

CHAPTER-I: GENERAL

1.1 Trend of revenue receipts

1.1.1 The tax and non-tax revenue raised by the Government of Rajasthan during the year 2007-08, the State's share of divisible Union taxes and grants-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are mentioned below:

(Rupees in crore)

Sl. No.	Particulars	2003-04	2004-05	2005-06	2006-07	2007-08
I.	Revenue raised by the State Government					
	• Tax revenue	7,246.18	8,414.82	9,880.23	11,608.24	13,274.73
	• Non-tax revenue	2,071.64	2,146.15	2,737.67	3,430.61	4,053.93
	Total	9,317.82	10,560.97	12,617.90	15,038.85	17,328.66
II.	Receipts from the Government of India					
	• State's share of divisible Union taxes	3,602.22	4,305.61	5,300.08	6,760.37	8,527.60
	• Grants-in-aid	2,503.80	2,897.01	2,921.21	3,792.96	4,924.36
	Total	6,106.02	7,202.62	8,221.29	10,553.33	13,451.96
III.	Total receipts of the State (I and II)	15,423.84	17,763.59	20,839.19	25,592.18	30,780.62¹
IV.	Percentage of I to III	60	59	61	59	56

The above table indicates that during the year 2007-08, the revenue raised by the State Government was 56 per cent of the total revenue receipts (Rs. 30,780.62 crore) against 59 per cent in the preceding year. The balance 44 per cent of the receipts during 2007-08 was from the Government of India.

¹ For details, please see Statement No. 11 - Detailed accounts of revenue by minor heads in the Finance Accounts of the Government of Rajasthan for the year 2007-08. Figures under the head 0020 - Corporation tax, 0021 - Taxes on income other than corporation tax, 0028 - Other taxes on income and expenditure, 0032 - Taxes on wealth, 0037 - Customs, 0038 - Union excise duties, 0044 - Service tax and 0045 - Other taxes and duties on commodities and services - share of net proceeds assigned to State booked in the Finance Accounts under A - Tax revenue have been excluded from revenue raised by the State and included in the State's share of divisible Union taxes in this statement.

1.1.2 The following table presents the details of tax revenue raised during the period from 2003-04 to 2007-08:

(Rupees in crore)

Sl. No.	Revenue head	2003-04	2004-05	2005-06	2006-07	2007-08	Percentage of increase (+)/ decrease (-) in 2007-08 over 2006-07
1.	• Taxes on sales, trade etc. • Central sales tax	3,751.80	4,500.78	5,245.41	6,272.15	7,345.84	(+) 17
		233.63	296.75	348.23	448.56	404.90	(-) 10
2.	State excise	1,163.15	1,276.07	1,521.80	1,591.09	1,805.12	(+) 13
3.	Stamp duty and registration fee	611.77	817.83	1,031.79	1,293.68	1,544.35	(+) 19
4.	Taxes and duties on electricity	280.29	442.76	471.35	515.88	584.23	(+) 13
5.	Taxes on vehicles	904.31	817.21	908.18	1,023.61	1,164.40	(+) 14
6.	Taxes on goods and passengers	150.50	144.01	236.71	247.60	160.61	(-) 35
7.	Other taxes on income and expenditure, tax on professions, trades, callings and employments	20.11	1.85	0.25	0.06	0.04	(-) 33
8.	Other taxes and duties on commodities and services	46.85	47.56	31.70	46.04	58.91	(+) 28
9.	Land revenue	71.44	68.86	84.30	116.71	155.29	(+) 33
10.	Other taxes	12.33	1.14	0.51	52.86	51.04	(-) 3
Total		7,246.18	8,414.82	9,880.23	11,608.24	13,274.73	(+) 14

The concerned departments mentioned the following reasons for increase/decrease in receipts during 2007-08 over those of 2006-07:

Taxes on sales, trade etc.: The increase (17 per cent) was due to growth in business and industries in the State, check on tax evasion and recovery efforts of the department.

Central Sales Tax: The decrease (10 per cent) was due to reduction in rate of central sales tax by one per cent.

State excise: The increase (13 per cent) was due to implementation of new excise policy and increase in sale of liquor.

