

Chapter-VI

Revenue and Disaster Management

CHAPTER - VI:

REVENUE & DISASTER MANAGEMENT DEPARTMENT

6.1 Administration

Management of levy and collection of stamp duty and registration fees is the responsibility of both the Government of India (GoI) and the State Government. The Indian Stamp Act, 1899 (IS Act) enacted by the GoI prescribes the rates of Stamp Duty in respect of Bills of Exchange, Cheques, Promissory notes, Bills of lading, Letter of credit, Policies of insurance, transfer of shares, Debentures, Proxies and receipts as specified in entry 91 of List-I Union list of the Seventh Schedule to the Constitution of India. The States are empowered under Entry 63 of list-II State list of the Seventh Schedule to the Constitution of India to prescribe the rate of stamp duty on instruments other than the instruments specified in Entry 91 of Union list. Receipts from the Stamp Duty and Registration fees in the State of Assam are regulated under the Indian Stamp Act (IS Act), 1899; the Registration Act, 1908 and Rules made there under. The Stamp duty is leviable (*Ad valorem* or fixed) on value of the instruments executed at the rates prescribed from time to time in the IS Act and registration fees is payable at the rates prescribed in the Registration Act, 1908.

At the Government level, the Secretary to Government of Assam, Revenue & Disaster Management Department is responsible for administration of the Acts and Rules in the State. The Inspector General of Registration (IGR) is the Executive regarding levy and collection of stamp duty and registration fee. He is assisted by an Additional Inspector General of Registration and two Assistant Inspectors General of Registration. At the District, sub-divisional level, implementing officers are Senior Sub Registrar, Deputy Sub Registrar and Sub-Registrar.

6.2 Results of Audit

Test check of records of 39 unit offices (out of total 82 unit offices) relating to Senior Sub Registrar, Deputy Sub Registrar and Sub-Registrar in the State noticed deficiencies in 244 cases which falls under the following categories as detailed in **Table 6.1**.

Table 6.1:-Results of Audit

Sl. No.	Category	Number of cases	Amount (₹ in crore)
1	Loss of revenue due to under valuation of land	10	0.21
2	Short realisation of registration fee and stamp duty	15	0.25
3	Collection of user fees	36	0.49
4	Others	183	0.40
Total		244	1.35

Compliance Audit Observations

6.3 Under valuation of sale deeds due to incorrect application of zonal value

The Deputy Commissioner (DC) has issued three “No Objection Certificate (NOC)” allowing re-classification-cum-transfer of Agricultural class into non-Agricultural class of land. The Sub-Registrar, Kamrup (Sadar) while registering the sale deeds considered Zonal value of Agricultural land instead of Non-Agricultural land. This led to short levy of Stamp Duty and Registration fee of ₹ 18.51 lakh.

[Sub Registrar, Kamrup (Sadar), May–June 2019]

As per Section 3 (ii) of the Assam Agricultural land (Regulation of Re-classification and Transfer for Non-Agricultural purpose) (AALR) Act¹⁶⁸, 2015, no agricultural land shall be transferred for intended non-agricultural purposes without the prior permission of the DC. The DC is competent to accord permission only after re-classification of the land. Further, as per sub-section 6 of Section 5 of the AALR Act, 2015, on approval of re-classification of agricultural land into non-agricultural class of land, it shall be mandatory on the part of the owner of the land to remit the prescribed re-classification premiums¹⁶⁹ on the prevailing minimum zonal value¹⁷⁰ of the agricultural land in that area.

As per article 23 of the Indian Stamp (Assam Amendment) Act, 2013 (as applicable in Assam) and the Assam Registration Act 2014, the Stamp Duty and Registration Fee prescribed at the rate of three *per cent* and two *per cent* respectively of the consideration/ agreed value or zonal value whichever is higher.

The DC, Kamrup, Sadar had fixed the zonal value of land Revenue Village wise under North Guwahati Revenue Circle in November 2014 and revised in October 2018.

On scrutiny of records of 294 deeds, out of total 6805 deeds registered during the year 2017-18 and 2018-19 in Kamrup, Sadar, Audit noticed that the DC issued three “No Objection Certificate (NOC)” allowing re-classification-cum-transfer of Agricultural land into non-Agricultural land (Udyog) measuring 23 Bigha¹⁷¹, 4 Katha and 14 lessa prior to sale of land. A perusal of registered sale deeds revealed that the Stamp Duty and Registration fee was realised as per zonal value of agricultural land instead of the re-classified non-Agricultural land (Trade Site-I¹⁷²). This resulted in short levy of Stamp Duty and Registration fee of ₹ 18.51 lakh as detailed in **Appendix-XXXVIII**.

¹⁶⁸ Introduced vide notification No. LGL.131/2015/Pt/7 dated 30 September 2015.

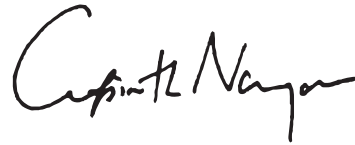
¹⁶⁹ at the rate of 10 per cent in case of reclassification and 15 per cent in case of re-classification cum sale.

¹⁷⁰ Minimum base value of land for a particular class of land in an area that is fixed and notified by the DC of the District from time to time.

¹⁷¹ 100 lessa = 1 Bigha, 20 lessa = 1 Katha and 5 Katha=1 Bigha.

¹⁷² As per zonal value fixed by the DC, no separate zonal value was fixed for the reclassified land category of ‘Udyog’. Hence, zonal value of Trade Site –I was considered. In respect of other district, the rate of ‘Udyog’ is higher than the Trade class

The case was reported to the Revenue and Disaster Management Department, Government of Assam and the Inspector General of Registration, Assam in September 2021; their replies have not been received (March 2022).



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Principal Accountant General (Audit), Assam

Guwahati
The 03 August 2022

Countersigned



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

New Delhi
The 10 August 2022

