



**Report of the
Comptroller and Auditor General of India
on
Revenue Sector
for the year ended March 2020**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



**Government of Odisha
Report No. 6 of the year 2021**

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Preface

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2020 has been prepared for submission to the Governor of Odisha under Article 151 of the Constitution of India for being laid before the Legislature of the State.

The Report contains significant findings of audit of Receipts and Expenditure of major Revenue earning Departments under Revenue Sector conducted under the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The instances mentioned in this Report are those, which came to notice in the course of test audit during the period 2019-20 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2019-20 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

OVERVIEW

OVERVIEW

I. General

The Report contains 27 paragraphs. Some of the major findings are mentioned below:

The State's performance in mobilisation of resources is assessed in terms of tax revenue and non-tax revenue, not including the State's share in central taxes and Grants-in-Aid which is based on the recommendations of the Finance Commission.

The percentage of revenue raised by State Government to the total revenue of the State increased from 44.79 *per cent* in 2018-19 to 46.31 *per cent* in 2019-20.

(Paragraph 1.1)

During the year 2019-20, as many as 599 assessment files, returns, refund registers and other relevant records involving tax effect of ₹1,295.47 crore were not made available to audit for scrutiny.

(Paragraph 1.6.5)

Test check of records of tax and non-tax receipts revealed under-assessment/ short levy/ loss of revenue aggregating to ₹1,592.96 crore in 27,077 cases in 2019-20.

(Paragraph 1.9)

II. Value Added Tax, Entry Tax, Goods and Services Tax etc.

The application of lower rate of tax during assessment of the unspecified items under the OVAT Act resulted in short-levy of tax of ₹1.63 crore and penalty of ₹3.26 crore.

(Paragraph 2.5.1)

The Assessing Authority irregularly allowed credit notes issued to individual customers which led to short levy of tax and penalty of ₹1.35 crore.

(Paragraph 2.5.2)

The Assessing Authorities wrongly accepted C forms of Odisha State considering those as inter-State sale and levied tax at concessional rate under the Central Sales Tax Act resulting in short-levy of tax of ₹1.26 crore.

(Paragraph 2.5.3)

The Assessing Authority irregularly allowed credit notes issued beyond the period of three months resulting in excess refund of ₹55.39 lakh.

(Paragraph 2.5.4)

The Assessing Authority irregularly accepted the sales turnover of ₹17.57 crore under Odisha State E-I, 'C' forms and allowed concessional rate of tax

resulting in short levy of tax worth ₹52.71 lakh at the differential rate of three per cent.

(Paragraph 2.5.5)

Assessing Authority allowed excess deduction towards labour and service charges which resulted in short levy of tax and penalty worth ₹14.79 lakh.

(Paragraph 2.5.6)

The Assessing Authority did not levy entry tax on sales of scheduled goods resulting in short-levy of ET worth ₹19 lakh along with penalty worth ₹38 lakh on the tax assessed.

(Paragraph 2.6.1)

Excess adjustment of payments of tax resulted in short demand of entry tax worth ₹33 lakh.

(Paragraph 2.6.2)

Non-levy of entry tax on sales turnover of scheduled goods resulted in short levy of tax and penalty worth ₹13.39 lakh.

(Paragraph 2.6.3)

The refund claims of 3,122 cases worth ₹653.68 crore under Goods and Services Tax Act were received as of 31 March 2020. Out of these cases, refunds were allowed in 1,835 cases involving ₹304.58 crore, 1,078 cases involving ₹251.32 crore were rejected and 209 cases involving ₹97.78 crore were pending for disposal.

(Paragraph 2.7.5)

III. State Excise Duty

Failure on the part of District Excise Offices to raise demand against the licensees who did not lift entire Minimum Guaranteed Quantity of Country Liquor, Indian Made Foreign Liquor and Beer, the Excise Duty with fine of ₹8.31 crore remained unrealised.

(Paragraph 3.5.1)

Failure on the part of DEO, Ganjam to raise demand for unauthorised extra hours of operation, resulted in non-realisation of the Government revenue to the tune of ₹51.09 lakh towards excise fee from one of the defaulting Distilleries.

(Paragraph 3.5.2)

Superintendents of Excise did not raise demand for realisation of fee of ₹45.50 lakh for submission of unregistered land agreements.

(Paragraph 3.5.3)

Failure on the part of two Superintendents of Excise to raise demand against two distilleries resulted in ₹13.06 lakh unrealised, as cost of establishment for the year 2018-19.

(Paragraph 3.5.4)

IV. Stamp Duty and Registration Fee

Stamp Duty and Registration fee of ₹8.28 crore was short realised on 'Agreement to sale and Development Agreements', 'Undervaluation of partition deed', 'Lease Agreements executed to let or sub-let the immovable property on rent for commercial use', 'Power of attorney instruments in lieu of conveyance', 'Lease deeds due to non-adherence to provision of IS Act, 1899', and undervaluation of Buildings and Super structures.

(Paragraphs 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5 & 4.5.6)

V. Motor Vehicles Tax

Regional Transport Officers failed to realise the Motor Vehicles tax of ₹ 9.52 crore and penalty of ₹19.04 crore from the owners of 7,634 registered vehicle.

(Paragraph 5.5.1)

VI. Mining Receipts

Non-realisation of ₹456.46 crore towards cost price of the iron ore extracted beyond the approved quantity by the Joint Director of Mines from the lessee.

(Paragraph 6.5.1)

Non-inclusion of sizing charges in the Run-of-Mine price of coal during assessment resulted in short levy of royalty of ₹41.50 crore with non-realisation of contribution of ₹13.28 crore to National Mineral Exploration Trust and District Mineral Foundation Fund.

(Paragraph 6.5.2)

Interest amount of ₹9.35 crore on delayed payments of royalty and ₹22.30 lakh on delayed payment of Dead Rent and Surface Rent not realised.

(Paragraph 6.5.3)

The Deputy Directors of Mines/ Mining Officers did not raise demands towards Dead Rent of ₹51.04 lakh and Surface Rent of ₹53.56 lakh for which such amount remained unrealised.

(Paragraph 6.5.4)

DDM, Rourkela did not collect and deposit the salary component in the Government account, as a result the owners of private weighbridges were extended undue benefit of ₹1.02 crore.

(Paragraph 6.5.5)

Non-inclusion of useful waste quantity of decorative stone in the highest production quantity led to loss of Stamp Duty and Registration Fee worth ₹30.96 lakh.

(Paragraph 6.5.6)

Chapter -I

General

CHAPTER – I

GENERAL

1.1 Trend of Revenue Receipts

The revenue receipts of the State for the year 2019-20 comprised:

- Tax and non-tax revenue raised by Government of Odisha;
- State's share of net proceeds of divisible Union taxes;
- Duties assigned to the State and
- Grants-in-Aid received from Government of India.

The details of revenue receipts for 2019-20 along with the corresponding figures for the preceding four years have been depicted in **Table 1.1**.

Table 1.1: Trend of Revenue Receipts

(₹ in crore)						
Sl. No.	Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
1	Revenue raised by State Government					
	Tax revenue	22,526.96	22,852.39	27,913.80	30,318.33	32,334.47
	Non-tax revenue	8,711.24	8,043.10	8,367.99	14,256.40	14,778.89
	Total	31,238.20	30,895.49	36,281.79	44,574.73	47,113.36
2	Receipts from Government of India					
	State's net proceeds of divisible Union taxes and duties	23,573.78	28,321.50	31,272.06	35,353.73	30,453.27
	Grants-in-Aid	14,129.46	15,082.40	17,619.94	19,597.53	24,152.10
	Total	37,703.24	43,403.90	48,892.00	54,951.26	54,605.37
3	Total revenue receipts of the State Government (1 and 2)	68,941.44	74,299.39	85,173.79	99,525.99	1,01,718.73
4	Percentage of 1 to 3	45.31	41.58	42.60	44.79	46.31

(Source: Finance Accounts for the year 2019-20 of Government of Odisha)

The State's performance in mobilisation of resources is assessed in terms of tax revenue and non-tax revenue, not including the State's share in Central taxes and Grants-in-Aid which is based on the recommendations of the Finance Commission.

As can be seen from above, the percentage of revenue raised by State Government to the total revenue of the State increased from 44.79 per cent in 2018-19 to 46.31 per cent in 2019-20.

1.1.1 Tax Revenue

The details of tax revenue raised during the period 2015-16 to 2019-20 are given in **Table 1.2**.