Stamp duty and registration fee: The increase (19 *per cent*) was due to increase in registration of documents and recovery of old dues.

Taxes and duties on electricity: The increase (13 *per cent*) was due to more sale of electricity.

Taxes on vehicles: The increase (14 *per cent*) was due to increase in one time tax on some categories of vehicles, more recovery of compounding fees and special efforts of the department in realisation of dues.

Taxes on goods and passengers: The decrease (35 *per cent*) was due to non-deposit of entry tax owing to stay by the High Court.

Other taxes on income and expenditure, tax on professions, trades, callings and employments: The decrease (33 *per cent*) was due to abolition of tax on professions.

Other taxes and duties on commodities and services: The increase (28 *per cent*) was due to the growth in entertainment/cinema business, increase in registration in hotel industry and growing influx of tourists and recovery efforts of the department.

Land revenue: The increase (33 *per cent*) was due to more receipts from sale of land.

1.1.3 The following table presents the details of major non-tax revenue raised by the State during the period from 2003-04 to 2007-08:

(Rupees in crore)

Sl. No.	Head of revenue	2003-04	2004-05	2005-06	2006-07	2007-08	Percentage of increase (+)/ decrease (-) in 2007-08 over 2006-07
1	2	3	4	5	6	7	8
1.	Interest receipts	685.12	754.94	990.21	1,072.72	1,112.43	(+) 4
2.	Forestry and wild life	39.53	39.41	40.07	45.24	58.30	(+) 29
3.	Non-ferrous mining and metallurgical industries	513.70	645.35	814.08	1,196.52	1,226.61	(+) 3
4.	Miscellaneous general services	340.50	90.47	305.87	528.28	919.72	(+) 74
5.	Major and medium irrigation	43.23	56.50	46.79	60.56	57.92	(-) 4
6.	Medical and public health	16.28	29.84	16.70	30.62	39.11	(+) 28
7.	Co-operation	6.93	8.71	14.79	22.23	27.01	(+) 22
8.	Public works	16.45	17.85	27.86	47.47	53.41	(+) 13

1	2	3	4	5	6	7	8
9.	Police	46.16	54.04	75.86	42.61	94.81	(+) 123
10.	Other administrative services	50.65	91.79	54.02	54.84	54.71	-
11.	Other non-tax receipts	313.09	357.25	351.42	329.52	409.90	(+) 24
Total		2,071.64	2,146.15	2,737.67	3,430.61	4,053.93	(+) 18

The concerned departments mentioned the following reasons for increase/decrease in receipts during 2007-08 over those of 2006-07:

Forestry and wild life: The increase (29 per cent) was due to more receipts of revenue from felling of trees along Indira Gandhi Nahar Pariyojana canal and sale of *tendu* leaves.

Miscellaneous general services: The increase (74 per cent) was mainly due to transfer on winding up of sinking fund and relief of debt given by the Government of India.

Co-operation: The increase (22 per cent) was mainly due to receipt of reimbursement of audit fees under the recommendations of *Vaidhnanathan* Committee.

Police: The increase (123 per cent) was due to more receipt on account of police force provided to other Governments.

The other departments did not intimate (October 2008) the reasons for variations in receipts from that of the previous year despite being requested (between May and July 2008).

1.2 Variations between the budget estimates and actuals

The variations between the budget estimates and actuals of revenue receipts for the year 2007-08 in respect of the main heads of tax and non-tax revenue are mentioned below:

(Rupees in crore)

Sl. No.	Heads of revenue	Budget estimates	Actuals	Variation excess (+) or shortfall (-)	Percentage of variation
1	2	3	4	5	6
Tax revenue					
1.	Taxes on sales, trade etc.	7,676.00	7,750.74	(+) 74.74	(+) 1
2.	State excise	1,720.00	1,805.12	(+) 85.12	(+) 5
3.	Stamp duty and registration fee	1,475.00	1,544.35	(+) 69.35	(+) 5
4.	Taxes and duties on electricity	552.20	584.23	(+) 32.03	(+) 6
5.	Taxes on vehicles	1,050.00	1,164.40	(+) 114.40	(+) 11
6.	Land revenue	100.06	155.29	(+) 55.23	(+) 55
7.	Taxes on immovable property other than agricultural land	50.00	51.03	(+) 1.03	(+) 2
Total		12,623.26	13,055.16	(+) 431.90	(+) 3

