

CHAPTER III: STAMPS AND REGISTRATION FEES

EXECUTIVE SUMMARY

What have we highlighted in this chapter	In this chapter we present our findings on Levy and collection of stamp duty and registration fees involving financial effect of ₹ 80.40 crore.
Trend of revenue receipts	Receipts from stamps and registration fees fell short of the Budget Estimates (BEs) by 4.69 and 3.33 <i>per cent</i> respectively for the year 2008-09 and 2011-12. The actual receipts increased by 13.23 <i>per cent</i> and 20.83 <i>per cent</i> over the BEs during the year 2009-10 and 2010-11 respectively. However, the percentage of variation of actual receipt over BE during the year 2012-13 was negligible (0.26 <i>per cent</i>).
Importance not given to Internal Audit	In Commercial Tax (Registration) Department, as against the sanctioned post of two Assistant Audit Officers in Internal Audit Wing, only one Assistant Audit Officer was posted since 2010-11. During the year 2008-09 to 2010-11, the Internal Audit Wing planned 101 units for audit. Though the wing was working at full strength except in the year 2010-11, the Internal Audit Wing conducted the audit of 32 units only during 2008-09 to 2010-11. Further, the Department did not approve any plan for internal audit for the year 2011-12 and also did not initiate action for conducting audit of a single unit despite approved plan of 51 units for the year 2012-13.
Impact of Audit	We conducted Audit on Levy and collection of stamp duty and registration fees during the period April to July 2013, which revealed number of deficiencies relating to non/short realisation, irregular exemption from payment of stamp duty, non realisation of stamp duty due to lack of co-ordination with other Departments, non revision of cases decided by District Registrars, inordinate delay in disposal of cases referred to District Registrars, non adherence of Chhattisgarh market value guidelines, registration of documents with the support of fabricated revenue records and other irregularities.
Our conclusion	We observed that lack of co-ordination among Industries, Energy and Commercial Tax

(Registration) Departments led to registration/acceptance of documents without realisation of proper stamp duty and registration fees. Registration of documents through under valuation of property, lack of clarification in the criteria of main road, issue of exemption certificates in contravention of the provision of the Industrial Policy etc. also led to non/short levy of stamp duty and registration fees. Revisions of the cases decided by the District Registrars as provided in the Indian Stamp Act were not followed. There was inordinate delay in disposal of pending cases and inadequate follow up for early finalisation of Revenue Recovery Certificate cases. The internal control mechanism was not adequate due to lack of regular internal audit, inadequate inspection and spot verification by District Registrars and Sub Registrars respectively.

3.1 Impact of Audit

Status of compliance to Inspection Reports (2012-13):

We conducted test check of records of 38 units relating to the Commercial Tax (Registration) Department during the year 2012-13 and found non/short levy of stamp duty and registration fees, inordinate delay in disposal of cases referred to District Registrars and other irregularities amounting to ₹ 81.13 crore in 193 cases which fall under the following categories:

(₹ in crore)

Sl. no.	Category	No. of cases	Amount
1	“Levy and collection of stamp duty and registration fees”- A review	1	80.40
2	Non/short levy of stamp duty and registration fees due to undervaluation of properties, misclassification of instruments.	170	0.62
3	Inordinate delay in disposal of cases	7	0.07
4	Other irregularities	15	0.04
	Total	193	81.13

During the year, the Department accepted underassessment of ₹ 52.65 lakh in 73 cases, which were pointed out in 2012-13.

The deficiencies noticed in Audit of **Levy and collection of stamp duty and registration fees** involving financial effect of ₹ 80.40 crore are mentioned in the succeeding paragraphs.

3.2 Levy and Collection of Stamp Duty and Registration Fees

Highlights:

- There was non realisation of stamp duty and *janpad shulk* of ₹ 67.63 crore due to lack of co-ordination with public offices.

(Paragraph 3.2.12)

- Incorrect issue of exemption certificates to industries led to non levy of stamp duty of ₹ 4.65 crore.

(Paragraph 3.2.13)

- Inaction on the part of the Sub Registrars to classify the instruments as per recitals led to short levy of stamp duty and registration fees of ₹ 1.17 crore.

(Paragraph 3.2.22)

- There was short realisation of stamp duty of ₹ 22.49 lakh due to irregular reduction in stamp duty allowed by the Sub Registrars to woman/women executants.

(Paragraph 3.2.23)

- Inaction on the part of the Sub Registrars to determine the market value of diverted land correctly led to short levy of stamp duty and registration fees of ₹ 40.56 lakh.

(Paragraph 3.2.26)

- Inaction on the part of the Sub Registrars to determine the market value in accordance with the rates envisaged in Chhattisgarh Market Value Guidelines led to short realisation of stamp duty and registration fees of ₹ 1.02 crore.

(Paragraph 3.2.27)

- There was non levy of the *janpad shulk* of ₹ 2.30 crore on amalgamation of companies as well as non realisation of stamp duty of ₹ 1.83 crore paid in other State.

(Paragraph 3.2.31)

3.2.1 Introduction

Commercial Tax (Registration) Department is one of the major revenue earning Department of the State. The contribution of the stamp duty and registration fees to the total tax revenue of the State during the last five years ranged between 7.31 and 8.73 *per cent*. The receipts from stamp duty and registration fees are the major sources of revenue for the Government. Stamp duty is leviable on the execution of documents and registration fees is payable at the prescribed rates at the time of registration of the documents. Further *Janpad shulk* at the rate of one *per cent* of the market value, *Nigam shulk* at the rate of one *per cent* of market value (if the properties were situated in *Nagar Nigam* area) and cess at the rate of five *per cent* of the leviable stamp duty is also leviable in the form of stamp duty. Under the Industrial Policies (IP) promulgated from time to time by the Government, industrial units are granted exemption from payment of stamp duty on fulfilment of certain terms and conditions. The Government also granted concession from payment of stamp duty on transfer of properties in favour of women.

3.2.2 Organisational set up

The Commercial Tax (Registration) Department is headed by the Secretary at Government level and the Inspector General of Registration cum Superintendent of Stamps (IGR) is head of the Department, who is assisted by two Deputy IsGR, 10 District Registrar cum Collector of Stamps (DR) and 88 Sub Registrars (SR).

3.2.3 Scope of Audit

We had conducted Audit of Levy and collection of Stamp duty and Registration fees in 2006-07 which featured as para 4.2 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 2007, highlighting non/short levy of stamp duty, misclassification of instruments, inordinate delay in disposal of cases, etc.

For the present **Audit of Levy and collection of stamp duty and registration fees** we conducted test check of the records for the period 2008-09 to 2012-13. The office of IGR, three DRs¹ and 21 SRs² were selected on simple random sampling basis with a view to evaluate the efficiency and effectiveness of Department in enforcing the system and procedure prescribed for levy and collection of stamp duty and registration fees. These 21 units of SRs account for 74.10 *per cent* of the total stamp duty and registration fees of the State during 2008-09 to 2011-12. Further the information/documents involving stamp duty and registration fees were collected from the offices of Industries Department, Chhattisgarh State Industrial Development Corporation (CSIDC) and Chief Electrical Inspector (CEI) and were cross verified with the records of the Commercial Tax (Registration) Department. The Audit was conducted between April and July 2013. The Audit revealed number of

¹ Durg, Raigarh and Raipur

² Abhanpur, Ambikapur, Arang, Balodabazar, Bhatapara, Bilaspur, Bilha, Champa, Dhamtari, Durg, Jagdalpur, Janjgir, Kanker, Kawardha, Korba, Mungeli, Mahasamund, Patan, Rajnandgaon, Raigarh and Raipur

system/compliance deficiencies which are discussed in the succeeding paragraphs.

3.2.4 Audit objectives

The Audit was conducted to ascertain:

- Whether the Department had adequate system in place to ensure levy and collection of Stamp duty and Registration fees in accordance with the prescribed provisions of Acts/Rules/procedures etc;
- Whether exemptions/concessions were allowed as per the Rules/provisions of Acts; and
- Whether the Department had adequate internal control mechanism in place to ensure timely realisation of Stamp duty, Registration fees etc.

3.2.5 Audit criteria

The provisions of the following Acts, Rules and circulars of Commercial Tax (Registration) Department were used as audit criteria:

- The Indian Stamp Act (IS Act), 1899;
- The Registration Act (IR Act), 1908;
- Indian Stamp Rules, 1975;
- Chhattisgarh Market Value Guidelines (Guidelines) and
- Various notifications/orders issued by the Government/Department.

3.2.6 Acknowledgement

Indian Audit and Accounts Department acknowledges the co-operation of the Commercial Tax (Registration), Industries and Energy Departments for providing requisite information and records to audit. The scope and methodology of audit was discussed with the Secretary, Commercial Tax (Registration) Department in an entry conference held on 5 June, 2013. The draft report was forwarded to the Government and the Department on 10 July 2013. The exit conference was held in August 2013 wherein the audit findings, conclusions and recommendations were discussed. The Government was represented by the Secretary, Commercial Tax (Registration) Department, whereas the Dy. IsGR represented the Department. The replies received during the exit conference and at other points of time have appropriately been included in the relevant paragraphs.

