

CHAPTER-V: STAMPS AND REGISTRATION FEES

5.1 Tax administration

Receipts from stamp duty and registration fees in the State are governed by ‘The Indian Stamp Act (IS Act) 1899’, ‘The Karnataka Stamp Act (KS Act) 1957’, ‘The Registration Act 1908’ and the Rules made thereunder. The levy and collection of stamp duty and registration fee is administered by the Stamps and Registration Department headed by the Inspector General of Registration and Commissioner of Stamps (IGRCS). There are 33 District Registrar (DR) offices and 235 Sub-Registrar offices (SRO) in the State.

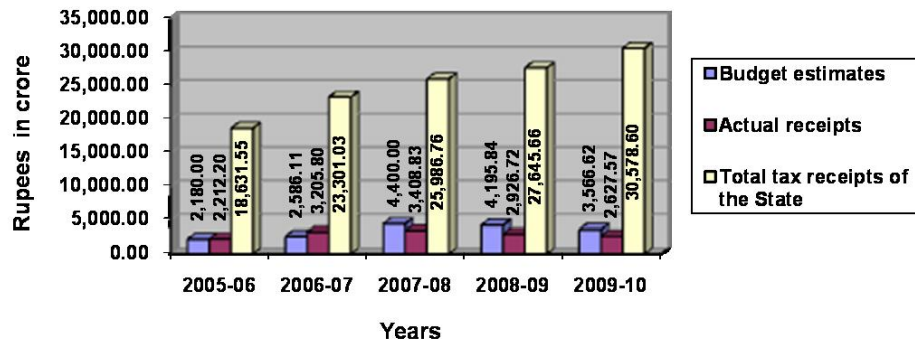
5.2 Trend of receipts

Budget Estimates (BEs) and actual receipts from stamp duty and registration fees during the years 2005-06 to 2009-10 along with the total tax receipts during the same period is exhibited in the following table and graphs.

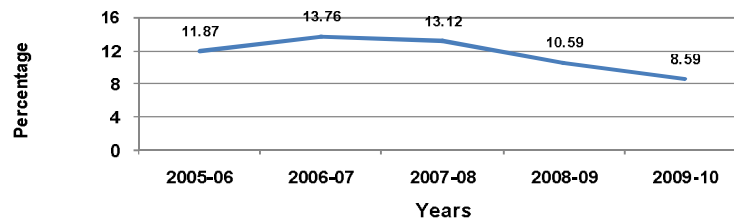
(Rupees in crore)

Year	Budget estimates	Actual receipts	Variation excess(+)/shortfall(-)	Percentage of variation	Total tax receipts of the State	Percentage of actual receipts vis-à-vis total tax receipts
2005-06	2,180.00	2,212.20	(+) 32.20	(+) 1.47	18,631.55	11.87
2006-07	2,586.11	3,205.80	(+) 619.69	(+) 23.96	23,301.03	13.76
2007-08	4,400.00	3,408.83	(-) 991.17	(-) 22.53	25,986.76	13.12
2008-09	4,195.84	2,926.72	(-)1,269.12	(-) 30.25	27,645.66	10.59
2009-10	3,566.62	2,627.57	(-) 939.05	(-) 26.33	30,578.60	8.59

Graph 1: Budget estimates, Actual receipts and Total tax receipts



Graph 2: Percentage of Actual receipts vis-à-vis Total tax receipts



It is seen from the above that the actual receipts were higher than the BEs during 2005-06 and 2006-07 and lesser than the BEs during the years 2007-08 to 2009-10. The variation between the BEs and actual receipts ranged

between (-) 30.25 per cent and (+) 23.96 per cent. The percentage of actual receipts in total tax receipts ranged between 8.59 per cent and 13.76 per cent during the five year period from 2005-06 to 2009-10. It is also seen that there was consistent decrease in actual receipts from the year 2007-08. The Department attributed the decrease in revenues during 2008-09 and 2009-10 to global economic recession.