1	2	3	4	5	6
Non-tax revenue					
1.	Non-ferrous mining and metallurgical industries	1,280.00	1,226.61	(-) 53.39	(-) 4
2.	Interest receipts	949.24	1,112.43	(+) 163.19	(+) 17
3.	Miscellaneous general services	442.06	919.72	(+) 477.66	(+) 108
4.	Forestry and wild life	48.65	58.30	(+) 9.65	(+) 20
5.	Police	79.34	94.81	(+) 15.47	(+) 19
Total		2,799.29	3,411.87	(+) 612.58	(+) 22

The concerned departments mentioned the following reasons for variations between the budget estimates and actuals of revenue receipts for the year 2007-08:

Taxes on vehicles: The increase (11 *per cent*) was due to increase in one time tax on certain categories of vehicles, more recovery of compounding fees and special efforts of the department in realisation of the dues.

Land revenue: The increase (55 *per cent*) was due to more sale of land.

Interest receipts: The increase (17 *per cent*) was mainly due to the absence of pre-determination of the receipts under the sub-head “interest realised on investment of cash balances” and receipts from the additional loan to electricity companies granted under the externally aided projects (World Bank).

Miscellaneous general services: The increase (108 *per cent*) was mainly due to amount transferred on winding up of sinking fund by the Government of India; receipts and recoveries from new allotment of land coupled with more recoveries in the Colonisation Department.

Forestry and wild life: The increase (20 *per cent*) was due to increased receipts of revenue from felling of trees along Indira Gandhi Nahar Pariyojana canal and sale of *tendu* leaves.

Police: The increase (19 *per cent*) was due to more receipt on account of police force provided to other Governments.

1.3 Cost of collection

The gross collection of the major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the years 2005-06, 2006-07 and 2007-08 alongwith the relevant all India average percentage of expenditure on collection to gross collection for

2006-07 are as follows:

(Rupees in crore)

Sl. No.	Heads of revenue	Year	Collection	Expenditure on collection of revenue	Percentage of expenditure on collection	All India average percentage for the year 2006-07
1.	Taxes on sales, trade etc.	2005-06	5,593.64	52.42	0.94	0.82
		2006-07	6,720.71	60.05	0.90	
		2007-08	7750.74	53.76	0.70	
2.	State excise	2005-06	1,521.80	34.18	2.2	3.30
		2006-07	1,591.09	42.52	2.7	
		2007-08	1,805.12	48.51	2.7	
3.	Taxes on vehicles	2005-06	908.18	13.67	1.5	2.47
		2006-07	1,023.61	15.56	1.5	
		2007-08	1,164.40	17.44	1.5	
4.	Stamp duty and registration fee	2005-06	1,031.79	15.79	1.5	2.33
		2006-07	1,293.68	19.21	1.5	
		2007-08	1,544.35	22.80	1.5	

1.4 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2008 in respect of some principal heads of revenue amounted to Rs. 4,026.12 crore of which Rs. 959.89 crore was outstanding for more than five years as mentioned below:

(Rupees in crore)

Sl. No.	Heads of revenue	Amount outstanding as on 31 March 2008	Amount outstanding for more than 5 years	Remarks
1	2	3	4	5
1.	Taxes on sales, trade etc.	2,995.45	670.00	Out of Rs. 2,995.45 crore, demands for Rs. 226.26 crore were stayed by judicial authorities, demands for Rs. 79.52 crore were covered under the Land Revenue Act (LR Act) and Revenue Recovery Act, demands of Rs. 36.39 crore were likely to be written off and demands of Rs. 257.64 crore were pending against the dealers who were not traceable. Recovery of Rs. 16.08 crore was pending against Government departments. Arrears of Rs. 2,379.56 crore were at various stages of recovery.