3.2.7 Trend of receipts from Stamp duty and Registration fees

Actual receipts from Stamp duty and Registration fees during the years 2008-09 to 2012-13 along with the total tax receipts of the State during the period are mentioned in the following table:

(₹ 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
2008-09	520.00	495.59	(-) 24.41	(-) 4.69	6,593.72	7.52
2009-10	515.00	583.13	68.13	13.23	7,123.25	8.19
2010-11	650.35	785.85	135.50	20.83	9,005.14	8.73
2011-12	875.00	845.82	(-) 29.18	(-) 3.33	10,712.25	7.90
2012-13	950.00	952.47	2.47	0.26	13,034.21	7.31

(Source: Finance Accounts of Government of Chhattisgarh)

It may be seen from the above table that the actual receipts fell short by 4.69 and 3.33 *per cent* of the Budget Estimate (BE) during the year 2008-09 and 2011-12 respectively. The actual receipts increased to 13.23 and 20.83 *per cent* over the BE during the year 2009-10 and 2010-11 respectively. However, the percentage of variation of actual receipts over BEs during the year 2012-13 was negligible (0.26 *per cent*).

During the exit conference, the Government stated (August 2013) that increase in the revenue during the year 2009-10 and 2010-11 over BEs was due to increase in the number of registered documents and market value as well as registration of some high value documents of some industries.

3.2.8 Preparation of Budget Estimates

As per para 18 of Budget Manual, the Budget Estimates (BEs) of receipts should be based on the existing rates of taxes, duties, fees etc. and no increase or reduction in such rates which have not been sanctioned by Government should be proposed in the BEs. In the preparation of the budget, the aim is to achieve as close an approximation to the probable actual, as possible. This demands exercise of utmost foresight in estimating revenue. It is, therefore, necessary that all the items of revenue that can be foreseen should be allowed for. If the test of accuracy is to be satisfied, not merely should all items that could have been foreseen be provided for, but also only so much and no more, should be provided for as is necessary. Further para 58 of Budget Manual stipulates that the revised estimates are generally prepared by adding to the actual of the first five months of the current year, those of the last seven months of the previous year, or by assuming that the revised estimate for current year will bear the same proportion to the actual of the first five months as the actual in the previous year borne to those of the first five months of that year.

Finance Department (FD) had issued instructions to the Secretaries of various Departments that Budget Estimates (BEs) for ensuing year should be prepared taking into account of actual receipts of previous year and revised BEs of the current year. Actual Receipts (ARs) of last 12 months are to be considered for revision of BEs.

The comparison between BEs proposed by the Department and BEs approved by the Finance Department with the actual receipts during the year is mentioned below:

(₹ in crore)

Year	BEs proposed by the Department	BEs approved by the FD	BEs revised by the FD	Actual receipts (ARs)	Percentage of variation (column 2 to 5)
(1)	(2)	(3)	(4)	(5)	(6)
2008-09	478.75	549.23	520.00	495.59	3.52
2009-10	569.16	600.01	515.00	583.13	2.45
2010-11	561.13	561.13	650.35	785.85	40.05
2011-12	660.23	750.00	875.00	845.82	28.11
2012-13	950.00	1,000.00	950.00	952.47	0.26

(Source: Figures furnished by the Department)

It may be seen from the above table that the percentage of variation of the actual receipts to the BEs proposed by the Department was less than five *per cent* during the year 2008-09, 2009-10 and 2012-13 respectively, but the same was higher than 40 and 28 *per cent* during the year 2010-11 and 2011-12 respectively which indicated improper preparation of BEs. The above variation could have been reduced, had the Department prepared the BEs taking into account actual receipts of previous year and the guideline issued by the Finance Department.

During the exit conference, the Government stated (August 2013) that the actual receipts during the year 2010-11 and 2011-12 increased due to registration of some unanticipated documents pertaining to sale of mega industries. Further, the Government stated that a mechanism has since been introduced to monitor the trend of receipts on quarterly basis.

We recommend that the Government should ensure preparation of BEs in accordance with the provisions of Budget Manual and guidelines issued by the Finance Department.

3.2.9 Arrears of revenue

The arrears of revenue with respect to Stamp duty and registration fees as on 31 March, 2013 amounted to ₹ 12.36 crore, of which ₹ 1.40 crore was outstanding for more than five years. The following table depicts the position of arrears of revenue during the period 2008-09 to 2012-13:

(₹ in crore)

Year	Opening balance of arrears	Addition during the year	Recovery made during the year	Closing balance of arrears
2008-09	3.06	1.02	0.39	3.69
2009-10	3.69	2.00	0.99	4.70
2010-11	4.70	3.46	2.72	5.44
2011-12	5.44	3.08	3.49	5.03
2012-13	5.03	11.92	4.59	12.36

(Source: Figures furnished by the Department)

It may be seen from the above table that the arrears increased to ₹ 12.36 crore at the end of March 2013 from ₹ 3.06 crore as on April 2008. Out of the above arrears, amount of ₹ 2.12 crore are still pending for decision in the court of law.

During the exit conference, the Government stated (August 2013) that the sudden jump in the arrears during the year 2012-13 was due to finalisation of 561 documents pending with the DRs, which remain unrealised. Further the Government assured that the target will be fixed for each DR to recover the dues in time and effective steps will be taken to minimise the arrears.

We recommend that the Department may take immediate steps for realisation of arrears of revenue, which are showing an increasing trend.

3.2.10 Lack of follow up of Revenue Recovery Certificates

Section 48 of Indian Stamp Act provides that all duties, penalties and other sums required to be paid under the Act may be recovered by distress and sale of movable property of the person from whom the same are due, or by any other process for the time being in force for recovery of arrears of land revenue.

During scrutiny of the *Dayara panji*³ maintained in three selected DRs, we noticed that in 661 cases, Revenue Recovery Certificates (RRCs) involving revenue of ₹ 8.40 crore were pending for recovery since 1989-90. But no follow up action was initiated by the DRs for recovery after issuing RRCs. Further the office of IGR also did not maintain any consolidated

records of these cases and no action for attachment of property and its disposal was initiated. In absence of monitoring mechanism, the Department could not recover the revenue amounting to ₹ 8.40 crore.

During the exit conference, the Government stated (August 2013) that no coercive action like court attachment, auction of property, etc. was taken previously to realise the revenue pending in RRCs. However, necessary action will be taken to realise the same and would be monitored at IGR level.

3.2.11 Internal Control Mechanism

3.2.11.1 Internal Audit

The Internal Audit (IA) of a Department is a vital arm of the internal control mechanism and is generally defined as the control of all controls to enable an organisation to assure itself that the prescribed systems are functioning reasonably well.

We observed that as against the sanctioned post of two Assistant Audit Officers, only one Assistant Audit Officer was posted since 2010-11 in the Internal Audit Wing (IAW). During the year 2008-09 to 2010-11, the IAW planned 101 units for internal audit against which it could conduct audit of 32 units only. Further, the Department had not approved any plan for audit for the year 2011-12. Though 51 units were planned for audit during the year

³ A register, in which cases relating to Revenue Recovery Certificates are recorded.

2012-13, none of the unit was audited. The year wise details of unit inspected by IAW are detailed below:

(₹ in crore)

Year	No. of units planned	Number of units inspected	No. of paras	Total no. of objected cases	Amount objected	No. of cases disposed of	Amount recovered	No. of pending cases
2008-09	40	16	49	142	0.86	4	0.004	138
2009-10	25	5	10	23	0.20	4	Nil	19
2010-11	36	11	21	61	0.13	12	0.04	49
2011-12	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2012-13	51	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(Source: Information furnished by the Department)

During the exit conference, the Government stated (August 2013) that provision has been made in the budget for sanction of additional manpower for IAW.

Para 469 of *Karyapalik Anudesh* of Registration Department provides that a District Registrar must inspect Sub Registrar's offices of his jurisdiction twice every year. Besides, he should also pay surprise visit to these offices. Further as per para 467 of Registration Manual, the Inspector General of Registration and Deputy Inspector General of Registration are also required to inspect the offices of District Registrar.

3.2.11.2 Inspections

We noticed that during the year 2008-09 to 2012-13, as against inspection target of 815 offices, only 232 offices were inspected by the DRs. Further, as against the target of 10 and 40 units, only four and 23 units were inspected by IGR and DIGR respectively. The year wise details are mentioned below:

Year	IGR		Dy. IsGR		DRs	
	Target	Inspected	Target	Inspected	Target	Inspected
2008-09	02	01	08	03	161	58
2009-10	02	01	08	02	175	51
2010-11	02	01	08	08	162	57
2011-12	02	01	08	07	144	27
2012-13	02	Nil	08	03	173	39
Total	10	04	40	23	815	232

(Source: Information furnished by the Department)

From the above fact, it is clear that the number of inspections conducted by IGR, DIGR and DRs ranged between zero and 50 per cent, 25 and 100 per cent and 18 and 36 per cent during the period 2008-09 and 2012-13 respectively. Thus, the number of inspections needs to be increased to cover the targets.

During the exit conference, the Government stated (August 2013) that instructions would be issued to the DRs to inspect the offices as per the norms.

3.2.11.3 Spot verification

As per Para 408 of Registration manual and the instructions issued by the Department in February 2004, the concerned Sub Registrar should verify the spot before registration as detailed below:

- The market value of the property more than or equal to ₹ 3 lakh in *Nagar Nigam* area (Bilaspur, Durg and Raipur).
- The market value of the property more than or equal to ₹ 2 lakh in *Nagar Nigam/ Nagar palika* area (except above)
- The market value of the property more than or equal to ₹ 1 lakh in other urban area.