The wide variation between the BEs and the actual receipts indicates that the BEs was not framed on realistic basis. Since BEs is an important part of the financial planning of the Government, it is desirable that these should be close to the actuals.

We recommend that the Government may issue suitable instructions to the Department for preparing the BEs on realistic and scientific basis to ensure that these are close to the actuals.

5.3 Analysis of arrears of revenue

As per the information furnished to us by the Department in September 2010, the amount of uncollected revenue on 31 March 2010 amounted to ₹ 60.53 crore, of which ₹ 51.80 crore was outstanding for more than five years. The Department did not furnish the year wise position of arrears of revenue for the period 2008-09 and 2009-10, however, for the period from 2005-06 to 2007-08 the position of arrears as furnished is mentioned in the following table.

(Rupees in crore)

Year	Opening balance of arrears	Amount collected during the year	Closing balance of arrears	Percentage of collection to opening balance of arrears
2005-06	96.67	5.06	91.61	5.23
2006-07	93.62	6.74	86.89	7.20
2007-08	88.97	3.17	85.79	3.56

We observed that the closing balance of arrears of each year did not tally with the opening balance of the next year. Thus, figures furnished were not reliable and needed reconciliation. Further, the percentage of collection of arrears to the opening balance of arrears ranged between 3.56 per cent and 7.20 per cent for the years 2005-06 to 2007-08.

We recommend that the Department take remedial measures for reconciliation of figures as well as for improving the collection of arrears of revenue.

5.4 Impact of Audit Reports

During the last five years, through our audit reports, we had pointed out non/short levy, non/short realisation and loss of revenue, etc., with revenue implication of ₹ 476.77 crore in 23 paragraphs. Of these, the Government/ Department had accepted audit observations in 17 paragraphs involving ₹ 341.83 crore and had since recovered ₹ 34 lakh. The details are given in the following table:

Year of Audit Report	Paragraphs included		Paragraphs accepted		Amount recovered	
	Number	Amount	Number	Amount ¹	Number	Amount ¹
2005-06	05	100.75	05	46.38	-	-
2006-07	03	31.26	01	0.35	-	-
2007-08	02	2.44	01	0.03	01	0.03
2008-09	06	325.83	05	283.04	03	0.23
2009-10	07	16.49	05	12.03	04	0.08
Total	23	476.77	17	341.83	08	0.34

As seen from the above table, the recovery made by the Department is only 0.10 per cent of the amount involved in the total accepted cases.

We recommend that the Government intensify its measures to ensure expeditious recovery of revenue in respect of the accepted cases.

5.5 Working of internal audit wing

The objective of an Internal Audit Wing (IAW) is to have a deterrent and reforming effect in the direction of prevention of mistakes and to play a corrective role by pointing out mistakes and ensuring remedies without loss of time.

There was no IAW in the Department, thus leaving it vulnerable to risk of control failure. The Department reported (August 2010) that proposals for setting up an IAW were submitted to Government in 2008.

We recommend that the Government expedite the setting up of IAW in the Department, especially as the proposals are lying with them since 2008.

5.6 Results of audit

We conducted a test check of the records of 109 offices of the Stamps and Registration Department during the year 2009-10, which revealed evasion, non-realisation, short levy of stamp duty and registration fee, etc., amounting to ₹ 132.18 crore in 99 cases, which fall under the following categories:

Sl. No.	Category	(Rupees in crore)	
		Number of cases	Amount
1.	Short levy of stamp duty and registration fees	69	42.34
2.	Non-realisation of stamp duty	01	48.57
3.	Loss of stamp duty and registration fee due to suppression of facts	06	29.26
4.	Short levy due to undervaluation of properties	16	11.84
5.	Other irregularities	07	0.17
	Total	99	132.18

During the course of the year 2009-10, the Department accepted underassessments of ₹ 49.71 crore in 30 cases pointed out in audit during the year. The Department also recovered an amount of ₹ 12.49 lakh in 17 cases pointed out in earlier years.

After issue of a draft paragraph, the Department reported (October 2010), recovery of ₹ 6.52 lakh in three cases².

