

Table of Contents

	Reference to	
	Paragraph	Page
<i>Preface</i>		v
Chapter I – Overview		
About this Report	1.1	1
Trend of Revenue Receipts	1.2	1
Authority for audit	1.3	4
Planning and Conduct of audit	1.4	5
Analysis of Arrears of Revenue	1.5	6
Evasion of Tax	1.6	7
Arrears in assessments	1.7	7
Pendency of refund cases	1.8	8
Response of Departments to audit findings	1.9	9
Significant audit observations	1.10	12
Chapter II - Value Added Tax, Central Sales Tax and Goods & Services Tax		
Tax Administration	2.1	17
Results of Audit	2.2	18
Input Tax Credit	2.3	19
Short or Non-levy of Value Added Tax	2.4	22
Inter-State sales	2.5	25
Non or short levy of Tax due to incorrect determination of Taxable Turnover	2.6	26
VAT on Works Contracts	2.7	28
Levy of penalties and interest under VAT	2.8	30
Non-levy of penalty on Inter-State purchase of goods	2.9	34
Non-levy of penalty on self-consumption of Notified Goods	2.10	35
Non collection of Profession Tax	2.11	35
Goods and Services Tax (GST)	2.12	36

	Reference to	
	Paragraph	Page
Chapter III – State Excise Duties		
Tax Administration	3.1	39
Results of Audit	3.2	40
Short levy and collection of Excise Tax for Liquor Shops/ Bars	3.3	41
Non-levy of interest on belated payment of Excise Tax for Liquor Shops/Permit Rooms/Bars	3.4	41
Short or non-collection of Compounding Fee	3.5	42
Non-levy of additional ‘In-House Consumption Excise Tax’ on Club Licensees	3.6	43
Non-levy of permit room Excise Tax in respect of Liquor Shops	3.7	43
Chapter IV – Stamp Duty and Registration Fee		
Tax Administration	4.1	45
Results of Audit	4.2	46
Short collection of Registration fee on instruments creating <i>Paripassu</i> charge	4.3	47
Short levy of duties and fees due to misclassification of transactions in registered documents	4.4	47
Short levy of Duties and Registration Fees on agricultural lands converted for non- agricultural purposes	4.5	48
Non-levy of duties on documents involving distinct matters	4.6	48
Short levy of duties due to non-adoption of valuation instructions in respect of rural properties	4.7	49
Short levy of duties in Registered Documents	4.8	49
Short realization of duties due to undervaluation of Properties in Registered Documents	4.9	50
Incorrect exemption of Stamp Duty in respect of Deposit of Title Deeds	4.10	50

	Reference to	
	Paragraph	Page
Chapter V – Motor Vehicle Taxes		
Tax Administration	5.1	51
Audit Methodology and Results of Audit	5.2	52
Non-realisation of Quarterly Tax and Non-levy of Penalty	5.3	53
Non-renewal of Fitness Certificate	5.4	53
Non-realisation of Registration Certificate Renewal Fee	5.5	54
Non-realisation of Compounding Fee	5.6	54
Loss of revenue due to Non-levy of Green Tax	5.7	55
Short Levy of Tax in respect of Second and Subsequent Personalised Vehicles owned by Individuals	5.8	56
Chapter VI – Land Revenue		
Tax Administration	6.1	57
Results of Audit	6.2	58
Short levy of Conversion Tax and Non-levy of Penalty	6.3	58
Excess payment of ex-gratia	6.4	59
Short collection of regularisation amount on encroachment of Government land	6.5	60
Chapter VII – Other Tax and Non-Tax Receipts		
Tax Administration	7.1	61
Results of Audit	7.2	61
Functioning of Directorate of Mines and Geology	7.3	61
Appendices & Glossary		
Appendices		71
Glossary		86