Further, in case of sale of house, the spot verification is mandatory.

During scrutiny of the records of spot verification maintained in the office of 21 selected SRs we noticed that the norms were not followed by the SRs. Further, it was also noticed that the SRs had not properly maintained the details of spot verification. The details of total number of registered documents, spot verification actually done etc. by the SRs are mentioned below:

Year	Total no. of houses registered	Total no. of spot verification done	Percentage of verification	Total no. of registered document more than ₹ 1 lakh	Total no. of spot verification done	Percentage of verification	Remarks/ No. of SRs who did not furnished the details
2008-09	6,902	132	1.91	8,301	418	5.04	14
2009-10	12,374	271	2.19	7,587	451	5.94	12
2010-11	13,967	505	3.62	11,089	700	6.31	12
2011-12	14,133	1,145	8.10	13,659	520	3.80	12
2012-13	14,673	1,308	8.91	14,388	681	4.73	11

(Source: Compiled from information furnished by the Department)

It may be seen that percentage of the spot verification of number of houses registered by the SRs ranged between 1.91 and 8.91 and that of total number of registered documents of more than ₹ 1 lakh ranged between 3.80 *per cent* and 6.31 *per cent*.

During the exit conference, the Government stated (August 2013) that either the old provision would be removed or the limit of the market value for spot verification would be enhanced.

The Government may consider prescribing suitable monitoring mechanism to ensure compliance of codal provisions/instructions on conducting of prescribed inspections/spot verification by designated officers.

3.2.12 Lack of co-ordination with the other Departments

Section 33 of the Indian Stamp Act provides that it would be obligatory on every public officer to impound cases which are unduly stamped and initiate action under Section 38 of the above Act. As per para 469 of *Karyapalik Anudesh*, the District Registrar is required to inspect the records of public offices twice in a year besides surprise inspections to see whether stamp duty was being paid correctly and the documents which require registration are submitted in Sub Registrar offices. As per Article 23 of Schedule 1-A of Indian Stamp Act, where an instrument relates to the amalgamation or reconstruction of companies under the order of High Court under Section 394 of the Companies Act 1956, the duty chargeable shall not exceed an amount equal to seven *per cent* of the market value of the property transferred which is located in the State of Chhattisgarh or an amount equal to 0.7 *per cent* of the aggregate of the market value of the shares issued or allotted in exchange or otherwise and the amount of consideration paid for such transfer, whichever is higher. The Government vide notification (July 2006) has fixed the maximum limit of such stamp duty upto ₹ 10 crore. Further, *janpad shulk* at the rate of one *per cent* is also leviable as conveyance.

It was noticed that Department has not fixed any target for the inspection of public offices by the DRs. During scrutiny of the exemption files of Energy Department and Industries Department, we observed that seven companies situated in the State were amalgamated/entered into lease agreement for management and running of business with other companies.

3.2.12.1 During scrutiny of the exemption files of Energy Department and Industries Department in March, 2012 and June 2013 we observed that six companies situated in the State were amalgamated with other companies as mentioned in the following table:

(₹ in crore)

Name of the High Court / month of order	Name of the Company (M/s)	Amalgamated/ transferred with the company (M/s)	Value of fixed assets (including liabilities)	Stamp Duty @ 7 per cent of fixed assets	Stamp Duty leviable (Max.)	Name of the office in which irregularity detected
Madhya Pradesh/ February 2010	Grasim Industries	Samrudhhi Cement Limited	462.06	32.34	10.00	Chief Electrical Inspector
Gujrat/ July 2010	Samruddhi Cement Limited	Ultratech Limited	462.06	32.34	10.00	Chief Electrical Inspector
Maharashtra/ November 2009	Corporate Ispat Alloys	Jayaswal Neco Industries Limited	408.51	28.60	10.00	Chief Electrical Inspector
Maharashtra/ November 2009	Abhijit Infrastructure Limited	Jayaswal Neco Industries Limited	145.70	10.20	10.00	Chief Electrical Inspector
Maharashtra/ February 2007	Chhattisgarh Electricity Co. Limited	Raipur Alloys and Steel Limited	249.48	17.46	10.00	Industries Department
Maharashtra/ February 2007	Raipur Gases (P) Limited					
Total			1,727.81	120.94	50.00	

As per the IS Act, stamp duty of ₹ 50 crore and *janpad shulk* of ₹ 17.28 crore was leviable in these six cases. However, further scrutiny in the office of the CEI, Industries Department and concerned DRs in June 2013 revealed that after being pointed out in Audit, the DRs had decided two cases in September 2012 levying stamp duty of ₹ 20 crore whereas notices have been issued in remaining four cases. It may therefore be seen that neither the companies paid the stamp duty nor the CEI and Industries Department, who have been declared as public offices⁴ for the purpose of IS Act, ensured payment of the stamp duty. The DRs also did not carry out the requisite inspection of public offices. Thus, due to lack of co-ordination with other Departments and in absence of monitoring mechanism for inspections of public offices, substantial amount of revenue of ₹ 67.28 crore remained undetected.

As per Section 17 of the Registration Act, 1908, the instrument having lease period of more than 12 months are to be registered compulsorily. Stamp duty is charged on such instruments at the rates prescribed in Schedule 1-A of the Indian Stamp Act. Registration fees is also leviable at three fourth of the leviable stamp duty.

3.2.12.2 Scrutiny of exemption files in the office of the CEI revealed that M/s Ind Power Limited (lessor) entered into a lease agreement from October 2009 with M/s Ind Synergy Limited (lessee) for management and running of the business including land and structure with movables attached to the unit, all licenses, permits, benefits

⁴ Government Departments, Housing Board, Local Bodies, Corporation and Banks were declared as public office for the purpose of IS Act vide notification No. 196-six-SR-80 dated 20 March 1980.

etc. in relation to the industry at an annual lease rent of ₹ 5 crore till the merger of lessor and lessee is approved by Hon'ble High Court of Chhattisgarh or for three years, whichever is earlier. Further, the lessor had also agreed to transfer all rights relating to the management and running of business with effect from October 2009, including handing over the possession of the industry subject to deposit of security equivalent to lease rent for two years. As the period of lease was more than 12 months, therefore it should have been registered compulsorily and stamp duty of ₹ 20 lakh at the rate of four *per cent* of the annual rent and registration fees of ₹ 15 lakh at three fourth of the leviable stamp duty should have been recovered from the lessee. But the lessee executed the agreement by paying duty of only ₹ 50 without any basis. However, while accepting the lease agreement, the CEI neither insisted for payment of balance stamp duty and registration fees nor initiated any action for realising the same. The DR also did not conduct inspection of the public offices. This resulted in short levy of stamp duty and registration fees of ₹ 35 lakh.

During the exit conference, the Government stated (August 2013) that a mechanism would be developed to monitor the documents which would be presented in public offices. Further, the Government stated that instructions have been issued to the CEI and Industries Department for producing such documents before the DRs to realise the revenue. The instructions will be issued to the DRs also for inspection of the public offices periodically and a quarterly meeting will be conducted to monitor the inspections of public offices made by the DRs.

We recommend that the Government may consider taking appropriate measures to ensure periodical inspection of public offices and necessary coordination with other Departments for realising the stamp duty.

3.2.13 Irregular exemptions under Industrial Policies

As per the Industrial Policy (IP) 2009-14, Medium, Large industrial units, Mega projects, Ultra Mega projects who have possessed Industrial entrepreneur Memorandum License before the appointed date of 1 November 2009 or have entered Memorandum of Understanding (MoU) with the State Government and validity thereof has not yet elapsed and has been granted exemption certificate under IP 2004-09 but not commenced the commercial production till 31 October 2009, shall be eligible for opting to avail subsidy/exemption/concession of stamp duty on commencement of commercial production till 31 October 2010.

Under the Industrial policies promulgated from time to time by the Government, industrial units are granted exemption from payment of stamp duty on fulfilment of certain terms and conditions. Such incentives are payable upto a specified period and unit is eligible for receipt of incentives under a particular policy according to the date of investment of fixed capital. The Industries

Department issues the exemption certificates and the Commercial Tax (Registration) Department allows the exemption from payment of stamp duty on production of such certificate.

Scrutiny of exemption files in Industries Department revealed that the Industries Department had issued the exemption certificates from payment of stamp duty for land measuring 2,339.548 hectare to nine companies between December 2007 and July 2010 on execution of sale/lease deed of the land. All these certificates were issued under the IP 2004-09. As per the terms and conditions mentioned in these certificates, these companies were required to purchase the land within six months from the date of issue of certificates. The IP 2009-14 was in force at the time of extended validity of these certificates, in which medium, large industrial unit and mega projects⁵ were eligible for exemption under IP 2004-09 on commencement of commercial production upto 31 October 2010.

