

## Report of the Comptroller and Auditor General of India on Revenue Sector for the year ended 31 March 2014



Government of Rajasthan Report No. 2 of the year 2015

## Report of the Comptroller and Auditor General of India on Revenue Sector

for the year ended 31 March 2014

**Government of Rajasthan** 

Report No. 2 of the year 2015

## **TABLE OF CONTENTS**

	Reference to	
	Paragraph	Page
Preface		V
Overview		vii <b>-</b> xi
CHAPTER-I : GENERAL		
Trend of revenue receipts	1.1	1
Analysis of arrears of revenue	1.2	4
Arrears in assessments	1.3	4
Evasion of tax detected by the department	1.4	5
Pendency of refund cases	1.5	5
Response of the Government/Departments towards audit	1.6	6
Analysis of the mechanism for dealing with the issues raised by Audit in Commercial Taxes Department	1.7	9
Audit planning	1.8	11
Results of audit	1.9	11
Coverage of this Report	1.10	11
CHAPTER-II : TAXES/VAT ON SALES, T	RADE, ETC	7.
Tax administration	2.1	13
Internal audit conducted by the Department	2.2	13
Results of audit conducted by the Comptroller and Auditor General of India	2.3	14
Performance Audit on 'Levy and Collection of Value Added Tax (VAT) on Works Contract'	2.4	15
Non-levy of purchase tax	2.5	33
Irregular allowance of input tax credit	2.6	33
Short levy of tax on inter-State sale	2.7	34
Non-levy of interest on delayed payment	2.8	35
Non-levy of entry tax	2.9	35
CHAPTER-III : TAXES ON VEHICLES, O PASSENGERS	GOODS ANI	)
Tax administration	3.1	37
Internal audit conducted by the Department	3.2	37
Results of audit conducted by the Comptroller and Auditor General of India	3.3	38
Taxes on motor vehicles not realised	3.4	39

	Referen	ce to
	Paragraph	Page
Short realisation of special road tax, surcharge and penalty in respect of stage carriages of fleet owner	3.5	40
Non-recovery/short recovery of outstanding instalments of lump-sum tax	3.6	41
CHAPTER-IV : LAND REVENU	JE	
Tax administration	4.1	43
Internal audit conducted by the Department	4.2	43
Results of audit conducted by the Comptroller and Auditor General of India	4.3	44
Non-recovery of lease rent	4.4	45
Short recovery of cost of land	4.5	45
Non-recovery/short recovery of conversion charges	4.6	46
Non-remittance of Government's Share	4.7	47
Short recovery of cost of land due to allotment of land in excess of maximum allotable land at concessional rate	4.8	47
CHAPTER-V: STAMP DUTY AND REGIST	CRATION F	EE
Tax administration	5.1	49
Internal audit conducted by the Department	5.2	49
Results of audit conducted by the Comptroller and Auditor General of India	5.3	50
Short levy of SD and RF due to undervaluation of properties	5.4	51
Non-levy of SD and RF due to non-registration of a document categorised as an agreement to sell with transfer of possession	5.5	51
Short levy of SD on power of attorney	5.6	52
Non-levy/short levy of SD and RF on development agreements	5.7	52
Short levy of SD due to undervaluation and irregular exemption on lease deed considering the property as heritage	5.8	55
Non-recovery of SD due to irregular exemption granted under RIPS	5.9	56
Short levy of SD and RF due to undervaluation of properties	5.10	56
Short levy of SD and RF on mis-classification of documents as settlement deeds	5.11	57

	Reference to		
	Paragraph	Page	
Short levy of SD and RF due to mis-classification of transfer of lease by way of assignment	5.12	58	
Short levy of SD on lease deed due to valuation of property as industrial instead of commercial	5.13	58	
CHAPTER-VI : STATE EXCIS	E		
Tax administration	6.1	61	
Internal audit conducted by the Department	6.2	61	
Results of audit conducted by the Comptroller and Auditor General of India	6.3	62	
Audit of bar licences issued by the State Excise Department	6.4	63	
Non-recovery of special vend fee	6.5	67	
Non-levy of excise duty on transit wastage of beer exported to other States	6.6	67	
Non-levy of excise duty on non-potable beer	6.7	68	
Non-levy of excise duty on excess wastage of rectified spirit transported under bond	6.8	68	
Non-levy of excise duty on excess wastage of beer in production	6.9	69	
Short realisation of composite fee from country liquor shops	6.10	70	
CHAPTER-VII: NON-TAX RECE	IPTS		
Tax administration	7.1	71	
Internal audit conducted by the Department	7.2	71	
Results of audit conducted by the Comptroller and Auditor General of India	7.3	72	
Performance Audit on 'Receipts from Minor Minerals'	7.4	73	
Non-recovery/short recovery of royalty	7.5	91	
Non-recovery of excess royalty and interest thereon	7.6	92	
APPENDIX			
Appendix		95	