A few illustrative audit observations involving ₹ 16.49 crore are mentioned in the succeeding paragraphs.

¹ Indicates the amount of acceptance and recovery in respect of individual cases included in the respective paragraphs.

² Indicates the number of individual cases included in the draft paragraph.

5.7 Audit observations

Scrutiny of records in the offices of the Registration Department indicated several cases of non-observance of the provisions of the Acts/Rules resulting in non/short levy of tax/penalty and other cases as mentioned in the succeeding paragraphs in this chapter. These cases are illustrative and are based on a test check carried out in audit. Such omissions are pointed out in audit each year, but not only do the irregularities persist; these remain undetected till an audit is conducted. There is need for the Government to consider directing the department to improve the internal control system including strengthening internal audit so that such omissions can be avoided, detected and corrected.

• Non-observance of provisions of the Act/Rules

The KS Act, 1957 provides as under:

- Section 3 for stamping of all instruments chargeable with duty as per the schedule to the Act and executed by any person in the State of Karnataka before or at the time of execution.
- Section 28 to set forth in the instrument the consideration and all other facts and circumstances affecting the chargeability of any instrument with duty or the amount of the duty with which it is chargeable. Section 61 for punishment with fine which may extend to five times the amount of the deficient duty thereof for any person, who, with an intent to defraud the Government, executes any instrument in which all the facts and circumstances required to be set forth are not fully and truly set forth.
- Section 45A for estimating the market value, if the registering officer, while registering any instrument has reason to believe that the market value of the properties has not been truly set forth and upon payment of duty on such market value, to register the document.
- Section 46 A for issue of notice on any person to show cause notice as to why the proper duty should not be collected from him in respect of any instrument which has not been duly stamped.
- Section 67B for power to enter and search any premises excluding residential premises and if on such inspection, the authorised officer³ is of opinion that any instrument chargeable with duty is not duly stamped, he shall require the person liable, to pay the proper duty or the amount required to make up the same and also penalty not exceeding five times the amount of the deficient duty thereof, if any leviable.

The Registration Act, 1908 prescribes fees in respect of various documents presented for registration.

We noticed in 13 SROs and four offices each of the Deputy Commissioners, Department of Mines and Geology and Department of Forests that the above provisions were not fully followed by the concerned authorities. This resulted in a number of discrepancies which led to non/short realisation of

³ Deputy Commissioner or an Assistant Commissioner or any officer not below the rank of a Sub-Registrar authorised by the Deputy Commissioner or Chief Controlling Revenue Authority.

Government revenue amounting to ₹ 16.49 crore. Of these, the Department furnished replies and accepted audit observations in 145 cases⁴ involving ₹ 12.03 crore and recovered ₹ 8.07 lakh in four cases.

5.7.1 Short levy of stamp duty/registration fee due to incorrect determination of market value

As per Article 5(e) of the KS Act, any agreement relating to the sale of immovable property wherein possession of the property is delivered or agreed to be delivered without executing the deed of conveyance, stamp duty shall be levied as on conveyance on the market value of the property.

5.7.1.1 We noticed from the records of SRO, Ramanagara, that an agreement of sale and a general power of attorney (GPA) delivering the possession and authorising the GPA holder to sell the property were registered on 2 February 2008. The registering authority levied stamp duty of ₹ 3.48 lakh and registration fee of ₹ 46,400 by computing the market value of the property at ₹ 46.30 lakh. We

however, noticed that as per the Sale agreement, the purchaser had actually paid ₹ 2.06 crore to the vendor as consideration for purchase of the property. Accordingly, stamp duty ₹ 15.45 lakh and registration fee of ₹ 2.06 lakh was payable on the actual consideration received by the vendor. Omission to do so resulted in short levy of stamp duty of ₹ 11.97 lakh and registration fee of ₹ 1.60 lakh, after deducting the stamp duty levied by treating the GPA as conveyance deed. Further, since the Agreement for sale mentioning the purchase consideration and the GPA authorising the GPA holder to sell the property and also giving possession to him, were registered on the same date, nothing prevented the RO to link the two documents to arrive at the correct market value of the property for the stamp duty purposes. The Registering authority should have taken this purchase value as the market value for purposes of levy of stamp duty.