Table 1.2: Details of Tax Revenue raised

(₹ in crore)

Sl. No.	Head of Revenue	2015-16	2016-17	2017-18	2018-19	2019-20		Percentage of increase (+) or decrease (-) in 2019-20 over 2018-19
						BE	Actual	
1	State Goods and Services Tax (SGST)	--	--	6,609.27	11,942.59	13,700.00	13,203.52	
2	Odisha Value Added Tax (OVAT) including Odisha Sales Tax (OST) and Central Sales Tax (CST)	13,096.99	13,402.35	11,521.65	7,310.24	8,000.00	7,454.81	7.30
3	Taxes and Duties on Electricity	1,212.21	1,637.14	1,969.74	3,257.66	2900.00	2,819.67	(-) 13.44
4	Land Revenue	588.81	460.00	542.27	511.07	437.00	720.69	41.01
5	Taxes on Vehicles	1,043.73	1,216.08	1,534.95	1,745.58	1829.00	1,836.32	5.20
6	Taxes on Goods and Passengers (Entry Tax)	1,662.99	1,760.51	1,260.49	182.32	73.00	133.44	(-) 26.81
7	State Excise	2,546.94	2,786.02	3,220.99	3,925.12	4600	4,495.42	14.53
8	Stamp Duty and Registration Fee	2,157.07	1,363.72	1,036.68	1,237.46	1800.00	1,434.97	15.96
9	Other Taxes and Duties on Commodities and Services	42.65	46.40	29.95	2.48	0.99	19.25	676.21
10	Other Taxes on Income and Expenditure Professions, Trades, Callings and Employments	175.57	180.17	187.81	203.81	210.00	216.38	6.17
	Total	22,526.96	22,852.39	27,913.80	30,318.33	33,549.99	32,334.47	6.65

(Source: Finance Accounts for the year 2019-20 of Government of Odisha and Annual Financial Statement 2020-21)

Tax revenue accounted for was 31.79 per cent (₹32,334.47 crore) of the total revenue (₹1,01,718.73 crore) of the State for the year 2019-20. Increase of ₹2,016.14 crore in revenue raised by State Government (6.65 per cent) in 2019-20 over the previous year (₹30,318.33 crore) was mainly due to increase in SGST including Odisha Value Added Tax (OVAT), Odisha Sales Tax (OST) and Central Sales Tax (CST) (7.30 per cent), land revenue (41.01 per cent), taxes on vehicles (5.20 per cent), State Excise (14.53 per cent), Stamp Duty and Registration Fee (15.96 per cent) and other Taxes and duties on commodities and services (676.21 per cent). In case of other taxes and duties on commodities and services, the wide variation in increase over the year 2018-19 was due to receipt of share of net proceeds assigned to State.

The Finance Department stated that the increase in collection under SGST and VAT, OST, CST and Professional Tax (PT) was due to the efforts of the

department in pursuing non-filers, wrong return filers, ensuring correct payment of tax and disclosure of liability by contractors ensuring TDS collection and deposits by DDOs as well as verification of C forms issued. Similarly, Energy Department stated that the difference in collection of Taxes and Duties on Electricity was due to deposit of differential Electricity duty (ED) amount of ₹314.64 crore for enhancement ED tariff pertaining to the financial year 2017-18 in Government Treasury during the year 2018-19. For such deposit, the actual collection had gone up to ₹3,257.66 crore during 2018-19.

The decrease in collection of Entry Tax was due to implementation of Goods and Services Tax (GST), as Entry Tax was subsumed and the collection on this account was only on account of arrear collection.

Increase in collection under Motor Vehicle (MV) Tax, as stated by the Commerce and Transport Department, was due to increase in new vehicles in regions, strengthening of tax and arrear collection measures.

1.1.2 Non-tax Revenue

The details of non-tax revenue raised during the period 2015-16 to 2019-20 are indicated in **Table 1.3**.

Table 1.3: Details of Non-tax Revenue raised

(₹ in crore)

Sl. No.	Head of Revenue	2015-16	2016-17	2017-18	2018-19	2019-20		Percentage of increase (+) or decrease (-) in 2019-20 over 2018-19
						BE	Actual	
1	Non-ferrous Mining and Metallurgical Industries	5,798.96	4,925.79	6,130.99	10,479.61	10500.00	11,020.02	5.16
2	Interest Receipts	560.42	427.40	600.71	1,462.25	1500	1,637.83	12.01
3	Forestry and Wildlife	152.99	131.58	62.79	31.67	44.50	28.33	(-) 10.55
4	Irrigation and Inland Water Transport	707.11	775.87	689.21	677.44	800.41	710.40	4.87
5	Other Administrative Services	37.86	43.84	14.82	40.83	37.70	30.80	(-) 24.57
6	Public Works	77.48	66.31	68.05	63.35	75.90	46.44	(-) 26.69
7	Police Receipts	59.61	54.37	45.06	67.94	64.00	96.62	42.21
8	Education	66.89	30.79	23.88	25.93	26.00	26.56	2.43
9	Medical and Public Health	52.70	50.83	57.79	49.85	55.00	71.10	42.63
10	Miscellaneous General Services	192.08	383.91	239.87	419.13	262.21	411.49	(-) 1.82
11	Power	2.25	8.05	3.39	3.67	2.89	1.53	(-) 58.31
12	Co-operation	2.50	3.16	6.09	4.03	4.76	4.62	14.64
13	Other Non-tax Receipts	1,000.40	1,141.21	425.34	930.70	1156.71	693.13	(-) 25.53
	Total	8711.24	8043.10	8367.99	14256.40	14,530.08	14,778.87	3.66

(Source: Finance Accounts for the year 2019-20 of Government of Odisha and Annual Financial Statement 2020-21)

The non-tax revenue increased by 3.66 per cent during the year 2019-20 over the previous year.

The increase in mining receipts (5.16 per cent) under the head Non-ferrous Mining and Metallurgical Industries was due to increase in price of iron ore.

1.2 Analysis of Arrears of Revenue

The arrears in revenue were ₹13,165.61 crore as on 31 March 2020 from some principal heads of revenue like OVAT, Entry Tax (ET) and Mining receipts. Out of this, ₹1,860.07 crore was outstanding for more than five years as detailed in **Table 1.4**.

Table 1.4: Arrears of Revenue

(₹ in crore)

Sl. No.	Head of Revenue	Total amount outstanding as on 31 March 2020	Amount outstanding for more than five years as on 31 March 2020	Replies of Department	
A-Tax Revenue					
0040- Taxes on Sales, Trade, etc. and 0042-Taxes on Goods and Passengers					
1	OVAT (including OST and CST)	7,900.72	5443.78	Department stated reasons of arrears as under:	
				• Amount covered by show cause notices and penalty	2,314.48
				• Amount stayed by Departmental Authorities/Judicial Authorities	4,939.92
				• Demands covered by tax recovery proceedings	646.32
				• Amount likely to be written off	0
2	Entry Tax (ET)	2,918.31		Department stated reasons of arrears as under:	
				• Amount covered by show cause notices and penalty	1,018.45
				• Recoveries stayed by Departmental Authorities/Judicial Authorities	1,849.21
			• Demands covered by certificate proceedings ¹	50.65	
			• Amount likely to be written off	0.0	
0041-Taxes on Vehicles					
3	Taxes on Vehicles	315.39	62.05	Department stated reasons of arrears as under:	
				• Demands covered by certificate proceedings/ tax recovery proceedings	58.36
				• Recoveries stayed by Departmental Authorities	2.41
				• Recoveries stayed in court of law	1.25
				• Other stages	0.03
0039-State Excise					
4	State Excise	78.70	--	Department stated reasons of arrears as under:	
				• Recoveries stayed by Supreme Court/ High Court	61.39
				• Demands covered by certificate proceedings/ tax recovery proceedings	11.02
				• Other stages	6.29
B-Non-Tax Revenue					
5	Mining Receipts	1,952.50	1,798.02	Department stated reasons of arrears as under:	
				• Certificate cases	6.53
				• Amount likely to be written off	2.34
				• Courts of law	1,859.26
				• Recoverable dues	84.37
	Total	13,165.62	1,860.07		

(Source: Information furnished by concerned Departments)

It can be seen from **Table 1.4** that recovery of ₹1,860.07 crore was pending for more than five years. Further, arrears worth ₹6791.54 crore (51.58 per cent) was pending under appeal cases with the departmental authorities

¹ Proceeding of a Certificate Officer for realisation of public demand

relating to OVAT, ET and Taxes on Vehicles. Similarly, ₹772.88 crore (5.87 per cent) remained pending under tax recovery proceedings on account of OVAT, ET, Taxes on vehicles, Excise duty and Mining receipts.