1	2	3	4	5
2.	State excise	222.71	181.99	Out of Rs. 222.71 crore, demands for Rs. 66.97 crore were stayed by the High Court/judicial authorities, recovery of Rs. 31.32 crore was likely to be written off and demands for Rs. 124.42 crore were covered by recovery certificates under the LR Act.
3.	Taxes on vehicles	31.82	14.21	Out of Rs. 31.82 crore, demands for Rs. 2.56 crore were stayed by the Courts/Government. Demands for Rs. 28.32 crore were covered under recovery certificates. Demands of Rs. 75 lakh were covered under the LR Act and the Public Debt Recovery Act (PDR Act). Arrears of Rs. 19 lakh were at various stages of recovery.
4.	Taxes on passenger and goods	1.90	1.90	Stages at which the recovery was pending has not intimated by the Transport Department.
5.	Stamp duty and registration fee	86.70	8.99	Out of Rs. 86.70 crore, demands for Rs. 37.32 crore were covered by the recovery certificates. Demands for Rs. 49.38 crore were stayed by the High Court and other judicial authorities.
6.	Land revenue	76.20	12.42	Out of Rs. 76.20 crore, demands for Rs. 3.28 crore were stayed by the Government and Rs. 20.08 crore stayed by the High Court and other judicial authorities. Arrears of Rs. 52.84 crore were at various stages of recovery.
7.	Non-ferrous mining and metallurgical industries	101.42	33.49	Out of Rs. 101.42 crore, demands of Rs. 64.75 crore were stayed by the High Court/other judicial authorities and recovery of Rs. 1.42 crore was stayed by the Government. Demands for Rs. 23.72 crore were covered under the recovery certificates under LR Act and PDR Act. Arrears of Rs. 2.23 crore were likely to be written off. Demands of Rs. 9.30 crore were at various stages of recovery.
8.	Miscellaneous general services – sale of land	126.84	21.84	Stages at which the recovery was pending was not intimated by the Colonisation Department.

1	2	3	4	5
9.	Major and medium irrigation ²	128.63	15.05	Out of Rs. 128.63 crore, demands of Rs. 10.20 crore pertaining to the Board of Revenue were pending against cultivators. Stages of recovery of Rs. 118.43 crore were not intimated by the Chief Engineer, IGNP Bikaner; Commissioner CAD, Chambal, Kota; Chief Engineer, Irrigation Department, Jaipur and Chief Engineer, Mahi Bajaj Sagar, Banswara.
10.	Police	27.66	Nil	Out of Rs. 27.66 crore, Rs. 12.63 crore, Rs. 12.08 crore and Rs. 2.95 crore were pending for collection from the Railways, other States and the Central Government respectively.
11.	Taxes on immovable property other than agricultural land	226.79	Nil	Out of Rs. 226.79 crore, Rs. 87.77 crore were stayed by the High Court and other judicial authorities. Stages of recovery of remaining Rs. 139.02 crore were not intimated by the department.
Total		4026.12	959.89	

1.5 Arrears in assessments

The number of cases pending assessment at the beginning of the year 2007-08, becoming due during the year, disposed of during the year and pending at the end of the year 2007-08 alongwith the figures for the preceding four years as furnished by the department are mentioned below:

Year	Opening balance	New cases due for assessment	Total	Cases disposed of	Cases pending at the end of year
Sales tax					
2003-04	78	3,08,558	3,08,636	2,27,290	81,346
2004-05	81,346	2,12,397	2,93,743	2,28,913	64,830
2005-06	64,830	1,90,787	2,55,617	2,54,740	877
2006-07	877	2,43,771	2,44,648	2,43,618	1,030
2007-08	1,030	2,57,923	2,58,953	2,57,609	1,344
Entertainment tax					
2003-04	2,573	2,527	5,100	3,040	2,060
2004-05	2,060	2,514	4,574	2,606	1,968
2005-06	1,968	2,996	4,964	3,619	1,345
2006-07	1,345	2,193	3,538	2,546	992
2007-08	992	1,772	2,764	1,642	1,122

² This information pertains to Board of Revenue, Rajasthan, Ajmer (Rs. 10.20 crore); Chief Engineer, IGNP Bikaner (Rs. 6.14 crore); Commissioner CAD, Chambal, Kota (Rs. 12.82 crore); Chief Engineer, Irrigation Department, Jaipur (Rs. 94.39 crore) and Chief Engineer, Mahi Bajaj Sagar, Banswara (Rs. 5.08 crore).