After we pointed out the case, the Department reported (July 2010) that the DR had been directed to initiate action under Section 46A of the KS Act for collection of the duty levied short.

5.7.1.2 We noticed from the records of the SRO, Magadi that three sale deeds were registered between December 2008 and June 2009. As per the recitals, a total consideration of ₹ 21.12 lakh was received in cash on the date of execution of the sale deeds, which was equal to the guideline market value of the properties as published by the Department. Stamp duty of ₹ 1.67 lakh and registration fee of ₹ 21,120 were levied. A cross-verification of the sale deeds with sale agreements registered earlier between the same parties in respect of these properties revealed that the total sale

As per Article 20 of the KS Act, stamp duty on conveyance is leviable on the market value of the property or consideration stated in the document, whichever is higher.

⁴ Indicates the number of individual cases included in the respective paragraphs.

consideration agreed to by the purchasers in the sale agreement was ₹ 44.73 lakh, of which an advance of ₹ 20.28 lakh was received by the vendors at the time of execution of those sale agreements. Hence, the total consideration received by the vendors as acknowledged in the sale agreements and corresponding sale deeds was ₹ 41.40 lakh. Suppression in the sale deeds of the actual consideration received resulted in short levy of stamp duty of ₹ 1.63 lakh and registration fee of ₹ 20,275. Besides, penalty up to ₹ 8.15 lakh could have been levied for suppression of facts.

After we pointed out the cases, the Department reported (July 2010) that the DR had initiated action under Section 45A(3) of the KS Act for the redetermination of the market value of the property for levy of stamp duty.

We reported all the above cases to the Government in June 2010; we have not received their reply (January 2011).

5.7.2 Non-realisation of stamp duty and registration fees

We noticed from the records of the office of the Deputy Director (Mines), Chitradurga and four offices⁵ of the Deputy Conservators of Forests that one mining lease and five lease agreements relating to diversion of forest land for non-forestry purposes were executed between January 2007 and July 2009. However, all these six lease agreements were not registered. Consequently, stamp duty of ₹ 34.48 lakh and registration fee of ₹ 4.70 lakh due were not realised.

As per the Registration Act, all lease deeds purporting to be for a period more than a year are to be compulsorily registered.

After we pointed out the cases, the Department reported (July 2010) that the concerned DRs have been directed to initiate action under Section 67B of the KS Act for payment of the stamp duty and imposition of penalty. DR, Chitradurga reported (December 2010) that stamp duty of ₹ 37,920 and penalty of ₹ 500 were recovered in respect of the mining lease.

We reported the cases to the Government in June 2010; we have not received their reply (January 2011).

5.7.3 Short levy of stamp duty and registration fee on lease deeds

We noticed during test check of the records of four SROs and three offices of Deputy Directors (Mines) between June 2009 and January 2010 that stamp duty of ₹ 2.19 crore and registration fee of ₹ 31.18 lakh were levied short in respect of 21 lease deeds. Details are given below:

Stamp duty on lease deeds is leviable at prescribed rates on the average annual rent based on the period of lease and consideration for lease.

5.7.3.1 Nine lease deeds were registered between March 2007 and August 2008 in four SROs⁶. Stamp duty of ₹ 3.42 crore and registration fee of ₹ 80.09 lakh were levied. The stamp duty and registration fee leviable in accordance with the provisions

⁵ Bhadravathi, Karwar, Sirsi, Yellapura.

⁶ Begur, BTM Layout, Halasur, Kacharakannahalli.

worked out to ₹ 4 crore and ₹ 89.93 lakh respectively. Incorrect computation of consideration for levy of stamp duty and registration fee resulted in short levy of stamp duty of ₹ 58.04 lakh and registration fee of ₹ 9.84 lakh.