3.2.13.1 While cross verifying with the instruments registered in the Registration Department, we observed that these companies had purchased the land and the concerned SRs allowed the exemptions from payment of stamp duty as mentioned below:

Sl. no.	Name of company	Exemption certificate issued (month)	Exemption allowed for total area (hec.)	Validity of exemption certificate extended (in month)	Total land purchased (in hec.)				
					2007-08	2008-09	2009-10	2010-11	2011-12
1	M/s Athena Chhattisgarh Power Private Limited	February 2009	477.350	Nil	Nil	3.678	8.320	Nil	Nil
2	M/s Shri Bajarang Power and Ispat Limited	April 2010 and July 2010	182.763	April 2011	Nil	Nil	Nil	6.304	Nil
3	M/s D.B. Power Private Limited	February 2009 and August 2009	306.588	February 2010 and February 2011	Nil	5.508	14.960	1.923	27.060
4	M/s Emami Cement Limited	February 2008	201.265	April 2011	39.070	20.346	Nil	18.119	Nil
5	M/s Fortune Metalics Limited	January 2009	9.328	Nil	Nil	Nil	Nil	0.975	Nil
6	M/s Vandana Ispat	April 2008 and March 2010	234.356	Nil	Nil	0.846	17.742	9.402	0.405
7	M/s Vandana Vidyut Limited	December 2007, February 2008 and January 2010	326.819	January 2011	Nil	3.558	Nil	Nil	Nil
8	M/s Visa Power Limited	June 2008, July 2008 and March 2010	400.779	March 2011	Nil	0.997	16.240	Nil	Nil
	Total		2,139.248		39.070	34.933	57.262	36.723	27.465

⁵

Medium industrial unit means Industrial enterprises whose capital investment in plant & machineries not exceeded ₹ 10 crore, Large Industrial units means Industrial enterprises whose capital investment in plant & machineries exceeded ₹ 10 crore but not exceeding ₹ 100 crore, Mega projects means an industrial enterprise that had proposed fixed capital investment of more than ₹ 100 crore but not exceeding ₹ 1000 crore and Ultra mega projects means an industrial enterprise that had proposed fixed capital investment of more than ₹ 1000 crore.

Since these companies failed to purchase the entire land within the stipulated time and could not commence commercial production within the period prescribed under IP 2009-14 i.e. 31 October 2010, these were not eligible for exemption from the stamp duty.

As per the Indian Stamp Act, stamp duty of ₹ 1.96 crore was leviable in these cases as detailed below:

(₹ in lakh)

Year	Total land purchased by the industries	Total market value of the properties	Rate of duty (per cent)	Leviable stamp duty
2007-08	39.070	201.75	8.875	17.91
2008-09	34.933	236.83	8.875	21.02
2009-10	57.262	496.03	7.825	38.81
2010-11	36.723	874.71	7.3	63.85
2011-12	27.465	802.18	6.775	54.35
Total	195.453	2,611.50		195.94

3.2.13.2 Similarly, the following industries had also executed the lease agreements and the concerned SRs allowed the exemption from payment of stamp duty as mentioned below:

(₹ in lakh)

Sl. No.	Name of industry	Exemption certificate issued (month)	Document no./ date	Total area in hectare	Value of the lease hold land	Leviable stamp duty @ 6.5 per cent
1	M/s D.B. Power Private Limited	December 2009	1071/ 19.02.2010	29.22	206.50	13.42
2	M/s GMR Energy Limited	December 2009	1459/ 16.12.2009	171.08	3,934.35	255.73
Total				200.30	4,140.85	269.15

The concerned SRs granted exemption from payment of stamp duty without scrutinising the validity of the exemption certificate issued by the Industries Department. Thus issue of exemption certificates by the Industries Department beyond 31 October 2010 and inaction on part of the SRs to scrutinise the same not only led to non-realisation of stamp duty of ₹ 2.69 crore but also resulted in extension of undue benefit to the companies.

During the exit conference, the Government accepted the audit observations and informed that as the matter related to the Industries Department, the same would be referred to them for taking appropriate action. However, a monitoring mechanism would be developed to monitor the exemption cases. Also the guidelines related to implementation of industrial policies would be issued to the SRs.

We recommend that the Government may ensure proper coordination between Industries Department and Commercial Tax (Registration)

Department regarding the fulfilment of norms of Industrial Policies before allowing exemption of stamp duty.

3.2.14 Non-monitoring of purchase of land and commencement of commercial production

As per the condition of exemption certificate issued by the Industries Department, the industries should commence the commercial production within five years from the date of issue of the exemption certificate. Further the company is required to submit a copy of registered instrument to the Industries Department and failure to comply with the conditions mentioned in the certificate, the company is liable to pay exempted amount of stamp duty with interest at the rate of 12.50 *per cent* per annum.

During scrutiny of exemption files of the Industries Department and exemption registers of the selected SRs, we noticed that the Department had no information regarding the status of commencement of commercial production of the companies to whom the exemption were issued. Further the copy of the requisite instruments which were required to be submitted by the company to the Department was not submitted. In absence of such records, the Industry Department could not ascertain

the utilisation of exemption certificate within the stipulated time. Neither the Industries Department nor the Registration Department initiated any action to collect such information/instruments.

The above facts indicate that monitoring mechanism was lacking in the Department to ensure that the benefit of exemption was allowed to such industries which had fulfilled the objectives of the policies.

During the exit conference, the Government stated (August 2013) that the records of exemption would be verified and a mechanism would be introduced to monitor the commencement of the commercial production.

We recommend that the Government should devise a mechanism ensuring submission of information/instruments for adherence of conditions of exemption of stamp duty.

3.2.15 Non-revision of the cases decided by DR

As per Section 47A (4), of Indian Stamp Act, any person aggrieved by an order of the District Registrar under sub Section 2 and 3 of Section 47A of the Act, may appeal against such order in the prescribed manner to the Commissioner of the Division or officer so appointed by the State Government. Further, Para 216 of the *karyapalik anudesh* stipulate that the District Registrar shall forward a copy of the decision to the District Collector. The Collector shall take up the revision and if required, order the Sub Registrar for appeal within 30 days.

During scrutiny of the order passed between March 2012 and March 2013 in referred cases by the DRs under Section 47A of IS Act revealed that the market value of properties was reduced between 8.06 and 75.96 per cent than the market value proposed by the SRs as detailed below:

(₹ in lakh)

S. No.	Name of DR	No. of cases	Period of execution between	Value proposed by SR	Stamp duty/ RF* leviable	Value decided by DR	Stamp duty/ RF levied	Difference in stamp duty/ RF
1	Ambikapur	8	December 2010 and June 2012	262.96	21.20	127.92	9.97	11.23
2	Durg	13	March 2012	2,498.07	203.67	1,449.24	117.54	86.13
3	Mungeli	1	May 2012	33.66	2.71	8.09	0.65	2.06
4	Rajnandgaon	12	July 2012 and March 2013	416.15	33.54	277.58	22.22	11.32
5	Raipur	7	March 2012 and April 2012	422.24	36.22	316.68	27.17	9.05
	Total	41		3,633.08^a	297.34	2,179.51	177.55	119.79

*Registration Fees

It may be seen from the above table that DRs decided the market value of the properties which was lower than the market value proposed by SRs and the reduction was to the extent of 8.06 to 75.96 per cent. Scrutiny of the cases revealed that in 16 orders issued between March 2012 and September 2012, the reduction was allowed to a particular person in more than one instruments in the same area. The orders of DRs except DR Raipur were found endorsed to the Collectors. However we did not come across any case where the appeal was filed before the Chief Controlling Revenue Authority (CCRA). Further it was also revealed that none of the decision was challenged by these five SRs

6

(Amount in ₹)

Year	Market value	Rate of duty (Male/Female)	Leviable duty	Levied
2010-11	38,66,908	8.3% (M)	3,20,955	2,33,387
2011-12	25,75,66,200	7.775% (M)	2,00,25,772	1,20,90,877
2011-12	5,03,00,700	5.675% (F)	28,54,565	18,16,320
2012-13	1,13,12,400	6.2% (F)	7,01,369	3,11,605
2012-13	4,02,61,849	7.25% (M)	29,18,986	15,57,689
	36,33,08,057		2,68,21,648	1,60,09,878

with the permission of the Collector. Though all the orders passed by the DRs were endorsed to the Department also, but the Department had also not initiated any action for filing an appeal before the CCRA.

During the exit conference, the Government stated (August 2013) that the cases will be re-examined and necessary action will be taken if the orders of DRs are not found in order. It was further stated that if the reduction allowed by the DRs is more than 10 *per cent* of the market value then such cases will be reviewed periodically. It was also stated that mechanism will be put in place to monitor the decisions of the DRs.

We recommend that the Government may take necessary steps to review the orders finalised by DR in the interest of revenue.

3.2.16 Absence of clear provisions and criteria of main roads in guideline

As per clause 9 of the Form III of Chhattisgarh Market Value Guidelines, value of the land located near the National Highway, State Highway and District Road (WBM road) should be increased by 30, 20 and 10 *per cent* respectively. This clause is not applicable when the market rate for the land adjacent to the above mentioned road has been declared separately in the guidelines *ibid*.

3.2.16.1 During the test check of instruments registered in five⁷ SRs, we found that in nine instruments, the properties were situated on WBM⁸ road as per supporting evidence *viz patwari* report as mentioned below:

Sl. No.	Name of SR	Document No./ Date	Seller	Purchaser	Description of property	Area
1	Arang	1146/ 05.10.2012	Misal	Sujit Kumar	Vill-Bhatiya, Phn- 39	0.81 hec
2	Arang	1150/ 08.10.2012	Budhara, Lekhapal	Sujit Kumar	Vill-Bhatiya, Phn- 39	4.31 hec
3	Durg	577/ 24.04.2012	Rishidev	P. Lakhmi	Vill- Dargaon, phn 3,Dhamdha	2.27 hec
4	Durg	578/ 24.04.2012	Rishidev	P.N.K. Mohan	Vill- Dargaon, Phn -3,Dhamdha	2.03 hec
5	Kanker	1496/ 18.03.2013	Kulwant	Narayan	Vill-Madra Darha	0.80 hec
6	Mungeli	2940/ 20.03.2013	Ganesh Ram	Sughari Bai	Vill- Khamhariya Phn 40	1.966 hec.
7	Raigarh	3931/ 05.11.2012	Kishan Agrawal	Himalaya Infratech	Vill-Natwarpur, Phn 17/34	7.718 hec
8	Raigarh	3932/ 05.11.2012	Ramesh Agrawal	Himalaya Infratech	Vill -Natwarpur, Phn 17/34	8.013 hec
9	Raigarh	3933/ 05.11.2012	Vishnu Agrawal	Himalaya Infratech	Vill -Natwarpur, Phn 17/34	8.094 hec.