1.6 Evasion of tax

The details of cases of evasion of tax detected by the departments, cases finalised and the demand for additional tax raised during 2007-08 as reported by the departments are mentioned below:

Sl. No.	Heads of revenue	Opening balance as on 1 April 2007	No. of cases detected	Total	No. of cases in which assessments/investigations completed and additional demands including penalty etc. raised		No. of cases pending as on 31 March 2008
					No. of cases	Amount of demand (Rs. in crore)	
1.	Taxes on sales, trade etc.	116	12,096	12,212	12,102	90.15	110
2.	Non-ferrous mining and metallurgical industries	7,912	1,306	9,218	1,662	Not available	7,556
3.	Stamp duty and registration fee	5,479	9,258	14,737	10,073	51.89	4,664

Thus, 82 per cent of the evasion cases were pending as on 31 March 2008 under the revenue head "Non-ferrous mining and metallurgical industries". Steps need to be taken to dispose of these cases expeditiously.

1.7 Write off and waiver of revenue

During the year 2007-08, demands for Rs. 20 crore in 3,603 cases were written off/waived/remitted as reported by the departments. The details are mentioned below:

(Rupees in crore)

Sl. No.	Name of the department	Number of cases	Amount	Reasons
1.	Commercial taxes	2,704	4.44	Waived either due to death of dealers; having no movable/immovable property; or dealers left the business premises.
2.	Registration and stamps	899	15.56	Reasons not intimated by the department.
Total		3,603	20.00	

1.8 Refunds

The number of refund cases pending at the beginning of the year 2007-08, claims received during the year, refunds allowed during the year and cases

pending at the close of the year 2007-08 as reported by the departments are mentioned below:

(Rupees in crore)

Name of the department	Number of cases Amount			
	Opening balance	Claims received	Refunds allowed	Closing balance
Commercial taxes	<u>628</u> 14.55	<u>9,172</u> 172.36	<u>9,191</u> 171.61	<u>609</u> 15.30
Registration and stamps	<u>670</u> 1.03	<u>1,808</u> 3.63	<u>1,952</u> 3.80	<u>526</u> 0.86
Land revenue	<u>6</u> 0.07	<u>29</u> 0.13	<u>28</u> 0.10	<u>7</u> 0.10
Colonisation	<u>49</u> 0.11	<u>19</u> 0.09	<u>47</u> 0.15	<u>21</u> 0.05
Non-ferrous mining and metallurgical industries	<u>3</u> 2.93	<u>69</u> 0.17	<u>59</u> 3.00	<u>13</u> 0.10
Total	<u>1,356</u> 18.69	<u>11,097</u> 176.38	<u>11,277</u> 178.66	<u>1,176</u> 16.41

1.9 Results of audit

Test check of the records of sales tax, motor vehicles tax, land revenue, electricity duty, stamps duty and registration fee, state excise and other non-tax receipts conducted during the year 2007-08 revealed underassessment, short levy and loss of revenue amounting to Rs. 1,118.41 crore in 18,543 cases. The concerned departments accepted underassessment and other deficiencies of Rs. 130.17 crore involved in 10,771 cases of which 4,177 cases involving Rs. 35.67 crore had been pointed out in audit during the year 2007-08 and the rest in earlier years. The departments recovered Rs. 18.57 crore in 2,983 cases at the instance of audit during the year 2007-08.

This report contains 39 paragraphs including two reviews, pointing out non/short levy of taxes, duties, interest and penalties *etc.*, involving Rs. 666.55 crore. The Government/departments accepted audit observations involving Rs. 408.65 crore of which Rs. 31.80 crore had been recovered upto October 2008.