1.3 Arrears in Assessments

As per the provisions of the Odisha Value Added Tax (VAT) Act, 2005, every dealer shall be deemed to have been assessed to tax based on the return filed by him if no assessment is made within a period of seven years from the date of filing the return. Assessment under the Central Sales Tax (CST) Act are to be completed within four years. The details of assessment cases pending as on 31 March 2020 relating to Commercial Tax (CT) wing of Finance Department are given in **Table 1.5**.

Table 1.5: Arrears in Assessments

(In numbers)						
Head of Revenue	Opening Balance	New cases due for assessment during 2019-20	Total assessments due	Cases disposed of during 2019-20	Balance at the end of the year	Percentage of disposal (Col. 5 to 4)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
GST	0	1,764	1,764	1,128	636	63.95
Odisha Sales Tax	1,394	111	1,505	254	1,251	16.88
CST	292	204	496	244	252	49.19
VAT	444	159	603	522	81	86.57
Entry Tax	306	143	449	410	39	91.31
Profession Tax	34,471	52,063	86,534	41,600	44,934	48.07
Entertainment Tax	98	02	100	12	88	12.00

(Source: Commercial Tax wing of the Finance Department)

No specific information was furnished by the Department regarding number of assessments pending under erstwhile OST Act as on 31 March 2020.

1.4 Evasion of Tax detected by the Department

The details of cases of evasion of tax detected by the CT wing of Finance Department as on 31 March 2020 are given in **Table 1.6**.

Table 1.6: Evasion of Tax

(₹ in crore)							
Sl. No.	Head of Revenue	Cases pending as on 31 March 2019	Cases detected during 2019-20	Total	Number of cases in which assessment/ investigation completed and additional demand with penalty, etc., raised		Number of cases pending for finalisation as on 31 March 2020
					Number of cases	Amount of demand	
1	GST	16	252	268	129	487.30	139
2	OST	26	0	26	0	0.00	26
3	ET	02	8	10	6	12.31	4
4	VAT	74	9	83	44	8.20	39
5	CST	3	1	4	1	0.04	3
Total		121	270	391	180	507.85	211

(Source: Commercial Tax wing of the Finance Department)

The Commissioner of Commercial Taxes and GST, Odisha stated (February 2021) that the evasion reports under GST was an ongoing activity and the evasion reports under erstwhile Acts would gradually diminish. Further, it was

stated that all the evasion reports were being monitored by the Commissionerate to ensure its completion within the stipulated time period.

1.5 Pendency of Refund Cases

The details of refund cases as on 31 March 2020 are given in **Table 1.7**.

Table 1.7: Details of pendency of refund Cases

Sl. No.	Particulars	(₹in crore)	
		GST/OVAT/ OST/ ET	
		No. of cases	Amount
1	Claims outstanding at the beginning of the year	364	73.11
2	Claims received during the year	2,758	580.57
	Total (1+2)	3,122	653.68
3	Refunds made during the year		
	(a) Refunds granted	1,835	304.58
	(b) Refunds rejected/ adjusted	1,078	251.32
	Total (a+b)	2,913	555.90
4	Balance outstanding at the end of the year	209	97.78

(Source: Commercial Tax wing of the Finance Department)

It can be seen from **Table 1.7** that during 2019-20, 2,913 out of 3,122 (93.31 per cent) refund cases relating to GST/OVAT/ OST/ ET were disposed.

The Department stated (February 2021) that the refunds under GST was a rolling concept. The refunds under VAT, ET were primarily arising out of set aside orders leading to re-assessment as well as pending audit assessment of the related tax period under the erstwhile Acts. The pending refund cases were being monitored regularly to ensure timely disbursement of the refund within the stipulated time period.

However, the Department did not give specific reasons for pendency and also did not provide any details of interest paid by the Government during 2019-20 incurred due to delays in refund. The Department did not also furnish the number of pending cases (including period of delay).

1.6 Response to Audit

Timely response to audit findings is one of the essential attributes of good governance as it provides assurance that the Government takes its supervisory role seriously.

1.6.1 Follow-up action on earlier Audit Reports

Serious irregularities observed in audit are included in the Reports of the Comptroller and Auditor General (CAG) of India that are presented to State Legislature. The internal working system of the Public Accounts Committee has laid down that the Departments shall submit the explanatory notes on audit paragraphs within three months of tabling the Report.

Reports of the CAG of India on Revenue Receipts/ Revenue Sector of the Government of Odisha for the years ended 31 March 2008 to 31 March 2019 containing 444 paragraphs were placed before the State Legislative Assembly between February 2009 and April 2021. The action taken explanatory notes in

respect of all the paragraphs of the Audit Reports up to the year ended March 2017 were received from departments concerned.

1.6.2 Department-wise details of Inspection Reports

The Department-wise details of Inspection Reports (IRs) and audit observations outstanding as on 30 June 2020 including the money value of revenue receipts involved are mentioned in **Table 1.8(a)** and **1.8(b)**.

Table 1.8 (a): Department-wise details of IRs (Revenue Receipts)

(₹ in crore)

Sl. No.	Name of the Department	Nature of Receipts	Number of outstanding IRs	Number of outstanding audit observations	Money Value involved
1	Finance (CT)	OVAT including OST/ CST	787	1,640	2,183.55
		GST	37	68	84.73
		Entry Tax	294	461	726.98
		Professional Tax	22	24	15.99
		Entertainment Tax	3	3	2.30
2	Excise	State Excise	261	828	813.95
3	Revenue and Disaster Management	Stamp Duty and Registration Fee	632	1,341	731.61
4	Steel and Mines	Mining Receipts	170	455	18,736.53
5	Commerce and Transport	Taxes on Vehicles, Goods and Passengers	366	1,906	101.03
Total			2,572	6,726	23,396.67

{Source: Records of the Pr. Accountant General (Audit-II)}

Audit observations under OVAT including OST/ CST, GST, Entry Tax, Professional Tax and Entertainment Tax receipts relating to under assessment of tax, acceptance of defective statutory forms, evasion of tax due to suppression of sales/ purchase and irregular, incorrect allowance of input tax credit *etc.* were part of the inspection reports.

Under Mining Receipts, 455 outstanding audit observations relating to non-assessment of royalty on shortage of minerals, non-realisation of dead rent along with interest, loss of revenue on illegal extraction/ removal of ore, evasion of royalty due to unlawful extraction of minerals *etc.* were part of the inspection reports.

Table 1.8 (b): Department-wise details of IRs (Expenditure)

(₹ in crore)

Sl. No.	Name of the Department	Number of outstanding IRs	Number of outstanding audit observations	Money value involved
1	Finance (CT)	123	188	5.14
2	Excise	40	181	2.61
3	Revenue and Disaster Management (Registration)	59	390	1.61
4	Steel and Mines	7	82	43.34
5	Commerce and Transport (Transport)	98	333	65.84
Total		327	1,174	118.54

{Source: Records of the Pr. Accountant General (Audit-II)}

1.6.3 Response to Inspection Reports

Periodical inspections of the Government departments were conducted by the Pr. Accountant General (Audit-II), Odisha (PAG). The purpose of such inspection was to seek an assurance about compliance to various Rules/ Regulations and procedures through test check of the transactions. Inspection Reports (IRs) incorporating irregularities detected during the inspection and not settled on the spot were issued to the heads of the offices inspected. Copies of Audit observations in IRs were issued to the next higher authorities for taking prompt corrective action. The Heads of Offices/ Government were required to promptly comply with the observations contained in the IRs, rectify the defects and omissions. The compliance was to be reported through initial reply within one month from the date of issue of the IRs. Serious financial irregularities were reported to the heads of the Department and the Government.

Inspection Reports issued up to December 2019 disclosed that 7,900 paragraphs of 2,899 IRs involving ₹23,515.21 crore remained outstanding at the end of June 2020, details for the past three years are mentioned in **Table 1.9**.

Table 1.9: Details of IRs pending for settlement

	June 2018	June 2019	June 2020
Number of IRs pending for settlement	3,261	3,383	2,899
Number of outstanding audit observations	7,775	8,602	7,900
Amount involved (₹ in crore)	24,236.15	25,042.16	23,515.21

{Source: Records of the Pr. Accountant General (Audit-II)}

Audit did not receive even the first reply in respect of 150 IRs issued during 2019-20 from the heads of offices within one month from the date of issue of the IRs as of June 2020. Pendency of IRs due to non-receipt of first replies indicates lack of concern of the respective Authorities on action required for rectification of defects, omissions and irregularities as pointed out by Audit.

1.6.4 Departmental Audit Committee Meeting

The Government had set up audit committees to monitor and expedite the progress of settlement of IRs and paragraphs contained therein. The details of audit committee meetings held during the year 2019-20 and the paragraphs settled are mentioned in **Table 1.10**.