⁷ Arang, Durg, Kanker, Mungeli and Raigarh

⁸ Water Bound Mecadum

Further scrutiny of Chhattisgarh Market Value Guidelines (guidelines)⁹ revealed that the Central Valuation Board did not approve the market rate for the properties adjacent to the National Highway, State Highway and District road (WBM road) separately and approves the separate rates for main road instead of the above mentioned road in each case. However, the criteria of the main roads were not defined in the guidelines. Thus, due to absence of criteria of the main road in the guidelines, SR valued the land by treating it as off the road and increased the rate by 10 per cent. Since the market rate for adjacent to the main road were decided separately in the above mentioned guidelines for these areas, the valuation should have been determined as per the rate prescribed for the land adjacent to the main road. Accordingly, market value of these properties would be ₹ 5.78 crore¹⁰ on which stamp duty and registration fees of ₹ 39.96 lakh was leviable. However, the SRs determined the market value of these properties at ₹ 3.61 crore by increasing 10 per cent in the market value treating the same as off the road and levied stamp duty and registration fees of ₹ 24.67 lakh. Thus, in absence of criteria of the main road in the guideline, the Government could not realise the stamp duty and registration fees of ₹ 15.29 lakh.

During the exit conference, the Government stated (August 2013) that the criteria of the main roads will be defined.

As per clause 10 of Form III of Chhattisgarh Market Value Guidelines, the valuation of land upto the depth of 46 meters from the main road shall be valued adjacent to the main road. But if any purchaser purchases the land more than the depth of 46 meters adjacent to the main road, then the entire value shall be determined as adjacent to the main road.

3.2.16.2 The market value guideline stipulates that valuation of land upto the depth of 46 meters from the main road shall be valued as adjacent to the main road, but it is silent when the same property is registered in two consecutive documents on the same day with the intention to avail the benefit

of clause 10 of the guideline i.e. one part (adjacent to main road) at higher rate and other part as off the road at lower rate.

Scrutiny of four instruments registered in the office of SRs, Durg, Janjgir and Raipur revealed that the value of the property was decided as off the road as mentioned in the following table:

⁹ Chhattisgarh Market Value Guideline: The rates and clauses in the Form I, II and III approved by the Central Valuation Board for determination of market value of the properties are mentioned in the guideline.

¹⁰ Calculation has been made as adjacent to main road

Sl. No.	Name of SR	Document No./ Date	Seller	Purchaser	Description of property	Area	Document No./Date adjacent to the previous land
1	Durg	11171/ 01.03.2012	Seema	Pratik	Vill- Anda, kh. no.1363/6	0.18 hec.	11185/ 01.03.2012 kh. no. 1363/5
2	Durg	15685/ 12.03.2013	Basant	Pemendar	Vill- Utai kh. no. 84/3, 91	0.79 hec.	15684/ 12.03.2013 kh. no. 90,133
3	Janjgir	3836/ 21.03.2013	Krishna bai	Sweta Singh	Vill- Arasmeta ,kh. no. 426/1,2	0.619 hec	3838/ 21.03.2013 kh. no. 426/1
4	Raipur	8049/ 29.03.2013	Purushottam Patel	Silkwood Furniture Private Limited	Ward 27, Mowa, kh. no. 89/2, 90/2	425.8 3 sq. m.	8048/ 20.03.2012 kh. no. 89/2, 90/2

As per the guideline, the value of the properties was ₹ 1.65 crore¹¹ on which stamp duty of ₹ 12.13 lakh and registration fees of ₹ 1.32 lakh was leviable. However, in absence of provision for determination of market value of property when the same property is registered in two consecutive documents on the same day, SR determined the market value at ₹ 80.02 lakh treating as off the road and levied stamp duty of ₹ 5.73 lakh and registration fees of ₹ 63,734.

During the exit conference, the Government stated (August 2013) that the cases would be reviewed and appropriate action would be taken.

We recommend that the Government may consider incorporating clear provision and criteria of main roads, registration of documents where one purchaser purchased the land from one seller and executed the documents in two separate parts in the guideline regarding determination of market value of the property to safeguard the revenue.

3.2.17 Absence of provision in the guideline when the properties were sold by more than one vendor in a single document

As per clause 1 of Form I of Chhattisgarh Market Value Guideline, the market value of the agricultural land in urban areas shall be calculated on slab basis if the area is equal to or less than 0.243 hectares. Further, if total area of land exceeds 0.243 hectare in one instrument having more than one *khasara*, then the valuation should be determined on the basis of hectare rates.

During scrutiny of the instruments registered by SR Raipur, we found that through an instrument registered in April 2012; land was purchased from two vendors. The individual property of each vendor was below 0.243 hectare. Since each vendor had a separate *khasara* and *Rin pustika* for his piece of land, each property should

¹¹

Calculation has been made as adjacent to main road

have been valued separately. However, the executants clubbed the properties of both the vendors by which the area in each document exceeded the limit of 0.243 hectare and valuation was done on hectare rate.

As per the guidelines, the market value of these properties mentioned in this instrument was ₹ 85.29 lakh on which stamp duty of ₹ 6.18 lakh and registration fees of ₹ 68,381 was leviable at slab rates. However, in absence of clear cut provisions in the guideline regarding determination of market value of the land in such case when one purchaser executed a single document for the land purchased from more than one seller having separate *Rin pustika* and *khasara*, the SR determined the market value of these properties as ₹ 16.75 lakh and levied stamp duty of ₹ 1.22 lakh and registration fees of ₹ 13,545. Thus, due to absence of clear provision regarding valuation of property executed in single documents for such property purchased from more than one seller, the Government could not realise the stamp duty and registration fees of ₹ 5.51 lakh.

During the exit conference, the Government stated (August 2013) that action would be taken after verification of these documents. Further reply has not been received (November 2013).

We recommend that the Government may consider issuing clarification regarding determination of market value when land is sold by more than one vendor in a single document.

Similar para featured in Audit Report (Revenue Sector) for the year ended 31 March 2012 under Para No. 3.14. The Department in their Explanatory/Departmental notes had intimated that the cases pointed out by Audit are pending with DR for decision.

3.2.18 Supply and distribution of stamps

The IGR cum Superintendent of Stamps is the chief controlling officer of stamps in the State. As per the provisions of Revised Rules for Supply and Distribution of Stamps, 1981, IGR is required to indent for the stamps.

The indent shall show in separate columns for all denominations of stamps irrespective of whether a supply is required or not:-

- Opening stock at the time of last indents, supplies received since then, total sales (during the preceding quarter including issues to Branch Depots) and other issues and closing balance on the 1st of month in which the indent is due for submission;
- The quantity due against previous indent pending for compliance;
- The quantity required for the next quarter and
- The quantity passed by scrutinising officer.

The Indent is sent to the Central Stamp Store, Nasik and Hyderabad. The District Treasury Officer, Raipur who has been declared as the Nodal Officer for this purpose receives the stamps and distributes the stamps to the vendors and other treasuries situated in the State.

The position of indent issued, stamp received and distributed are as mentioned in the following table:

(₹ in crore)

Year	Opening balance	Indent by IGR	Stamps Received during the year	Distributed to the treasuries	Closing stock	Receipt from sale of stamps (excluding receipt from franking machine)
2008-09	92.37	787.31	459.34	407.83	143.88	385.14
2009-10	143.88	670.26	767.74	555.32	356.30	453.71
2010-11	356.30	202.46	621.73	535.98	442.05	606.29
2011-12	442.05	527.08	311.56	584.03	169.58	703.69
2012-13	169.58	1,259.75	1,192.34	957.06	404.86	766.52

(Source: Information furnished by Department and Nodal Officer)

It may be seen from the above table that the total receipts from sale of stamps during the year 2008-09 to 2012-13 increased between nine and 33 *per cent*. Further the closing stocks of the stamps with the Nodal Officer also continuously increased. However, the IGR without considering the closing stock and pending of indent with the Central Stamp Store issued fresh indent for the stamps. As a result, at the end of March 2013 stamps valuing ₹ 404.86 crore were lying with the Nodal Officer. This indicates that utilisation of stamps was not being monitored properly and indents were issued without assessing the requirement.

In order to avoid blockage of funds, the Government may consider introducing a mechanism for periodical monitoring of utilisation of stamps.