After we pointed out the cases, DR, Gandhinagar, Bangalore reported (March 2010) recovery of stamp duty of ₹ 5.03 lakh and registration fee of ₹ 69,273 in two cases⁷. We have not received any reply in respect of the remaining cases (January 2011).

5.7.3.2 We noticed during test check of the records of offices of the Deputy Director (Mines), Bangalore, Chamarajanagar and Ilkal that

Stamp duty on leases of mines is to be levied on the estimated royalty from the lease which is indicated in the lease deed by the Department of Mines and Geology. As per the circular issued by the Director of Mines and Geology in August 1992, estimated royalty should be calculated based on production plan submitted along with the application for quarrying lease and in the event of the royalty being lesser than the dead rent leviable for the lease, dead rent should be taken for the purpose of levy of stamp duty. In respect of renewal of quarrying lease, the maximum royalty paid by the lessee in any year of the previous term should be considered for purpose of levy of stamp duty.

in 12 quarrying lease deeds executed between February and May 2008, the dead rent⁸ was indicated as consideration for stamp duty instead of estimated royalty/maximum royalty paid as per provisions. Accordingly, the SROs levied stamp duty of ₹ 4.69 lakh and registration fee of ₹ 70,000 only. We found that stamp duty of ₹ 1.65 crore and registration fee of ₹ 22.04 lakh were leviable on the anticipated royalty from the lease as worked out by us based on the production plan or highest royalty paid by

the lessee during previous term of lease. Incorrect adoption of consideration for levy of stamp duty resulted in short levy of stamp duty of ₹ 1.61 crore and registration fee of ₹ 21.34 lakh.

After we pointed out the cases, the Department reported (July 2010) that the concerned DRs have been directed to initiate action under Section 67B of the KS Act.

We reported all the above cases to the Government in June 2010; we have not received their reply (January 2011).

⁷ Indicates the number of individual cases included in the paragraph.

⁸ Dead rent is payable when the lease is idle and no mineral is removed from the leased area or if royalty payable is lesser than the dead rent.

5.7.4 Short levy of stamp duty and registration fees

The stamp duty on the instruments executed is levied in accordance with the recitals and description of the instrument and at the rates prescribed in the schedule to the Act.

We noticed during test check of the records of three SROs⁹ between September 2006 and December 2009 that stamp duty and registration fee of ₹ 1.77 crore were levied short in respect of four documents registered between September 2005 and June 2008. This was due to application of incorrect rates of stamp duty and incorrect computation of consideration as detailed below:

(Rupees in lakh)