Table 1.10: Details of Departmental Audit Committee Meetings

Sl. No.	Name of the Department	Number of meetings held	Number of Paras settled	(₹ in crore)
				Amount
1	Finance (CT)	17	513	342.16
2	Commerce and Transport (Transport)	2	31	5.92
3	Excise	1	47	101.59
4	Revenue and Disaster Management (Registration)	13	106	0.35
5	Steel and Mines	7	118	436.51
Total		40	815	886.53

{Source: Records of the Pr. Accountant General (Audit-II)}

1.6.5 Constraints in Audit

The programme of local audit of Tax Revenue/ Non-Tax Revenue offices was drawn up in advance. The intimations were issued usually one month before the commencement of audit to the Departments to enable them to keep the relevant records ready for audit scrutiny.

During the year 2019-20, as many as 599 assessment files, returns, refund registers and other relevant records involving tax effect of ₹1,295.47 crore were not made available to audit for scrutiny. Details of these cases are given in **Table 1.11**.

Table 1.11: Details of non-production of records

(₹in crore)

Name of the Department	Type of Tax/ Non-tax revenue	Year in which it was to be audited	Number of cases not audited due to non-production of records to Audit	Tax Amount
Finance (CT)	VAT on sales, trade, etc.	Up to 2018-19	226	706.79
		2019-20	369	588.68
Commerce & Transport	Motor vehicles tax	2018-19	4	0
Total			599	1,295.47

{Source: Records of the Pr. Accountant General (Audit-II)}

There was no case of non-production of records in other Departments.

1.6.6 Response of Departments to Draft Audit Paragraphs

The Draft Audit Paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India were forwarded by the Pr.Accountant General to the Principal Secretaries/ Secretaries of the concerned Departments drawing their attention to audit findings. They were also requested to send their response within six weeks. In some cases, the draft audit paragraphs were included without the replies of the Department/ Government as replies to the paragraphs were not received from the concerned Departments.

Audit forwarded 27 draft paragraphs to the Principal Secretaries/ Secretaries of the respective Departments between April and July 2020. The Principal Secretaries/ Secretaries of the concerned Departments did not send replies to 27 draft paragraphs² and those paras have been included in this Report without their response.

1.7 Analysis of the mechanism for dealing with the issues raised by Audit

The system of addressing the issues highlighted in the IRs/ Audit Reports by the Departments/ Government in respect of Steel and Mines Department was evaluated. The evaluation was on action taken on the paragraphs and Performance Audits included in the Audit Reports in the last 10 years.

² Finance (CT)-10, State Excise-4, Revenue and Disaster Management-6, Commerce and Transport(Transport)-1 and Steel and Mines - 6

1.7.1 Position of Inspection Reports

The summarised position of the IRs issued during the last five years, paragraphs included in these reports and their status as on 31 March 2020 are given in **Table 1.12**.

Table 1.12: Position of Inspection Reports

(₹ in crore)

Sl. No.	Year	Opening balance			Addition during the year			Clearance during the year			Closing balance		
		IRs	Para-graphs	Money value	IRs	Para-graphs	Money value	IRs	Para-graphs	Money value	IRs	Para-graphs	Money value
1	2015-16	222	675	56740.12	47	142	9582.89	39	136	3763.77	230	681	62559.24
2	2016-17	230	681	62559.24	44	134	3811.15	18	57	2005.97	256	758	64364.42
3	2017-18	256	758	64364.42	31	128	18250.41	23	60	50783.31	264	826	31831.52
4	2018-19	264	826	31831.52	15	89	1112.25	13	89	973.89	266	826	31969.88
5	2019-20	266	826	31969.88	9	67	1018.79	21	155	10039.94	254	738	22948.73

{Source: Data maintained in the office of the Pr. Accountant General (Audit-II)}

Audit observations under Steel and Mines Department relates to non-assessment of royalty on shortage of minerals, non-realisation of dead rent along with interest, loss of revenue on illegal extraction/ removal of ore, evasion of royalty due to unlawful extraction of minerals *etc.*

The Government arranged meetings every year between Steel and Mines Department and PAG's office to settle the old paragraphs. During 2019-20, Department held seven Audit Committee Meetings in which 118 paras with money value of ₹436.51 crore were settled. Considering the pendency, more and sustained concerted action needs to be taken to settle the remaining observations by taking remedial actions to address the concerns raised by Audit.

1.7.2 Recovery of accepted cases

The position of paragraphs included in the Audit Reports of the last 10 years, those accepted by the Steel and Mines Department and the amount recovered have been mentioned in **Table 1.13**.

Table 1.13: Details of recovery of accepted cases

(₹ in crore)

Year of the Audit Report	Number of paragraphs included	Money value of the paragraphs	Number of paragraphs accepted	Money value of accepted paragraphs	Amount recovered during the year	Cumulative position of recovery of accepted cases as on 31 March 2020
2009-14	24 paras + 1 PA	7501.05	14 paras + 1 PA	989.43	149.07	149.07
2014-15	1 para + 1 PA	691.29	1 para + 1 PA	691.29	0.82	149.89
2015-16	2	150.07	2	150.07	27.68	177.57
2016-17	3 paras + 1 PA	124.46	3 paras + 1 PA	124.46	--	177.57
2017-18	3	114.70	3	114.70	0.40	177.97
2018-19	1	164.03	1	164.03	1.39	179.36

{Source: Data maintained in the office of the Pr. Accountant General (Audit-II) and compliance notes furnished by the Government of Odisha}

It is seen from the above table that during last 10 years, the total recovery was ₹179.36 crore which was only 8.03 *per cent* of ₹2,233.98 crore accepted money value of paragraphs. The progress of recovery even in the accepted cases was very poor in each year. The recovery of accepted cases was to be

pursued as arrears recoverable from the concerned lessees, mechanism for pursuance of the accepted cases by the Department/ Government was not adequate, which is required to be strengthened to ensure timely action in all such cases.

1.8 Audit Planning

The unit offices under various Departments have been categorised into high, medium and low risk units according to their revenue position, past trends of the audit observations and other parameters. The annual audit plan was prepared on the basis of risk analysis which included critical issues in Government revenue and tax administration.

During the year 2019-20, out of 535 auditable units³, 199 units were planned for audit. However, 191 units were audited which constituted 35.70 per cent of the total auditable units.

1.9 Results of Audit

Position of local audit conducted during the year

Audit test checked records in 131 out of 363 units under five Departments⁴ relating to VAT, Entry Tax, Goods and Services Tax, State Excise Duty, Stamp Duty and Registration Fees, Motor Vehicles Tax, Mining Receipts and other Non-Tax receipts during the year 2019-20. Under-assessment/ short levy/ loss of revenue aggregating to ₹1,592.96 crore in 27,077 cases was observed. Departments concerned accepted under-assessment and other deficiencies worth ₹1,521.79 crore involving 26,475 cases, pointed out in audit during the year. An amount of ₹67 lakh was realised in 81 cases pertaining to audit findings of 2019-20 and ₹518.03 crore was realised in 365 cases pertaining to audit findings of previous years.

Similarly, Audit test checked expenditure records in 131 units of these five Departments during the year 2019-20. Irregular expenditure/ payment amounting to ₹17.47 crore in 401 cases were noticed. The Departments concerned accepted irregularities of ₹19 lakh in 154 cases pointed out in 2019-20. An amount of ₹87 lakh was realised in 16 cases pertaining to audit findings of previous years.

1.10 Coverage of this Report

This Report contains 27 paragraphs selected from the audit findings detected during the local audit carried out in 2019-20 and in earlier years, which could not be included in previous reports.

The financial effect of the paragraphs of this part of the report was ₹579.22 crore. The Government has accepted audit observations involving ₹98.94 crore

³ 535 units includes Finance (CT)-58, State Excise-37, Revenue and Disaster Management-188, Commerce & Transport (Transport)-76, Steel & Mines Department-43 and Forest and Environment Department-133

⁴ Finance (CT), State Excise, Revenue and Disaster Management, Commerce and Transport (Transport) and Steel and Mines Department

out of which ₹60 lakh had been recovered. The replies to the paragraphs involving ₹480.28 crore have not been received (September 2021). These are discussed in succeeding Chapters II to VI.