3.2.19 Sale of stamps

As per Rule 25 of Chhattisgarh Stamp Rule 1942, there shall be two classes of vendors, Ex-officio Vendor and Licensed Vendor. The Treasury Officer and SR shall be deemed to be ex-officio vendors and the Collector may grant a licence for vend of stamps to any person or class of persons as deemed fit by the Collector. The licensed vendor shall obtain stamps on cash payment from ex-officio vendors of any local branch and branch depots situated in the district for which his licence is granted. The licensed vendor shall keep a register of impressed sheet sold to the public and also maintain a register of his daily transaction. The stock, sale and reconciliation of stamps kept with the Nodal Officer shall be verified by the Collector, Commissioner and Director of Treasury and Accounts from time to time. The sale account of stamps kept with the licensed vendor will be verified by the concerned DRs.

The Department has issued the following instructions to avoid the use of forged/fake stamps:

- Name of the State and serial number are to be printed on the stamps;
- The Ex-officio vendor shall issue the stamps with the seal and signature of the competent authority;
- Name of the licensed vendor is to be noted on the stamps and
- The records of licensed vendors are to be verified by the SRs and DRs periodically and at the end of financial year, the licensed vendor also submit its records to the concerned SR.

Further, as per Chhattisgarh Stamp Rule, 1942, licensed vendors shall obtain stamps on cash payment (less discount hereinafter prescribed from ex-officio vendors of any local and branch depots situated in the district for which licence is granted). Every vendor shall endorse on the back of each impressed sheet sold by him to public, the serial number, the date of sale, value of stamps in full words, name and address of the purchaser, purpose for purchasing of stamps with consideration and shall affix his legible signature to the endorsement along with a rubber stamp of his name and place of sale. At the same time, he shall make corresponding entries in sale register. Every vendor shall keep a register of impressed sheet sold to the public in form D in Appendix III. Further, if the purchaser is literate he shall be invited to sign the endorsement on the stamp and entry in the register; and if illiterate the imprint of his left thumb impression shall be taken. Every vendor shall allow any DR or SR or any revenue officer not below the rank of *Naiib* Tahsildar or any official duly authorised in that behalf by the Collector or State Government at any time to inspect his register of sales and to examine his licence and the stock of stamps in his possession.

Scrutiny of the instruments registered in all the selected SRs revealed that the documents were prepared in two copies. After registration of the instruments, the original copy of the instruments which was prepared on the stamps are returned to the executants. The SRs keeps the certified (second) copy of these instruments on which name of licensed vendor, serial numbers of sale register with denomination are noted. We verified the sale registers of 42 licensed vendors in all 21 selected SRs and found that the entries mentioned in the certified copies of instruments as well as the documentation on instruments was as per the instructions issued by the Department.

3.2.20 Inordinate delay in disposal of cases

As per Section 47 A of Indian Stamp Act, if the registering authority, while registering the instruments has reason to believe that the market value of the property which is subject matter of such instruments has not been set forth truly, he shall before registering such instrument refer the same to the Collector of Stamps for determination of the market value of such property. As per Inspector General of Registration's instructions issued in September 2003, the cases referred to the District Registrar for determination of market value under Section 47 of Indian Stamp Act, are to be finalised within a period of 90 days.

During scrutiny of returns submitted (March 2009 and March 2013) by DRs to IGR, we noticed that 13,166 documents were referred between April 2008 and March 2013 by SRs to DRs for determination of market value of the properties mentioned in the documents. However, at the end of March 2013, 1,424 cases were still pending for the

decision. The IGR had not maintained any detailed records about the cases pending with DRs for decision. As per the *Dayara panji* maintained in three selected DRs, these cases were pending since 2001-02. Further we also noticed that though the returns were timely submitted by the DRs to IGR, but

the Department did not initiate any action for prompt settlement of these pending cases. From the above, it is clear that though the monitoring mechanism existed in the Department but proper checks were not applied by higher authority for disposal of pending cases. As a result, the Government could not realise revenue of ₹ 12.63 crore.

During the exit conference, the Government stated (August 2013) that the district-wise cases would be monitored separately. It was further stated that target would be fixed for disposal of the cases within the period of four to six months.

Similar para (Para no. 5.4) featured in the report of the Comptroller and Auditor General of India for the year ended 31 March 2006. The Public Accounts Committee had recommended (November 2009) that necessary action should be taken against concerned DRs. However, we noticed that similar irregularities still persisted.

Compliance Deficiencies

3.2.21 Sale of land on the strength of fabricated record

As per Section 21 of the Registration Act, no non-testamentary document relating to immovable property shall be accepted for registration unless it contains a description of such property sufficient to identify the same. Further, under Section 82 of Registration Act, whoever intentionally makes false statements, delivers false copies or translations of documents, falsely personates another and abets anything, shall be made punishable with imprisonment for a term which may extend to seven years or fine or with both.

During scrutiny of the instruments registered by the SR, Korba, we found that a relinquishment deed was executed (September 2012) between Shri Digvijay Singh and M/s Sarvmangla Construction for the land measuring 2.754 hectare. Accordingly, Shri Digvijay Singh released all his rights to M/s Sarvmangla Construction, being a co-owner of the property. As per this relinquishment deed M/s Sarvmangla Construction had become the legal owner of the above mentioned land.

Subsequently in December 2012, Shri Sukhsai Paikara, who was the Director of M/s Sarvmangla Construction, had transferred the above mentioned land on lease to M/s Sarvmangla Construction (company) for 29 years and the company got the lease deed registered in December 2012. Since the land was already registered in the name of the company, the subsequent lease between Shri Sukhsai Paikara and M/s Sarvmangla Construction was not in order and raised doubt about the transaction. The record (*khasara*) was scrutinised in Audit, where we noticed that Shri Pyara Singh was the legal owner of the land since 1981. It is clear from above that both the relinquishment deed (registered in September 2012) and lease deed (registered in December 2012) had been registered with the support of fabricated revenue records. Thus, transfer of land on fabricated revenue record was punishable offence.

During the exit conference, the Government stated (August 2013) that the case would be reviewed and appropriate action would be taken. Further reply has not been received (November 2013).

3.2.22 Misclassification of instruments

As per Section 3(5) of the Indian Stamp Act, stamp duty is leviable on instruments as per their recital at the rates specified in Schedule I-A or prescribed by the Government through notifications on the market value of the property. The market value of the properties is determined with respect to the rates envisaged in Chhattisgarh Market Value Guideline. Further, according to Article 5 of Schedule I A of Indian Stamp Act, duty at the rate of two *per cent* on the market value of the land is leviable on agreement relating to the construction of a building on a land by a person other than the owner or lessee of such a land and having a stipulation that after construction, such building shall be held jointly or severally by them or that a part of it shall be held jointly or severally by them or the remaining part thereof shall be sold jointly or severally.

3.2.22.1 During scrutiny of the instruments registered by SRs, Dhamtari, Korba and Raipur we noticed that the SRs registered four instruments as Power of Attorney (PoA) between July 2009 and March 2012. Scrutiny of the recital of the PoA revealed that in one instrument, the executants of PoA authorised the person in whose favour it was executed for sale of the residential plots only for land admeasuring 10,995 sq.m. Further cross

verification with sale deeds registered by the same SR, revealed that the persons in whose favour the PoA was executed sold the land after construction of building upto plinth level. The fact was also clearly mentioned in the sale deeds. As such, the persons in whose favour PoA was executed sold the land after development.

Further, in three instruments, the legal holders of the land admeasuring 79,083 sq. m. had authorised the PoA to develop the land and construction of building and sale thereof.

Thus, the above instruments should have been classified as development agreements instead of PoA and two *per cent* stamp duty should have been levied on the market value of these properties. The market value of these properties was ₹ 14.87 crore on which stamp duty amounting to ₹ 29.74 lakh¹² and registration fees of ₹ 11.90 lakh were leviable. But the concerned SR registered the document as PoA and levied duty of ₹ 400 only. This resulted in short realisation of stamp duty and registration fee of ₹ 41.64 lakh.

3.2.22.2 During scrutiny of the instruments registered by the SR, Korba, we found that a document titled declaration was registered in September 2008 by the SR and levied stamp duty of ₹ 100. Further scrutiny of the recital of the

¹²

₹ 14,87,23,497 (market value) X 2 *per cent* = ₹ 29,74,470 (leviable stamp duty)

declaration revealed that the legal holder of the land had authorised another person/firm to construct and sale of buildings on the land. The above document should have been classified as development agreement and stamp duty at two *per cent* should have been levied on the market value of the land. Moreover the word 'declaration' has not been defined for the purpose of levy of stamp duty under the IS Act, and as such acceptance of the same by SR was not in order. This resulted in short levy of stamp duty and registration fees of ₹ 1.99 lakh worked out on the market value of property at ₹ 71.04 lakh.

3.2.22.3 During scrutiny of the instruments registered in the office of SRs, Jagdalpur, Kawardha and Raipur, we found that in nine instruments, the development agreements were registered between October 2008 and March 2012. Scrutiny of the recitals of these agreements revealed that the properties were transferred to the developer for development with predetermined consideration in the form of fixed money. Thus, the above documents should have been treated as conveyance and stamp duty and registration fees on conveyance should have been levied. The market value of the land was ₹ 8.24 crore on which stamp duty of ₹ 65.03 lakh and registration fees of ₹ 6.60 lakh should have been levied. But the concerned SRs registered the documents as development agreement and levied the stamp duty of ₹ 12.20 lakh and registration fee of ₹ 4.90 lakh. This resulted in short realisation of stamp duty and registration fee of ₹ 54.53 lakh.

