

## TABLE OF CONTENTS

Description	Reference to	
	Paragraphs	Page
Preface	--	v
Overview	--	vii - xi
<b>Chapter-I General</b>		
Trend of revenue receipts	1.1	1
Analysis of arrears of revenue	1.2	4
Arrears in assessment	1.3	5
Evasion of tax detected by the Department	1.4	6
Refund Cases	1.5	6
Response of the Government/Departments towards audit	1.6	7
Departmental Audit Committee Meetings	1.6.2	8
Non production of records to audit for scrutiny	1.6.3	9
Response of the Departments to the draft audit paragraphs	1.6.4	10
Follow up on the Audit Reports – summarized position	1.6.5	10
Analysis of the mechanism for dealing with the issues raised by audit	1.7	11
Position of Inspection Reports	1.7.1	11
Recovery of accepted cases	1.7.2	11
Action taken on the recommendations accepted by the Departments/Government	1.7.3	12
Audit planning	1.8	12
Internal Audit	1.9	13
Results of audit	1.10	13
Position of local audit conducted during the year	1.10.1	13
Coverage of this Report	1.11	14
<b>Chapter-II Taxes/VAT on Sales, and Trade</b>		
Tax administration	2.1	15
Results of audit	2.2	15
Irregular allowance of concession of tax	2.3	16

Description	Reference to	
	Paragraphs	Page
Short reversal of input tax credit on branch transfer	2.4	16
Non-reversal of purchase tax	2.5	17
Short levy of tax due to non-utilisation of Information Collection Centre data	2.6	17
Short reversal of ITC on account of manufacturing of tax free goods	2.7	18
Deliberate alteration of figures to evade taxes	2.8	19
Short retention of Purchase Tax/ITC	2.9	19
Inadmissible allowance of input tax credit	2.10	20
Inadmissible allowance of deduction to works contractor	2.11	21
Non-restriction of input tax credit	2.12	21
Short debit to exemption	2.13	22
Inadmissible allowance of entry tax on furnace oil	2.14	22
Non/Short levy of interest	2.15	23
<b>Chapter-III State Excise</b>		
Tax administration	3.1	25
Results of audit	3.2	25
<b>Performance Audit on “Levy and Collection of Excise Duty”</b>	3.3	25-40
<b>Chapter-IV Stamp Duty</b>		
Tax administration	4.1	41
Results of audit	4.2	41
Misappropriation of Government money	4.3	42
Non levy of Additional Stamp Duty for Social Security Fund	4.4	42
Villages for the purpose of Levying Additional Stamp Duty not specified	4.5	43
Short levy of SD and RF due to misclassification of property	4.6	43
Inadmissible remission of stamp duty and registration fees	4.7	44
Inadmissible remission of additional stamp duty and SIC	4.8	45
<b>Chapter-V Taxes on Vehicles</b>		
Tax Administration	5.1	47
Results of audit	5.2	47
Non/Short realisation of motor vehicle tax	5.3	47

Description	Reference to	
	Paragraphs	Page
<b>Chapter-VI Forest, Other Tax and Non Tax Receipts</b>		
Tax Administration	6.1	49
Results of audit	6.2	49
Short realisation of marriage registration fee	6.3	50
Levy and collection of Entertainments Tax/Duty and Tax on Luxuries	6.4	51
Introduction	6.4.1	51
<b>A. Entertainment Tax</b>		
Irregular grant of exemption to multiplexes	6.4.2	52
Non-realisation of pending arrears of Entertainment Tax from the cinema owners	6.4.3	54
<b>B. Entertainment Duty</b>		
Loss of revenue due to non-identification of potential taxpayers	6.4.4	55
Non/short recovery of Entertainment Duty from cable operators	6.4.4.1	56
<b>C. Luxury Tax</b>		
Loss of revenue due to non-identification of potential taxpayers	6.4.5	57
Hotel owners registered under Sarai Act but not registered under PLT Act	6.4.5.1	57
Marriage palaces/banquet halls registered under State Excise but not registered under PLT Act	6.4.5.2	58
Short realisation of Luxury Tax from proprietors of hotels/marriage palaces and banquet halls	6.4.6	58
Non verification of returns resulting in loss of revenue	6.4.7	59
Inadmissible exemption of Luxury Tax	6.4.8	60
Non-adherence to the penalty provisions for non/delayed filing of returns	6.4.9	60
<b>Glossary</b>		63-64