Recommendations:

- 1. The Departments need to review the status of recovery of arrears in revenue periodically. Arrears worth ₹6,791.54 crore (51.58 per cent) pending under appeal cases with the departmental authorities are under control of the Government and could be expedited.**
- 2. The Department may consider disposal of long pending 26 cases of OST as this matter had been reported upon in Audit Reports since 2014.**
- 3. The Departments may expedite timely disposal of refund cases with special focus on claims outstanding at the beginning of year.**
- 4. The Government may consider advising the departments concerned to make audit committee meeting mechanism effective by increasing frequency of these meetings and expedite discussions for taking necessary remedial action.**
- 5. The Government may take appropriate action to recover the outstanding amount of accepted cases on priority.**
- 6. It is the statutory obligation of the officer-in-charge of the auditable entity to comply with requests by Audit for data, information and documents whether in advance or during the course of audit and within the time specified. Government may ensure that responsible departmental officers invariably produce records to Audit failing which appropriate action must be taken against them.**

Chapter - II

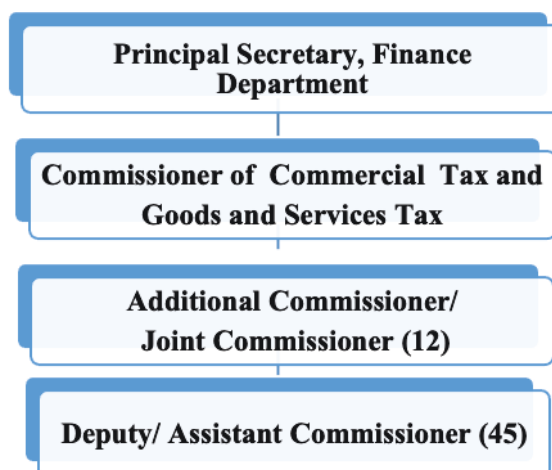
**Value Added Tax,
Entry Tax and Goods
and Services Tax *etc.***

CHAPTER II

VALUE ADDED TAX, ENTRY TAX AND GOODS AND SERVICES TAX, etc.

2.1 Tax Administration

Assessment and collection of Value Added Tax, Entry Tax, Central Sales Tax, Professional Tax, Entertainment Tax and Goods and Services Tax (implemented from 01 July 2017) are regulated under Odisha Value Added Tax (OVAT) Act, 2004, Odisha Entry Tax (OET) Act, 1999, Central Sales Tax (CST) Act, 1956, Professional Tax Act, Entertainment Tax Act, 2006 and Odisha Goods and Services Tax (OGST) Act, 2017 and Rules framed thereunder, respectively. The organisational setup for administration of Value Added Tax, Entry Tax and Goods and Services Tax is as under:



2.2 Internal Audit

The Internal Audit Wing (IAW) of the Department which is responsible for evaluating the Internal Control measures in the Department has been defunct since 2002-03. The Department had not taken steps to revive IAW despite this deficiency being pointed out in the Audit Reports (Revenue Sector) of the previous years. The Department stated (December 2020) that steps have been taken to revive them.

2.3 Audit Methodology and Results of Audit

Audit was conducted in 37 units out of total 58 units (63.79 *per cent*) in Commercial Taxes wing of Finance Department during 2019-20. The total revenue receipts collected in the 37 units was ₹ 29,060.98 crore during the year 2018-19. Test check of assessment and other records showed under assessment of tax and other irregularities involving ₹68.14 crore in 126 cases. This related to Odisha Goods and Services tax (OGST), Odisha Value Added Tax (OVAT), Central Sales Tax (CST), Odisha Entry Tax (OET), Odisha Entertainment Tax and Professional Tax which fall under the categories as given in **Table 2.1**.

Table 2.1: Category wise details of Audit observations on revenue

(₹ in crore)			
Sl. No.	Categories	No. of cases	Amount
Sales Tax/ OVAT (including CST)			
1	Under-assessment of tax	35	26.11
2	Acceptance of defective statutory forms	6	0.65
3	Evasion of tax due to suppression of sales/ purchase	1	0.21
4	Irregular/ incorrect/ excess allowance of input tax credit	3	1.49
5	Other irregularities ⁵	20	21.46
	Total	65	49.92
Entry Tax			
1	Under-assessment of tax	6	14.09
2	Evasion of tax due to suppression of sales/ purchase	1	0.17
3	Other irregularities ⁶	18	2.39
	Total	25	16.65
Goods and Services tax			
1	Irregular/ incorrect/ excess allowance of input tax credit	16	1.56
2	Under-assessment of tax	2	0
3	Other irregularities ⁷	10	0
	Total	28	1.56
Professional Tax			
1	Other irregularities ⁸	8	0.01
	Total	8	0.01
	Grand Total	126	68.14

During the year 2019-20, the Department accepted under-assessment and other deficiencies of ₹32.66 crore in 70 cases pointed out in earlier years and realised ₹7.89 crore in 70 cases. The position of recovery in other cases was yet to be received.

There are five broad categories of audit observations under Sales Tax/ VAT, CST Act, three broad categories under GST Act and two broad categories under OET Act. Most of them are of a nature that may reflect similar errors/ omissions in other Commercial Taxes and GST units under the Department but not covered in the test audit.

Department may, therefore, like to internally examine all the other units with a view to ensure that the taxes are levied as per provisions of the Act and rules.

⁵ Non-levy of mandatory interest for delay in deposit of demanded tax U/s 34, Non/Short-imposition of mandatory penalty U/s 42 of the OVAT Act *etc.*

⁶ Non-imposition of mandatory penalty (ET) on assessed tax, Non-levy of ET on sale turnover of scheduled goods *etc.*

⁷ Non verification of accounts of tax payers who had way bill transactions but non-filers, non-initiation of action to recover ITC availed by cancelled dealers, delay in disposal of refund cases *etc.*

⁸ Non levy of interest for delay in deposit of Professional Tax, non-assessment and collection of PT *etc.*

2.4 Audit observations

Audit test checked the assessment records relating to the Odisha Value Added Tax (OVAT), Central Sales Tax (CST) and Odisha Entry Tax (OET) Act in 27 Commercial Tax Circles⁹ and nine Commercial Tax Ranges¹⁰ of the State. Audit observed several cases of non-observance of the provisions of the aforesaid Acts and Rules made thereunder. Audit also observed many cases of non-levy and short levy of tax and penalty as mentioned in the succeeding paragraphs in this chapter. These cases are illustrative and are based on test checks carried out by Audit. Audit pointed out similar omissions by Assessing Authorities (AAs) every year. However, many of the irregularities persisted and remained undetected till next audit was conducted. This indicated that the internal control system in the Department was weak and ineffective. The Government needs to improve the internal control system including strengthening of internal audit to avoid occurrence of such cases.

Odisha Value Added Tax

2.5 Non-observance/ compliance of the provisions of the Act and Rules read with Government notifications

The OVAT Act, 2004, the Odisha Value Added Tax Rules, 2005 made there under, OET Act, 1999, CST Act, 1956 and CST Rules, 1957 provide for:

- *completion of the audit assessments by the AAs of the department on the basis of Audit Visit Reports (AVRs);*
- *levy of tax on the correctly assessed taxable turnover of outputs after giving due credit/ adjustment of admissible Input Tax Credit (ITC);*
- *imposition of penalty at prescribed rates in addition to the tax assessed at the audit assessment stage by the AAs;*
- *demand and collection of tax/ interest/ penalty as per the prescribed procedures; and*
- *imposition of penalty for non-submission of Certified Annual Audited Accounts (CAAA) within the prescribed date.*

The AAs, while finalising the audit assessments of the dealers did not observe some of the aforesaid provisions as mentioned in the following paragraphs:

2.5.1 Short-levy of tax due to application of lower rate of tax

The application of lower rate of tax during assessment of the unspecified items under the OVAT Act resulted in short-levy of tax of ₹1.63 crore and penalty of ₹3.26 crore.

Section 8(2) of the CST Act, 1956, provides that the tax payable by any dealer on his turnover relates to the sale of goods in the course of inter-State trade or

⁹ In 27 Circles - Keonjhar, Kendrapada, Jajpur, Phulbani, Jatni, Angul, BBSR-I, II & III, Balasore, Bargarh, Balangir, Koraput, Barbil, Cuttack-I(West) & (City), Cuttack-II, Rourkela-I & II, Jagatsinghapur, Ganjam-I & II, Jharsuguda, Puri, Sambalpur-I, Kantabanjhi and Kalahandi Circle

¹⁰ 09 Ranges - Jajpur, Angul, Puri, BBSR, Cuttack-I & II, Balangir, Koraput and Sambalpur

commerce not falling within sub-section (1) shall be at the rate applicable to the sale or purchase of such goods inside the appropriate State under the sales tax law of the State. Further, Rule 12(3) (g) of CST (O) Rules, 1957 provides that without prejudice to any interest or penalty that may have been levied under any provision of the Act, an amount equal to twice the amount of tax assessed under clause (e) or (f) shall be imposed by way of penalty in respect of any assessment completed under the said clause.