1.10 Failure of the senior officials to enforce accountability and protect interest of the Government

Audit observations on underassessments, short determination/realisation of taxes, duties, fees etc. and defects in the maintenance of initial records, which are not settled on the spot, are communicated to the heads of the departments through inspection reports (IRs). Important irregularities are also reported to the Government/departments by the office of the Accountant General (Commercial and Receipt Audit) to which replies are required to be furnished by them within one month.

The number of IRs and audit observations relating to revenue receipts issued upto 31 December 2007 which were pending with the departments as on 30 June 2008 alongwith figures for the preceding two years, are mentioned below:

Sl. No.	Particulars	As on 30 June		
		2006	2007	2008
1.	Number of IRs pending settlement	2,370	2,313	2,335
2.	Number of outstanding audit observations	6,716	6,428	6,435
3.	Amount of revenue involved (Rs. in crore)	1,804.08	1,527.75	1,554.58

Department wise break up of the IRs and audit observations outstanding as on 30 June 2008 is mentioned below:

Sl. No.	Department	Number of outstanding IRs	Number of outstanding audit observations	Amount (Rs. in crore)	Earliest year to which the reports relate	Number of IRs where even first compliance has not been received
1.	Commercial taxes	381	1,359	657.27	2000-01	80
2.	Land revenue	339	547	167.31	1994-95	6
3.	Registration and stamps	695	1,840	74.87	2000-01	144
4.	Transport	408	1,288	86.90	1998-99	12
5.	Forest	150	320	2.39	1999-00	2
6.	Mines and geology	168	607	465.34	2000-01	10
7.	State excise	135	378	98.11	1998-99	Nil
8.	Lands and buildings tax	13	17	0.70	1997-98	Nil
9.	Electrical inspectorate	46	79	1.69	1999-00	5
Total		2,335	6,435	1,554.58		259

Since the outstanding amount represents unrealised revenue and the period of pendency of audit comments ranged between 7 to 13 years, the Government needs to take speedy and effective action on the issues raised in the IRs.

1.11 Departmental audit committee meetings

Audit committees have been setup in different departments to discuss contentious issues with top management and to expedite settlement of audit observations. The Government, the concerned department and the office of the Accountant General (Commercial and Receipt Audit) Rajasthan are represented on this committee. Audit committee meetings were to be arranged by each department on quarterly basis. Department wise position of audit

committee meetings held during the year 2007 was as under:

Sl. No.	Name of the department	Number of meetings held during 2007				Total
		1 st quarter ending March 2007	2 nd quarter ending June 2007	3 rd quarter ending September 2007	4 th quarter ending December 2007	
1.	Commercial taxes	Nil	1	1	Nil	2
2.	State excise	Nil	1	1	Nil	2
3.	Transport	1	1	1	1	4
4.	Registration and stamps	Nil	1	1	Nil	2
5.	Land revenue	Nil	Nil	1	Nil	1
6.	Mines and geology	Nil	1	Nil	1	2
Total		1	5	5	2	13

The Government needs to take immediate measures to revive the audit committees which appear to have become ineffective and non-functional except in the Transport Department.

1.12 Response of the departments to draft audit paragraphs

The Finance Department issued directions to all the departments in August 1969 to send their response to the draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India within three weeks of their receipt. The draft paragraphs are forwarded to the Secretaries of the concerned department through demi-official letters drawing their attention to the audit findings and requesting them to send their response within three weeks. The fact of non-receipt of replies from the Government is invariably indicated at the end of each such paragraph included in the Audit Report.

Draft paragraphs proposed to be included in the Report of the Comptroller and Auditor General of India (Revenue Receipts) for the year ended 31 March 2008 were forwarded to the Secretaries of the respective departments between July 2008 and September 2008. Out of 106 cases (clubbed into 39 paragraphs of this report) issued, the departments have accepted the audit observations in 57 cases.

1.13 Follow-up on Audit Reports - summarised position

According to the instructions issued by the Finance Department, all departments are required to furnish explanatory memoranda vetted by Audit to the Rajasthan Legislative Secretariat in respect of paragraphs included in the Audit Reports within three months of their being laid on the table of the House.