SRO/Nature of document	Stamp duty			Registration fees		
	Leviable	Levied	Short levy	Leviable	Levied	Short levy
Nature of Omission: As per Article 28 of the KS Act, in respect of a gift deed, where the donee is not a family member of the donor, stamp duty is leviable at the rate applicable to conveyance for the market value of the property which is the subject matter of the gift. In respect of a gift deed, where the donee is a member of the family, stamp duty of ₹ 1,000 is leviable. As per explanation in the Act, family in relation to the donor means husband, wife, son, daughter, daughter-in-law and grand children. The document was a gift deed from son to father for which stamp duty of ₹ 1,120 was levied. As father is not included in definition of family, stamp duty was leviable at conveyance rate for market value of the property as mentioned below:						
Basavangudi/Gift deed	1.76	0.01	1.75	0.20	0.01	0.19
Nature of Omission: As per the KS Act, when GPA to sell is given to person other than father, mother, wife or husband, sons, daughters, brothers, sisters, stamp duty is leviable at 7.5 per cent of the market value of the property and ₹ 100 in any other case. The document was a GPA executed in June 2008 in favour of the attorney holder by mother-in-law and husband of the attorney holder. Stamp duty of ₹ 100 was levied. Since, one of the executants, that is, the mother-in-law in relation to the holder of the GPA is a person other than those mentioned in the definition of family like father, mother, wife or husband, sons, daughters etc, 50 per cent of the value of the property attracted stamp duty and registration fee at conveyance rate. Omission to do so resulted in short levy of stamp duty and registration fee as mentioned below:						
Halasur/GPA	1.15	0.01	1.14	0.15	0.01	0.15
Nature of Omission: As per the KS Act, in respect of mortgage deed, when possession of the property or any part of the property comprised in such deed is given by mortgagor or agreed to be given, stamp duty leviable is the same as for conveyance on a market value equal to the amount secured by such deed. As per recitals of a mortgage deed, mortgagor had agreed to hand over possession of two vacant floors of property until the entire loan and interest were repaid and 'no due certificate' issued by bank. However, stamp duty and registration fee were incorrectly computed and levied short as mentioned below:						
Halasur/Mortgage deed	150.00	0.50	149.50	20.00	0.10	19.90
Nature of Omission: As per section 25 of the KS Act, when, in any sale of immovable property, in addition to consideration, any liability of the vendor is taken over by the purchaser, the same shall be considered as part of consideration. A releasee company had agreed to take over assets and liabilities of the releasor company. The releasee company had paid a consideration of ₹ 85.24 lakh for the immovable property of the releasor company which when referred to the District Registrar for undervaluation was valued at ₹ 1.12 crore. However, the liability of ₹ 39.75 lakh of outstanding loan taken over by releasee company was not considered for levy of stamp duty as mentioned below:						
Rajajinagar/Release deed	13.66	10.52	3.56	1.53	1.13	0.40

⁹ Bangalore (Basavanagudi), Bangalore (Rajajinagar), Halasur.

After we pointed out the cases, the Department reported (July 2010) that the concerned DRs have been directed to initiate action under Section 46A of the KS Act. We have not received the report on further action taken and final reply in respect of the remaining two documents (January 2011).

We reported the cases to the Government in June 2010; we have not received their reply (January 2011).

5.7.5 Short levy due to undervaluation

Under the KS Act, if the registering officer while registering any instrument has reason to believe that the market value of the properties has not been truly set forth, he shall estimate the market value and upon payment of duty on such market value, register the document.

We noticed during test check of the records of five SROs between April 2009 and August 2009 that stamp duty of ₹ 24.37 lakh and registration fee of ₹ 2.94 lakh were short levied. This was due to levy of stamp duty on consideration stated in the document and incorrect determination of market value in respect of eight documents, as detailed below:

(Rupees in lakh)		
SRO/No. of documents	Nature of observation	Short levy of Stamp duty/Registration fee
Malur/ 3/ December 2007	Two documents related to the conveyance of 4 acres 2 guntas of land for a brick factory. The stamp duty and registration fee were levied on the consideration of ₹ 40.50 lakh stated in the documents. As per guidelines, value for industrial land was double the rate prescribed for agricultural land. Accordingly stamp duty had to be levied on market value of ₹ 64.80 lakh (at ₹ 8 lakh per acre for agricultural land). In respect of another conveyance deed relating to converted undeveloped land, measuring 12 acres 22.5 guntas (5,47,222.5 sq.ft.) stamp duty and registration fee were levied on the market value of ₹ 1.32 crore. However, as per guidelines, the market value of the property was to be computed at 60 per cent of the corresponding site value and accordingly the market value of the property was ₹ 1.64 crore. Incorrect computation of the market value resulted in short levy of stamp duty and registration fee in these cases.	4.76/0.56
Belur 1/ December 2007	As against the market value of ₹ 18.90 lakh for the site in accordance with the guideline values notified under the Act, stamp duty and registration fees were levied on the consideration of ₹ 3.50 lakh.	1.30/0.16
Ganganagar / 1/ August 2008	As per guidelines, value of commercial property was to be enhanced by 40 per cent and 10 per cent for corner site. The khata furnished at the time of registration mentioned the property as non-residential. However, market value was not enhanced by 50 per cent.	3.34/0.40
Mysore North/ 2/ April 2008	As against the market value of ₹ 21.05 crore in accordance with the guideline values notified under the Act, stamp duty and registration fees were levied on ₹ 19.46 crore. One document relates to immovable property along with industrial buildings located in industrial estate. The other	12.94/1.58