Audit scrutinised the CST assessment records and observed that the Assessing Authority (AA) assessed (December 2015) one dealer¹¹ under Ganjam-II Circle U/r 12(3) of the CST (O) Rules for the tax period from April 2012 to March 2014. The dealer in the instant case was a manufacturer of Chlorinated Paraffin Wax (CPW) and Hydrochloric Acid (HCL). Purchases/ receipts were made from within the State of Odisha as well as from outside India and sales were effected both within and outside the State of Odisha. While assessing, the AA determined the Gross Turnover (GTO) at ₹56.78 crore¹² and the Taxable Turnover (TTO) at ₹35.03 crore¹³ after allowing deduction of ₹21.75 crore¹⁴ towards production of 'F' forms, export documents and CST collected.

However, the AA disallowed exemption on sales worth ₹19.20 crore¹⁵ due to non-production of statutory forms and levied tax of ₹96 lakh on those sales at a rate of five *per cent* as per Schedule B (Part-II) of OVAT Act and penalty of ₹1.09 crore.

Audit found that Chlorinated Paraffin Wax (CPW) is a non-poisonous, non-inflammable low volatility, and high insulativity complex chemical substance used in multiple applications across diverse industries. Similarly, Hydrochloric acid (HCL) is also an important laboratory reagent and industrial chemical. As far as their usage is concerned, both the CPW and HCL are nothing but "Chemical" and are liable to be taxed ₹2.59 crore¹⁶, at the rate of 13.5 *per cent* on the disallowed sales amount of ₹19.20 crore, as per Schedule B (Part-III) of the OVAT Act.

Thus, the AA applied lower rate of tax in assessment for the above unspecified items under the OVAT Act which resulted in short-levy of tax amounting to ₹1.63 crore. Besides, the dealer was also liable to pay penalty twice the tax amounting to ₹3.26 crore.

The DCCT & GST had not furnished any specific compliance (January 2020). The matter was intimated to the Government (July 2021). The reply is also awaited (September 2021).

¹¹ M/s United Chloro Paraffins (P) Ltd, TIN-21261908767

¹² CST sale - ₹17.26 crore + CST sale without 'C' form condition - ₹1 lakh + Branch Transfer - ₹17.69 crore + Export - ₹21.47 crore + CST collected - ₹35 lakh

¹³ CST sale - ₹17.26 crore + CST sale without 'C' form condition - ₹1 lakh + Non-production of 'F' forms - ₹6.86 crore + Export sale without supporting documents - ₹10.90 crore

¹⁴ Production of 'F' forms - ₹10.83 crore + export documents - ₹10.57 crore + CST collected - ₹35 lakh

¹⁵ Export - ₹10.90 crore (*i.e.* ₹6.69 crore for 2012-13 and ₹4.21 crore for 2013-14) + Branch transfer - ₹6.86 crore (*i.e.* ₹63 lakh for 2012-13 and ₹6.23 crore for 2013-14) + CST sale - ₹1.44 crore (*i.e.* ₹49 lakh for 2012-13 and ₹95 lakh for 2013-14)

¹⁶ (₹19.20 crore x 13.5) / 100 = ₹2.59 crore

2.5.2 Short levy of tax and penalty due to irregular acceptance of credit notes

The Assessing Authority irregularly allowed credit notes issued to individual customers which led to short levy of tax and penalty of ₹1.35 crore.

As per sub-section 1 of Section 23 of OVAT Act, 2004, where a tax invoice has been issued in respect of any sale and the amount shown as tax charged in the tax invoice is found to be in excess of the tax payable under this Act in respect of that sale, the registered dealer making the sale shall provide the purchaser with a credit note containing the requisite particulars as may be prescribed. Further as per Section 42(A)(6), without prejudice to any penalty or interest that may have been levied under any provisions of the OVAT Act, penalty not exceeding twenty-five *per centum* of the tax so arrived under sub-section 4 or sub-section 5 may be imposed in respect of any assessment completed under the said sub-sections. As per Rule 68 and 71 of OVAT Rules, 2005, a Tax Invoice contains Tax Identification Number (TIN) of both the purchaser and seller but Retail invoice contains the TIN of the seller only. When goods are sold with the purpose of “resale” tax invoice is issued, whereas the goods are sold to the final consumer retail invoice is issued.

Audit scrutinised the OVAT assessment records and noticed that one dealer¹⁷ in Keonjhar Circle had been assessed U/s 42 A of the OVAT Act for the tax periods from 1 October 2015 to 31 March 2016 (27 July 2018) and from 1 April 2016 to 30 June 2017 (09 August 2018). The Assessing Authority (AA) determined the taxable turnover (TTO) of the said dealer at ₹576.02 crore¹⁸ and assessed output tax at ₹81.52 crore¹⁹. The AA allowed deduction of ₹1.08 crore²⁰ from the assessed output tax towards credit notes issued.

On scrutiny of credit notes and statements submitted by the dealer, Audit noticed that these credit notes were issued to individual customers/ buyers of vehicles instead of registered OVAT dealers as required under the OVAT Act. As individual customers were issued with retail invoice and not tax invoice, the claim for deduction of output tax involved in the credit notes issued to individual customers from the calculated output tax was irregular. Thus, the AA consented deduction of output tax in lieu of credit notes issued to individual customers irregularly which led to short levy of tax and penalty of ₹1.35 crore²¹ during the assessed tax periods.

In reply, the Government stated (September 2020) that the output tax calculated earlier towards the issue of credit notes to the individual customers was unjust and improper. The reassessment of the dealer was completed

¹⁷ M/s Samal Auto (India) Pvt. Ltd. TIN 21961404758

¹⁸ ₹167,93,25,796 during 01.10.2015 to 31.03.2016 + ₹408,08,67,141 during 01.04.2016 to 30.06.2017

¹⁹ ₹58,65,24,748 during 01.04.2016 to 30.06.2017 + ₹22,86,53,259 during 01.10.2015 to 31.03.2016

²⁰ ₹56,06,355 for the tax period 01.10.2015 to 31.03.2016 and ₹52,00,987 for the tax period 01.04.2016 to 30.06.2017

²¹ ₹1,08,07,342 (56,06,355 + 52,00,987) + penalty 25 *per cent* (27,01,836)

(August 2020) raising demand of ₹2.16 crore including penalty of ₹1.08 crore U/s 43 of OVAT Act.

2.5.3 Short-levy of tax due to wrong consideration of sales as inter-State sale instead of intra-State sale

The Assessing Authorities wrongly accepted ‘C’ forms of Odisha State considering those as inter-State sale and levied tax at concessional rate under the Central Sales Tax Act resulting in short-levy of tax of ₹1.26 crore.

As per Section 3 of the Central Sales Tax (CST) Act, 1956, as amended from time to time, a sale or purchase of goods shall be deemed to take place in the course of inter-State trade or commerce if the sale or purchase (a) occasions the movement of goods from one State to another; or (b) is effected by a transfer of documents of title to the goods during their movement from one State to another. Further, Section 8(4) of the CST Act read with Rule 12(1) of the CST (Registration and Turnover) Rules, 1957 provides that for claiming concessional rate of tax under the CST Rules, the dealer selling the goods furnishes to the prescribed authority in the prescribed manner a declaration in Form ‘C’ duly filled in and signed by the registered dealer of the outside State to whom the goods are sold containing the prescribed particulars obtained from the prescribed authority.

As per the provision of Section 8(2) of the CST Act, 1956, the tax payable by any dealer on his turnover shall be at the rate applicable to the sale or purchase of such goods inside the State with effect from 2008. As per Entry No. 68 of Schedule-B (Part-II) of the Odisha Value Added Tax (OVAT) Act, ‘sponge iron’ is taxable at the rate of five *per cent*.

Audit scrutinised the CST assessment records and observed that the Assessing Authority (AA) assessed two dealers²² in Rourkela – II Circle during September 2018, who were engaged in manufacturing and sale of sponge iron. The AA determined the CST sales of the two dealers at ₹409.46 crore²³ and accepted the ‘C’ forms worth ₹414.28 crore²⁴ including CST as furnished by the two dealers against their CST sales. Based on the ‘C’ Forms, the AA assessed the said turnover at a concessional rate of two *per cent* on CST sales worth ₹409.46 crore under the CST Act and levied the tax of ₹8.19 crore.

