020.

### **3.8.2 Action taken on recommendations of the PAC**

Action Taken Notes, duly vetted by the Principal Accountant General (Audit) on the observations/ recommendations made by the PAC/ COPU in respect of the audit paragraphs discussed by them are to be furnished to these Committees within six months from the date of such observations/ recommendations.

Out of 110 audit paragraphs featuring in the Revenue Sector of Audit Reports for the years from 2000-01 to 2015-16, only 17 audit paragraphs have been discussed by the PAC up to 31 March 2019. Recommendations in respect of 17 audit paragraphs including 12 partly discussed were made by the PAC, however, ATNs on the recommendations of the Committee is pending from the State Government in respect of 13 paragraphs.

### **3.8.3 Recovery of accepted cases**

The position of paragraphs included in the Audit Reports of the last five years, those accepted by the Department and the amount recovered are given in Table 3.11.

**Table 3.11: Paragraphs included in the Audit Reports of the last five years**

| Year of Audit Report | Number of paragraphs included | Money value of the paragraphs (₹ in crore) | Number of paragraphs accepted | Money value of accepted paragraphs (₹ in crore) | Amount recovered during the year 2018-19 (₹ in crore) | Cumulative position of recovery of accepted cases as of 31 March 2019 (₹ in crore) |
|----------------------|-------------------------------|--|-------------------------------|---|---|--|
| 2013-14              | 5                             | 9.28                                       | 5                             | 1.11  | Nil   | 0.04   |
| 2014-15              | 4                             | 0.76                                       | 4                             | 0.76  | Nil   | 0.10   |
| 2015-16              | 7                             | 124.10                                     | 6                             | 88.76   | 0.09  | 0.16   |
| 2016-17              | 8                             | 2.14                                       | 8                             | 2.14  | Nil   | 0.20   |
| 2017-18              | 9                             | 1.43                                       | 9                             | 1.43  | 0.01  | 0.16 <sup>3</sup>  |
| <b>Total</b>         | <b>33</b>                     | <b>137.71</b>                              | <b>32</b>                     | <b>94.20</b>                                    | <b>0.10</b>   | <b>0.66</b>  |

It would be seen from the above that in respect of paragraphs featured in the Audit Reports 2013-14 to 2017-18, the Department/ Government accepted audit observations involving ₹ 94.20 crore, of which only ₹ 0.66 crore was recovered as of March 2019, which is only 0.70 *per cent* of the accepted amount. This indicates that the Government could not recover the dues fully even for the cases wherein the audit observations had been accepted by the Department.

### **3.9 Audit Planning**

The auditable entities under various Departments are categorised into high, medium and low risk units according to their revenue position, past trends of the audit observations and other parameters. The annual audit plan is prepared on the basis of

<sup>2</sup> Audit Reports 2016-17 and 2017-18 presented in Parliament in September 2020.

<sup>3</sup> Includes recovery of ₹ 15.80 lakh reflected in Audit Report for the year ended 31 March 2018.

risk analysis which *inter-alia* include critical issues in Government Revenues and Tax administration.

During the year 2018-19, there were 398 auditable units of revenue receipts (State Taxes, State Excise, Transport and Law) out of which 66 (17 *per cent*) units were planned for audit and 54 units (82 *per cent*) were audited.

### **3.10 Results of audit**

#### **Position of local audit conducted during the year**

Test-check of the records of 54 units<sup>4</sup> out of 398 auditable units<sup>5</sup> of State Taxes, State Excise and Transport Department conducted during the year 2018-19 showed under assessment/ short levy/ loss of revenue aggregating ₹ 900.11 crore in 502 cases. Departmental replies were received only from eight units regarding acceptance of under assessment and other deficiencies of ₹ 2.46 crore. The Departments recovered ₹ 1.55 crore during 2018-19 in respect of 51 cases pertaining to audit findings of the period prior to 2018-19. Unit-wise details of recoveries accepted are detailed in *Appendix 3.1.1*.

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<sup>4</sup> State Taxes Department: 34 units; Transport Department: 12 units and Excise Department: 08 units.

<sup>5</sup> State Taxes Department: 66 units; Transport Department: 22 units; Excise Department: 44 units and Stamps Duty and Registration (Law Department): 266 units.