SRO/No. of documents	Nature of observation	Short levy of Stamp duty/Registration fee
	document relates to three plots of land converted for non-agricultural purposes.	
Halasur/1/June 2008	As against the market value of ₹ 61 lakh for the property in accordance with the guideline values notified under the Act, stamp duty and registration fees were levied on ₹ 36.85 lakh.	2.03/0.24
Total		24.37/2.94

After we pointed out the cases, the Department reported (July 2010) acceptance of audit observation in one case pertaining to SRO, Mysore (North) and recovered the entire amount of ₹ 1.97 lakh. We have not received any reply in respect of the remaining cases (January 2011).

We reported the cases to the Government in June 2010; we have not received their reply (January 2011).

5.7.6 Absence of provision to determine market value in respect of 'certificate of sale' resulting in foregoing of stamp duty

The guideline market values published by the Government for the purpose of estimating the market values for levy of stamp duty prescribe that when any undeveloped land converted for non-agricultural purposes is to be used for residential, industrial or commercial purposes, it was to be valued by enhancing the rate of agricultural land by 50, 25 and 60 *per cent* respectively. The KS Act does not empower the registering authority to determine the market value of property which is the subject matter of the 'certificate of sale' as per above norms and stamp duty is to be levied only on the value mentioned in the 'certificate of sale'.

We noticed from the records of the office of the Deputy Commissioner (DC), Bangalore (Urban) that 'certificates of sale'¹⁰ were issued between 2004-05 and 2008-09 in respect of 33 auctions of Government land for purchase money of ₹ 95.35 crore. On cross-verification with the records of the concerned SROs¹¹, we noticed that these certificates of sale were registered and stamp duty of ₹ 7.68 crore and registration fee of ₹ 95 lakh were realised on the purchase money. We observed that the lands were converted for non-agricultural purposes on payment

of conversion fine even before the certificates of sale were presented for registration. Though the certificates of sale issued by the DC indicated conversion of land for non-agricultural purposes, absence of provision in the KS Act for estimating the market value in respect of properties covered by

¹⁰ When a sale held is confirmed, a certificate to the effect that the purchaser has purchased the property specified therein is issued and such certificate shall be deemed to be a valid transfer of such property.

¹¹ Anekal, Attibele, Banaswadi, Begur, Bidarahalli, Bomanahalli, Byatarayanapura, Dasanapura, Jala, Jigani, Kengeri, Nagarabhavi, Peenya, Sarjapura, Tavarekere, Varthur, Yelahanka.

‘certificate of sale’ in accordance with the above norms, resulted in foregoing of stamp duty of ₹ 3.03 crore.

After we pointed this out, the Department stated (September 2010) that the stamp duty levied was in accordance with existing provisions of the Act and that amendments will have to be made to the Act if the short realisation was to be prevented and that this aspect would be considered while making amendments to the KS Act.

5.7.7 Non-realisation of stamp duty and registration fee due to non-compliance with the conditions of grant

The KS Act, 1957 prescribes that all instruments chargeable with duty as per the schedule to the Act and executed by any person in the State of Karnataka shall be stamped before or at the time of execution.

We noticed from the records of four DC offices¹² that 928 acres 5 guntas of Government land were granted to statutory bodies and others for ₹ 248.77 crore. As per

condition (6) of the grant order issued by DC, the grantee was required to get the document registered with the SRO by paying stamp duty and registration fee as prescribed under the KS Act. We verified the records and saw that the documents relating to conveyance of the property had not been executed and registered. This omission resulted in non-realisation of revenue of ₹ 10.06 crore towards stamp duty and ₹ 1.34 crore towards registration fee.

After we pointed out the cases, Government (Revenue Department) reported (August 2010) that directions had been issued to the DCs to take necessary action as per rules.

¹² Bangalore (Urban), Hassan, Kolar, Ramanagara.