On verification of the ‘C’ forms furnished by the dealers, Audit noticed that out of ₹414.28 crore, ‘C’ forms worth ₹41.98 crore²⁵ were issued by the dealers of Odisha State to whom the said turnover of goods were sold. As the sales were made within the State of Odisha and the ‘C’ forms submitted were of Odisha State, these sales should have been treated as intra-State sale and the AA should have levied tax of ₹9.45 crore *i.e.*, at the prevailing rate of five *per*

²² (a) M/s Shree Ganesh Metaliks Ltd, TIN-21022000079 (b) M/s Adhunik Metaliks Ltd, TIN-21472000074

²³ ₹247.65 Crore+ ₹161.81 Crore

²⁴ ₹252.47 Crore + ₹161.81 Crore

²⁵ ₹41.30 Crore + ₹68 lakh

cent for sponge iron under the OVAT Act for ₹41.98 crore and concessional rate of two per cent for balance ₹367.48 crore.

Thus, wrong acceptance of 'C' forms by AA by treating those as inter-State sales instead of intra-State sales resulted in short levy of tax of ₹1.26 crore which was a loss to the Government exchequer.

In reply, accepting the observation of Audit, the Commissioner of Commercial Taxes (CT) & Goods & Service Taxes (GST), Odisha Stated (January 2021) that on receipt of the audit objections, the AAs had re-examined the cases and assessments were completed (November 2020) under Rule 12 (4) of the CST (O) Rules, 1957 imposing total demand of ₹1.27 crore²⁶ and issued the demand notices. Although, on being pointed out by Audit, the Department took action in these two cases which were noticed during the test check of records by Audit, the Department needs to install a system to avoid such omissions and due diligence is followed while assessing the cases.

2.5.4 Irregular allowance of credit notes led to excess refund

The Assessing Authority irregularly allowed credit notes issued beyond the period of three months resulting in excess refund of ₹55.39 lakh.

As per Sub-rule (1) of Rule 7 of the OVAT Rules, 2005 read with Sub-section 3 under Section 23 of the Odisha Value Added Tax (OVAT) Act, 2004, where there is requirement for adjustment of the sale price or tax in relation to a taxable sale, the dealer making such adjustment may issue a credit note or debit note, as the case may be. Further, Sub-rule 2 of Rule 7 provides that Credit Note or Debit Note as referred to in Sub-rule (1) shall be issued within three months following the tax period, during which the original sale had taken place.

Audit scrutinised the refund records along with the assessment records and noticed that out of 32 records in Jharsuguda Circle, one dealer²⁷ had been refunded (March 2019) ₹1.67 crore in respect of assessment U/s 42 A of the OVAT Act for the tax period 01 April 2016 to 30 June 2017. The instant dealer excavated coal from different coal mines and effected sales within and outside the State of Odisha. Coal is taxable at the rate of five per cent as per entry No. 31 of Part-II of Schedule B.

While assessing, the Assessing Authority (AA) assessed the tax liability of dealer at ₹287.97 crore²⁸ and after adjustment of tax payment of ₹289.64 crore, allowed a refund of ₹1.67 crore in lieu of excess payments determining the Gross Turnover (GTO) at ₹6,047.42 crore and the Taxable Turnover (TTO) at ₹5,759.45 crore²⁹. The Additional commissioner of CT & GST (Revenue) verified assessment records and noticed (May 2019) that the AA allowed deduction of ₹56.19 lakh from the output tax towards credit notes worth ₹11.08 crore³⁰ issued by the dealer during January to March 2017.

²⁶ ₹1.24 Crore + ₹3 lakh

²⁷ M/s MCL IB Valley Coalfields, TIN-21211700002

²⁸ ₹230.29 crore during 2016-17 + ₹57.68 crore during 2017-18

²⁹ Sale - ₹4,605.85 crore during 2016-17 + sale - ₹1,153.60 crore during 2017-18 (up to June 2017)

³⁰ ₹2.26 crore during Jan 2017 + ₹4.41 crore each during February & March 2017

However, the AA did not take any action on the instructions of the Additional Commissioner till the date of Audit (January 2020).

Audit further noticed from the review comments of the Additional Commissioner of CT & GST (Revenue) that these credit notes were not issued by the dealer within a period of three months of the tax period to which they were related. The dealer also admitted in his statement that he had issued the credit notes beyond the stipulated period of three months. However, the AA deducted the tax effect from the output tax without mentioning the tax period for which the credit notes were issued and the date on which these credit notes were issued by the dealer. Thus, the AA had irregularly allowed such credit notes beyond the period of three months and decreased output tax to that extent, though the AA had no discretion under the statute to condone such delay. This resulted in excess refund of ₹55.39 lakh³¹.

The observation was issued to the audited entity (January 2020) and in reply the Additional Commissioner of CT & GST, Sambalpur stated (December 2020) that the re-assessment proceeding had been initiated.

The matter was intimated (July 2021) to the Government. The reply is awaited (September 2021).

2.5.5 Short levy of tax due to irregular allowance of concessional rate

The Assessing Authority irregularly accepted the sales turnover of ₹17.57 crore under Odisha State E-I, 'C' forms and allowed concessional rate of tax resulting in short levy of tax worth ₹52.71 lakh at the differential rate of three per cent.

As per Section 3 of the Central Sales Tax (CST) Act, 1956, as amended from time to time, a sale or purchase of goods shall be deemed to take place in the course of inter-State trade or commerce, if the sale or purchase (a) occasions the movement of goods from one State to another; or (b) is effected by a transfer of documents of title to the goods during their movement from one State to another. Under Section 6(2) of the CST Act, where a sale of any goods in the course of inter-State trade or commerce, if the goods are of the description referred to in sub-section (3) of Section 8, shall be exempted from tax under this Act, provided the dealer effecting the sale furnishes to the prescribed authority in the prescribed manner and within the prescribed time a certificate (Form E-I & E-II) duly filled in and signed by the registered dealer from whom the goods purchased containing the particulars in a prescribed form.

Further, Section 8(4) of the CST Act read with Rule 12(1) of the CST (R&T) Rules, 1957 provides that for claiming concessional rate of tax under the CST Rules, the dealer selling the goods should furnish to the prescribed authority a declaration in Form 'C' duly filled in and signed by the registered dealer of the outside State to whom the goods are sold. As per the provision of Section 8(2)

³¹ Five per cent of ₹11.08 crore.

of the CST Act, 1956, the tax payable by any dealer on his turnover in so far as the turnover or any part thereof relates to the sale of goods in the course of inter-State trade or commerce not falling within sales in the course of inter-State trade or commerce shall be at the rate applicable to the sale or purchase of such goods within the State under the sales tax law of that State. As per Entry No. 68 of Schedule-B (Part-II) of the Odisha Value Added Tax (OVAT) Act, 'iron ore' is taxable at the rate of five *per cent*.

Audit scrutinised the CST assessment records and found that one dealer³² under Barbil Circle had been engaged in mining and trading activities of iron ore and manganese ore. The Assessing Authority (AA) assessed (September 2018) the dealer for the tax period from October 2015 to March 2016 and determined the Gross Turnover (GTO) and Taxable Turnover (TTO) as ₹471.11 crore and ₹461.88 crore respectively. On verification of 'C' forms furnished by the dealer, the AA assessed the turnover of ₹453.13 crore of CST sale at the rate of two *per cent*.

On scrutiny of those 'C' forms, Audit found that three numbers of 'C' forms amounting to ₹17.57 crore were submitted by two purchasing dealers³³ of Odisha State. Hence, concessional rate of tax against 'C' forms of Odisha State dealers should have been disallowed with imposition of tax of ₹52.71 lakh *i.e.* at differential rate of three *per cent*.

After this was pointed out (December 2019) by Audit, the AA stated that it was a transit sale and produced (November 2020) copies of E-I forms submitted by the dealers against those 'C' forms. The reply is not tenable since the instant dealer himself issued those E-I forms to the above two purchasing dealers who belonged to State of Odisha and the E-I as well as 'C' forms produced to the AA were also Odisha forms. As such, the transaction of ₹17.57 crore was neither inter-State sale under Section 3 nor transit sale under Section 6(2) of the CST Act. Thus, irregular acceptance of the sales turnover of ₹17.57 crore under Odisha State E-I, 'C' forms and allowance of concessional rate of tax by the AA resulted in short levy of tax worth ₹52.71 lakh.

The matter was intimated to the Government (July 2021). The reply is awaited (September 2021).

2.5.6 Short levy of tax and penalty due to excess allowance of labour and service charges

Assessing Authority allowed excess deduction towards labour and service charges which resulted in short levy of tax and penalty worth ₹14.79 lakh.