3.2.22.4 Scrutiny of the instruments registered by two SRs¹³, we noticed that two instruments registered between July 2012 and November 2012 were classified as agreements for the sale of land admeasuring 0.677 hectare. Further scrutiny of these agreements revealed that the possession of the said property was given to the purchaser for a consideration of ₹ 94.50 lakh. Hence these agreements should have been classified as conveyance. The market value of these properties was ₹ 2.56 crore on which stamp duty of ₹ 15.99 lakh and registration fee of ₹ 2.05 lakh were leviable. However the SRs levied the stamp duty of ₹ 1.05 lakh and registration fees ₹ 93,158. This resulted in short realisation of stamp duty and registration fee of ₹ 16.06 lakh.

3.2.22.5 Scrutiny of the instruments registered in January 2013 by the SR Raipur revealed that the co-owner of the property had transferred his rights of the property with consideration to another co-owner of the property. Thus the instruments should have been treated as release deed. As per the Chhattisgarh Market Value Guidelines, the market value of the property was ₹ 68.34 lakh on which stamp duty and registration fee of ₹ 4.10 lakh was leviable. However, the SR levied the stamp duty and registration fees of ₹ 1.20 lakh treating the document as partition deed. This resulted in short levy of stamp duty and registration fee of ₹ 2.90 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents. Further reply has not been received (November 2013).

¹³

Korba and Rajnandgaon.

3.2.23 Short levy of stamp duty on gift deed

As per Article 33 of Schedule I-A of Indian Stamp Act, the same stamp duty shall be leviable on gift deed as is levied on conveyance for a market value of the property which is the subject of the gift. Government vide notification issued in March 2008 and February 2012 reduced the rate of stamp duty to two *per cent* and one *per cent* respectively of the prevailing rates under Article 23 of the Act, in cases where the transfer of property was done exclusively in favour of woman. However, in the case of “Jwala Prasad V/s State of UP” (AIR 2005), the Hon’ble High Court of Uttar Pradesh had held that reduction of stamp duty on conveyance shall not be applicable to gift deeds.

During test check of instruments registered by 10 SRs¹⁴, we found that 51 gift deeds with market value of ₹ 12.58 crore were registered between September 2009 and March 2013. The SRs levied the stamp duty of ₹ 73.55 lakh on these gift deeds after allowing reduction as the instruments were executed in favour of the women. However, as per the decision of the Hon’ble High Court, the exemption

allowed by SRs was irregular and stamp duty amounting to ₹ 96.04 lakh was leviable. This resulted in short levy of stamp duty of ₹ 22.49 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the document. Further reply has not been received (November 2013).

Similar para featured in Audit Report (Revenue Sector) for the year ended 31 March 2012 (para no. 3.11). The Department in their Explanatory/ Departmental notes had intimated that stamp duty amounting to ₹ 3 lakh was recovered in six cases and remaining eight cases were declared duly stamped by DR.

3.2.24 Short levy of stamp duty on sale of irrigated/irrigated bi-crop land

As per clause 6 of form III of Chhattisgarh Market Value Guideline, the market value of irrigated bi-crop land shall be determined by increasing the rate of irrigated land by 25 *per cent*. Further, an additional 25 *per cent* is to be added for commercial crop (mentioned in the guidelines) to the market value.

During test check of 16 instruments registered by nine SRs¹⁵, we noticed that in 10 instruments¹⁶, the land admeasuring 16.449 hectare was declared irrigated as per the attached revenue records. However, the

¹⁴ Ambikapur, Bhatapara, Dhamtari, Durg, Jagdalpur, Janjgir, Kawardha, Patan, Raigarh and Raipur

¹⁵ Abhanpur, Arang, Bhatapara, Champa, Mahasamund, Mungeli, Patan, Rajnandgoan and Raipur.

¹⁶ SRs Arang – 3 cases, Mungeli – 2 cases and Raipur – 5 cases

SR registered them as non irrigated land. In four instruments (SRs Abhanpur, Bhatapara, Champa and Patan), the attached *patwari* reports and records (*khasara and Rin Pustika*) declared the land admeasuring 5.684 hectare as irrigated bi- crop. However, the SRs registered them as irrigated land only and in two instruments (SRs Mahasamund and Rajnandgaon) involving land admeasuring 5.428 hectare, the SR did not consider the valuation of commercial crop for determination of market value.

As per the Chhattisgarh Market Value Guidelines, the market value of these properties was ₹ 4.23 crore¹⁷ on which the stamp duty of ₹ 28.03 lakh and registration fees of ₹ 3.41 lakh were leviable. However, the SRs determined the market value at ₹ 2.32 crore and levied stamp duty of ₹ 14.27 lakh and registration fees of ₹ 1.88 lakh. Thus, inaction on the part of SRs to determine the value of the properties on the basis of the available records resulted in undervaluation of properties by ₹ 1.91 crore and consequential short levy of stamp duty and registration fees of ₹ 15.29 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents. Further reply has not been received (November 2013).

Similar para featured in Audit Report (Revenue Sector) for the year ended 31 March 2012 under para no. 3.10. The Department in their Explanatory/Departmental notes had intimated that stamp duty amounting to ₹ 20,000 was recovered in one case and remaining cases were pending with DR for decision.

3.2.25 Non-adherence to Chhattisgarh Market Value Guideline

As per clause 1 of Form I of Chhattisgarh Market Value Guideline, the market value of the agricultural land in urban areas shall be calculated on slab basis if the area is equal to or less than 0.243 hectares. As per clause 5 of Form III of the guideline *ibid*, if the land is less than or equal to 0.243 hectare in municipal area and less than or equal to 0.202 hectare in *nagar panchayat* areas and is adjacent to the land of the buyer and purchased for agricultural purpose, the market value of the land shall be determined at hectare rate basis. A certificate to the effect that the land under consideration in the document is adjacent to the land of the buyer shall be given by *Patwari*.

During scrutiny of seven instruments registered by four SRs¹⁸, we noticed that the land admeasuring 0.876 hectare involved in these documents was situated in municipal area/*nagar panchayat* area. Further, in every instrument the land was less than 0.243/0.202 hectare in municipal/*nagar panchayat* area. The location of the land

was adjacent to the land of the buyers was not mentioned in the certificates

¹⁷ Calculation made on hectare rate

¹⁸ Dhamtari, Durg, Kanker and Raipur

issued by *patwaris*. Accordingly valuation of the property should have been determined on slab basis, but the concerned SRs determined the value of these properties at hectare rates. As per the Chhattisgarh Market Value Guideline mentioned above, the market value of these properties worked out to ₹ 1.56 crore¹⁹ on which stamp duty of ₹ 10.89 lakh and registration fees of ₹ 1.26 lakh were leviable. However, the SRs determined the market value as ₹ 63.88 lakh and levied the stamp duty of ₹ 4.58 lakh and registration fees of ₹ 51,993. This resulted in undervaluation of the properties by ₹ 92.24 lakh and consequential short levy of stamp duty and registration fees of ₹ 7.05 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents. Further reply has not been received (November 2013).

Similar para featured in Audit Report (Revenue Sector) for the year ended 31 March 2012 under para no. 3.9.3. The Department in their Explanatory/Departmental notes had intimated that the cases are pending with DR for decision.

3.2.26 Undervaluation of diverted land

As per clause 3 of the Form I of Chhattisgarh Market Value Guideline, if the diverted land is situated in the urban areas then the valuation of the land should be determined on slab basis.

3.2.26.1 During scrutiny of the instruments registered by three SRs²⁰, we noticed that in four instruments, diverted land admeasuring 14,491.84 square meters was sold in urban areas. Thus, valuation of the land should have been made on slab basis. However, the SRs applied the

hectare rates for determination of the market value of these lands. As per the guideline, the market value of these properties was ₹ 5.29 crore²¹ on which stamp duty of ₹ 40.52 lakh and registration fees of ₹ 4.23 lakh were leviable. However, the SRs determined the market value at ₹ 79.39 lakh and levied the stamp duty of ₹ 6.07 lakh and registration fees of ₹ 64,347. This resulted in undervaluation of the properties by ₹ 4.49 crore and consequential short levy of stamp duty and registration fees of ₹ 38.04 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents. Further reply has not been received (November 2013).

As per clause 8 of the Form I of Chhattisgarh Market Value Guideline, the value of the diverted land in rural areas shall be two and half times of the value of the irrigated land located in the vicinity of that area.

3.2.26.2 During scrutiny of the instruments registered by SRs, Kanker and Raipur, we noticed that in four instruments, land admeasuring 1.457 hectare was sold in rural area. Further scrutiny of

¹⁹ Calculation has been made on slab rates

²⁰ Baloda Bazar, Champa and Raipur

²¹ Calculation has been made on slab rates

revenue records attached with the instruments revealed that the land was diverted for other than the agricultural purpose. Thus value of the land should have been two and half times the value of the irrigated agricultural/agricultural land located in the vicinity of that area. However, the SRs did not apply the above clause for determination of market value and determined the market value on the basis of hectare rate applicable for agricultural land.

As per the Chhattisgarh Market Value guidelines, the market value of these properties was ₹ 1.33 crore²² on which stamp duty of ₹ 9.33 lakh and registration fees of ₹ 1.07 lakh were leviable. However, the SRs determined the market value at ₹ 1.01 crore and levied the stamp duty of ₹ 7.07 lakh and registration fees of ₹ 81,340. This resulted in undervaluation of the properties by ₹ 32 lakh and consequential short levy of stamp duty and registration fees of ₹ 2.52 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after the verification of document. Further reply has not been received (November 2013).