The position of paragraphs which have appeared in the Audit Reports and those pending discussion as on 30 September 2008 is given in **Annexure 'A'**. A total of 106 paragraphs pertaining to the period 2002-03 to 2006-07 were pending for discussion by the Public Accounts Committee (PAC).

As per the Rules and Procedures of the PAC of the Rajasthan State Assembly framed in 1997, the concerned department shall take necessary steps to send its action taken notes (ATNs) on the recommendation of the PAC on the Audit Reports within six months from the date of its presentation to the House. The position of outstanding ATNs is given in **Annexure 'B'**. It would be seen that the pendency of ATNs ranged from 6 to 98 months.

1.14 Compliance with the earlier Audit Reports

In respect of Audit Reports pertaining to the years from 2002-03 to 2006-07, the Government/departments accepted audit observations involving Rs. 692.72 crore of which Rs. 108.70 crore had been recovered till September 2008 as mentioned below:

(Rupees in crore)			
Year of Audit Report	Total money value	Accepted money value	Recovery made
2002-03	382.52	220.03	35.51
2003-04	381.48	234.78	49.43
2004-05	276.63	15.85	5.74
2005-06	352.81	112.34	15.73
2006-07	315.25	109.72	2.29
Total	1,708.69	692.72	108.70

Thus recovery was 16 *per cent* of the amount accepted during the last five years.

1.15 Amendment in Acts/Rules

During the years 2003-04 to 2007-08, the Government had amended Acts/Rules addressing the concerns raised by audit through audit reports. These changes are briefly mentioned in the following table:

Reference to Audit Report Paragraphs	Issue raised in audit	Amendment in Acts/Rules etc.
1	2	3
Paragraph 8.7 of Audit Report 2000-01 (Revenue Receipt).	Stamp duty on transfer and renewal of quarry licenses leviable under article 35 of schedule-I to the Rajasthan Stamp Law (Adaption) Act, 1952, had not been levied.	The word 'quarry license' had been deleted vide notification dated 28 June 2003.
Paragraph 4.2.15 of Audit Report 2002-03 (Revenue Receipt).	Stamp duty on registration of motor vehicle (movable property) to be levied under article 23 of schedule-I to the Rajasthan Stamp Law (Adaption) Act, 1952, had not been levied.	State Government vide notification dated 12 July 2004 remitted levy of stamp duty on sale of motor vehicles.

1	2	3
Paragraph 3.2.4 of Audit Report 2003-04 (Revenue Receipt).	Vehicles of motor driving schools used in commercial activities were not paying special road tax though these vehicles were not covered by exemption under section 4B of the Rajasthan Motor Vehicle Taxation Act, 1951 available to educational institutions of registered societies.	Special road tax leviable under section 4B of the Rajasthan Motor Vehicles Taxation Act, 1951, on such vehicles, was exempted vide notification dated 18 March 2005.
Paragraph 4.3 of Audit Report 2000-01 (Revenue Receipt)	Non-recovery of development charges in accordance with the provisions of the Rajasthan Land Revenue (Industrial Areas Allotment) Rules, 1959.	First and second proviso to rule 3 of the Rajasthan Land Revenue (Industrial Area Allotment) Rules, 1959 were deleted vide notification dated 19 March 2005.
Paragraph 3.2.3.2 of Audit Report 2005-06 (Revenue Receipt)	Motor vehicle tax leviable under section 4 of the Rajasthan Motor Vehicle Taxation Act, 1951 in respect of dumpers/tippers was either not paid or paid short by the owners of the vehicles.	Rates of motor vehicle tax in respect of dumpers/tippers prescribed earlier was reduced vide notification dated 9 March 2007.
Paragraph 5.4 of Audit Report 2006-07 (Revenue Receipt)	Under rule 69-B of the Rajasthan Excise Rules 1956, permit fee at prescribed rate was leviable from the distillery utilising rectified spirit/extra neutral alcohol produced by it for the manufacture of country liquor, but the fee was neither paid nor demanded by the department.	Permit fee payable under rule 69-B of the Rajasthan Excise Rules 1956, for captive consumption of rectified spirit/extra neutral alcohol was exempted vide notification dated 13 August 2007.