Similar para featured in Audit Report (Revenue Sector) for the year ended 31 March 2012 under para no. 3.9. The Department in their Explanatory/Departmental notes had intimated that the cases are pending with DR for decision.

3.2.27 Undervaluation of properties

As per Section 47 A of Indian Stamp Act, if the registering authority, while registering the instruments has reason to believe that the market value of the property which is subject matter of such instruments has not been set forth truly, he shall before registering such instrument refer the same to the Collector of Stamps for determination of the market value of such property.

During scrutiny of 27 instruments registered between February 2010 and March 2013 by nine SRs²³, we noticed that the market value of the properties was not determined by the concerned SRs as per the rates and clauses envisaged in the guideline. Out of these, in 15 instruments the SRs applied different rates

than the prescribed in the Chhattisgarh Market Value Guidelines and in the remaining 12 instruments the relevant clauses of guideline were not applied for determination of market value. As per the guideline, the market value of these properties was ₹ 18.72 crore on which stamp duty of ₹ 1.41 crore and registration fees of ₹ 15.02 lakh were leviable. However, the SRs determined the market value at ₹ 7.96 crore and levied stamp duty of ₹ 46.95 lakh and registration fees of ₹ 6.46 lakh. Though the market value of the property was not set forth truly in the instruments, the SRs did not refer the instruments to the DRs for determination of the correct market value. This resulted in

²² Calculation has been made on hectare rate

²³ Ambikapur, Dhamtari, Kanker, Kawardha, Korba, Mungeli, Patan, Rajnandgaon and Raipur

undervaluation of the properties by ₹ 10.06 crore and consequential short levy of stamp duty and registration fees of ₹ 1.02 crore.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents. Further reply has not been received (November 2013).

Similar para featured in Audit Report (Revenue Sector) for the year ended 31 March 2012 under para no. 3.12 The Department in their Explanatory/Departmental notes had intimated that stamp duty amounting to ₹ 1.66 lakh was recovered in seven cases and remaining cases were pending with DR for decision.

3.2.28 Short levy of stamp duty and registration fees

As per the special provision introduced in Chhattisgarh Market Value Guideline since 2012-13, if the agricultural land is purchased by any industrial unit, the valuation of land should be determined at the rate of ₹ 6 lakh, ₹ 8 lakh and ₹ 10 lakh per acre for *padat* #, non irrigated and irrigated bi-crop land respectively.

Padat means such agricultural land, which was not currently used for agricultural purpose, i.e. barren land.

Scrutiny of the instruments registered in the office of the SR Kawardha revealed that in one instruments, non irrigated land admeasuring 19.62 acre (7.904 hectare) was purchased by M/s Lanco Amarkantak Power Limited. As per the special provision, the market value of the land worked out to ₹ 1.57 crore on which stamp duty of ₹ 9.81 lakh and registration fees of ₹ 1.26

lakh were leviable. However, instead of applying the above clause, the SR incorrectly determined the market value as ₹ 47.85 lakh on the basis of the village-wise rate prescribed in the Chhattisgarh Market Value Guideline and levied stamp duty of ₹ 2.99 lakh and registration fees of ₹ 38,425. This resulted in short levy of stamp duty and registration fees of ₹ 7.69 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents. Further reply has not been received (November 2013).

3.2.29 Irregular exemption from payment of stamp duty

As per Section 2(10) of Indian Stamp Act, conveyance includes a conveyance on sale and every instrument by which property whether movable or immovable, is transferred *inter vivos*. The Government may by rule or order, reduce or remit whether prospectively or retrospectively in the whole or any part of territories under its administration, the duties with which any instruments are chargeable. The Government declared the Industrial policies under which the industries are eligible for exemption from payment of stamp duty on fulfilment of certain conditions.

During scrutiny of the instruments registered by three SRs²⁴ revealed that in five cases, the SRs granted exemption from payment of stamp duty on the basis of exemption certificate issued by the Industries Department. Further scrutiny of exemption certificates revealed that in one case, the exemption certificate

was issued in favour of M/s Siddhidatri Ware Housing. However the deed was executed in favour of Smt. Reeta Sharma. In two cases, exemption was granted after expiry of the exemption period, while in the remaining two cases the exemption was granted even though the *khasara* (part of land) number was not mentioned in the exemption certificate. The market value of properties involved in these instruments was ₹ 99.42 lakh on which stamp duty of ₹ 6.73 lakh was leviable. Despite this, the concerned SRs granted exemption from payment of stamp duty. This resulted in non-realisation of stamp duty of ₹ 6.73 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents. Further reply has not been received (November 2013).

3.2.30 Undervaluation of properties situated on main road

As per clause 6 of Form I of Chhattisgarh Market Value Guideline, in urban areas the valuation of land upto the depth of 20 meters from the main road shall be valued adjacent to the main road. But if any purchaser purchases the land at more than the depth of 20 meters adjacent to the main road, the entire value shall be determined as adjacent to the main road. Further this limit is upto 46 meters for agricultural land.

During test check of the instruments registered by 13 SRs²⁵ we found that in 39 instruments, the supporting evidences viz *patwari* report and map indicated that the properties were located adjacent to the main road. Hence, as per the guideline, these properties should have been valued

at ₹ 14.01 crore as adjacent to the main road on which stamp duty and registration fees of ₹ 98.97 lakh were leviable. However, the SRs determined

²⁴ Champa, Raigarh and Raipur.

²⁵ Abhanpur, Ambikapur, Arang, Bilha, Champa, Dhamtari, Durg, Janjgir, Mungeli, Patan, Rajnandgoan, Raigarh and Raipur

the market value of these properties at ₹ 4.85 crore by treating the land situated off the road and levied stamp duty and registration fees of ₹ 34.66 lakh. This resulted in undervaluation of properties by ₹ 9.16 crore and consequential short levy of stamp duty and registration fee of ₹ 64.31 lakh.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents. Further reply has not been received (November 2013).

Similar para featured in Audit Report 2010-11 and 2011-12 under para no. 3.10 and 3.13 respectively. The Department in their Explanatory/Departmental notes had intimated that stamp duty amounting to ₹ 1.48 lakh was recovered in 11 cases and remaining cases were pending with DR for decision.

3.2.31 Non realisation of *janpad shulk*/ stamp duty

As per note 14 under Section 2(10) of Indian Stamp Act, a transfer of property of company in voluntary liquidation to a new company is held to be chargeable as conveyance. Further an instrument brought into existence for the purpose of amalgamation of two companies is also held to be chargeable as conveyance. *Janpad Shulk* at the rate of *one per cent* of market value of the property is leviable on the conveyance.

Scrutiny of the cases decided by DR, Raipur revealed that in one case, M/s Ambuja Cement Eastern Limited amalgamated with M/s Gujarat Ambuja Cement Limited in November 2006. The DR decided the case in February 2008 and levied the stamp duty of ₹ 10 crore on the amalgamation. Further scrutiny of the order revealed that the total value of the assets on the date of amalgamation was ₹ 229.65

crore on which *janpad shulk* at the rate of *one per cent* was also leviable. However, the DR did not levy *janpad shulk* of ₹ 2.30 crore.

Similarly, M/s Interia Iron & Steel Industries Private Limited, M/s Corporate Ispat Limited and M/s Abhijeet Infrastructure Limited were amalgamated with M/s Jaiswal Neco Industries Limited vide order of Hon'ble High Court of Maharashtra in July 2009. The DR, Raipur decided these cases in September 2012 and levied the stamp duty of ₹ 30 crore and *Janpad shulk* of ₹ 7.42 crore. However, the transferee company paid the stamp duty of ₹ 1.83 crore on amalgamation in Maharashtra State. The DR issued the demand notice after deducting the amount paid in Maharashtra State. Though this amount was revenue of the Government of Chhattisgarh, the DR should have initiated action to recover the dues. Thus, inaction on the part of the DR, resulted in non-realisation of stamp duty of ₹ 1.83 crore. Further though the cases was decided in September 2012, stamp duty of ₹ 28.17 crore and *janpad shulk* of ₹ 7.42 crore were not recovered till the date of audit.

During the exit conference, the Government stated (August 2013) that necessary action would be taken after verification of the documents.

3.2.32 Conclusion

We observed that lack of co-ordination among Industries, Energy and Commercial Tax (Registration) Departments led to registration/acceptance of documents without realisation of proper stamp duty and registration fees. Registration of documents through under valuation of property, lack of clarification in the criteria of main road, issue of exemption certificates in contravention of the provision of the Industrial Policy etc. also led to non/short levy of stamp duty and registration fees. Revision of the cases decided by the DRs as provided in the IS Act were not followed. There was inordinate delay in disposal of pending cases and inadequate follow up for early finalisation of Revenue Recovery Certificate cases. The internal control mechanism was not adequate due to lack of regular internal audit, inadequate inspection and spot verification by DRs and SRs respectively.

3.2.33 Recommendations

The Government may consider implementing the following recommendations:

- Strengthen the internal control mechanism to ensure timely realisation of revenue and also to avoid non/short levy of stamp duty and registration fees,
- Ensuring necessary co-ordination among the Departments while allowing the exemption from payment of stamp duty to avoid loss of revenue, and
- Issue necessary clarification on the criteria of the main road, registration of documents where one purchaser purchased the land from one seller and executed the documents in two separate parts and issue instruction for periodical revision of the cases decided by the DRs.