Under Rule 6(e) of OVAT Rules, 2005, the expenditure *inter-alia* incurred towards (1) labour charges for execution of works (2) amount paid to a sub-

³² M/s Serajuddin & Co having TIN-21111400036

³³ (i) M/s Mangalam Metal Ores Ltd., TIN-21411402490 of Barbil Circle and (ii) M/s Kalinga Enterprises Pvt. Ltd. TIN- 21455400323 of Rourkela – II Circle

contractor for labour and services in case of works contract shall be deducted from Gross Turnover (GTO) to determine Taxable Turnover (TTO). Under proviso to the above rules, where the dealer executing works contract fails to produce evidence in support of expenses mentioned above or such expenses are not ascertainable from the terms and conditions of the contract or the books of accounts maintained for the purpose, a lump sum amount on account of labour, service and like charges in lieu of such expenses shall be determined at the rate specified in the Appendix appended to the Rule 6(e) of the OVAT Rules. As per Sl. No. 23 of the Appendix, the charges towards labour and services shall be determined at 20 *per cent* of the GTO. Further, as per Section 42A (6), penalty not exceeding twenty-five *per centum* of the tax so arrived may be imposed in respect of any assessment completed under this section.

Audit scrutinised the assessment records and observed that the Assessing Authority (AA) assessed (September 2018) one dealer³⁴ in Puri Circle, who was engaged in execution of works contract, under Section 42A of OVAT Act for the period from 1 October 2015 to 31 March 2016. The AA determined gross receipts of ₹17.58 crore and assessed the GTO of ₹8.69 crore after deducting the payments made to the sub-contractor worth ₹8.89 crore. Similarly, the AA allowed deduction towards labour and service charges worth ₹3.29 crore from GTO which constituted 37.88 *per cent* and determined the TTO at ₹5.40 crore.

The dealer had not maintained proper books of accounts as per aforesaid rule and failed to produce the details of payment particulars in respect of works contract for which the AA rejected the periodical books of accounts. As such, the AA should have allowed deductions at 20 *per cent* labour and service charges from the GTO as per Sl. No.23 of Appendix appended to the OVAT Rules. The AA allowed deductions of 37.88 *per cent* irregularly, which resulted in short levy of tax and penalty amounting to ₹14.79 lakh (₹11.83 lakh tax and ₹2.96 lakh penalty) as detailed in the *Appendix I*.

The matter was brought to the notice of the Deputy Commissioner, CT & GST, Puri Circle (January 2020), no specific compliance has been reported. The matter was intimated to the Government of Odisha (July 2021). Their reply is awaited (September 2021).

Entry Tax

2.6 Non-observance/ compliance of the provisions of Odisha Entry Tax Act/ Rules read with Government notifications

The Odisha Entry Tax (OET) Act, 1999 and Rules made there under read with Government notifications issued from time to time provide for levy of tax Under Section 3 of the Act at the prescribed rates under Rule 3 of the OET Rules, 1999 on the entry of scheduled goods into a local area for consumption, use or sale therein and imposition of penalty under Section 9 C of the Act in audit assessment.

³⁴ M/s VA TECH WABAG Ltd. TIN 21711117048

Audit observed that while finalising the assessments, the AAs did not observe the above provisions in some cases as mentioned in the following paragraphs.

2.6.1 Short-levy of Entry Tax on sales turnover

The Assessing Authority did not levy entry tax on sales of scheduled goods resulting in short-levy of ET worth ₹19 lakh along with penalty worth ₹38 lakh on the tax assessed.

Section 3 of Odisha Entry Tax (OET) Act, 1999 provides that there shall be levied and collected a tax on entry of the Scheduled goods into a local area³⁵ for consumption, use or sale therein at such rate not exceeding twelve *per centum* of the purchase value of such goods from such date as may be specified by the State Government and different dates and different rates may be specified for different goods and local areas subject to such conditions as may be prescribed. Rule 19(1) of the OET Rules, 1999 envisages that every manufacturer of scheduled goods who is registered under Value Added Tax (VAT) Act shall, in respect of the finished products which are scheduled goods and are sold by it to a dealer or person, as the case may be, either directly or through an intermediary, collect tax payable under Section 3 of the Act from the buying dealer or person, as the case may be. As per Entry No. 73 of Part-I of the ET Schedule, “Chemicals used for any purpose” is eligible to be taxed at the rate of one *per cent*. Further, under Section 9 C (5) of the OET Act, an amount equal to twice the amount of tax assessed shall be imposed by way of penalty in respect of any assessment completed under the Sub-section 3 and 4 of this section.

Audit scrutinised the Central Sales Tax (CST) and OET assessment records along with corresponding Audit Visit Reports (AVR) and noticed that out of 18 dealers in Ganjam-II Circle, one dealer³⁶ was assessed (December 2015) U/s 9(C) of the OET Act for the tax period 01 April 2012 to 31 March 2014. The dealer in the instant case was a manufacturer of Chlorinated Paraffin Wax (CPW) which is non-poisonous, non-inflammable, low volatility and high insulativity complex chemical substance and Hydrochloric Acid (HCL). Purchases/ receipts were made from inside the State of Odisha as well as from outside India and sales were effected both inside and outside the State of Odisha.

While finalising the assessment of the dealer under the OET Act, the Assessing Authority (AA) determined the Taxable Turnover (TTO) as ₹70.40 crore³⁷ and calculated ET of ₹40 lakh³⁸. However, the AA did not levy entry

³⁵ Local Area means the areas within the limits of any (i) Municipality constituted under the Odisha Municipal Act, 1950; (ii) Gram Panchayat constituted under the Odisha Gram Panchayat Act, 1964; and (iii) other local authority by whatever name called, constituted or continued in any law for the time being in force, and includes the area within an industrial township constituted under Section 4 of the Odisha Municipal Act, 1950

³⁶ M/s United Chloro Paraffins (P) Ltd, TIN-21261908767

³⁷ Purchase value of (raw materials ₹61.65 crore + drums ₹5.78 crore + machinery ₹33 lakh) + finished product sold outside the local area within the State ₹ 2.64 crore

³⁸ One *per cent* on drums - ₹5.78 crore + 0.5 *per cent* on raw materials - ₹61.65 crore + two *per cent* on machinery - ₹33 lakh + one *per cent* on finished product sold outside the local area within the State - ₹2.64 crore

tax on sales worth ₹19.20 crore³⁹ of CPW and HCL relating to disallowance of interstate/ export/ branch transfer sale in the CST assessment order due to non-production of statutory forms. As the AA did not levy entry tax on sales of CPW and HCL, there was short-levy of ET worth ₹19 lakh⁴⁰. Besides, the dealer was liable to pay penalty of twice the tax worth ₹38 lakh. Thus, the total tax and penalty has been assessed as ₹57 lakh.

The matter was intimated (July 2021) to the Government. The reply is awaited (September 2021).

2.6.2 Less demand of Entry Tax

Excess adjustment of payments of tax resulted in short demand of entry tax worth ₹33 lakh.

Section 3 (1) of the OET Act, 1999 provides that, there shall be levied and collected a tax on entry of the scheduled goods into a local area for consumption, use or sale therein at such rate not exceeding twelve *per centum* of the purchase value of such goods from such dates as may be specified by the State Government and different dates and different rates may be specified for different goods and local areas subject to such conditions as may be prescribed.

Audit scrutinised the assessment records and noticed that the Assessing Authority (AA) assessed (15 March 2016) one⁴¹ dealer under Territorial Range, Angul, for the tax period from 2012-13 to 2013-14. The AA determined taxable turnover (TTO) at ₹7,932.11 crore⁴² and tax worth ₹96.02 crore⁴³. The AA raised demand of ₹37.02 crore after adjustment of ET set-off of ₹2.83 crore and tax payments of the dealer worth ₹56.17 crore. However, Audit observed that the actual ET payments was ₹55.84 crore which should have been adjusted. Thus, the AA irregularly adjusted ET payments of ₹56.17 crore against the actual payment of ₹55.84 crore which resulted in excess adjustment and short demand of tax of ₹33 lakh (₹56.17 crore - ₹55.84 crore).

In reply, the Additional Commissioner of CT & GST (Revenue) stated (November 2020) that a revised demand of ₹37.35 crore had been made.

The matter was intimated (July 2021) to the Government of Odisha. The reply is awaited (September 2021).

³⁹ Export - ₹10.90 crore (i.e. ₹6.69 crore for 2012-13 and ₹4.21 crore for 2013-14) + Branch transfer - ₹6.86 crore (i.e. ₹63 lakh for 2012-13 and ₹6.23 crore for 2013-14) + CST sale - ₹1.44 crore (i.e. ₹49 lakh for 2012-13 and ₹95 lakh for 2013-14)

⁴⁰ One *per cent* on ₹19.20 crore

⁴¹ M/s Jindal Steel & Power Ltd. TIN 21172000530

⁴² Purchase turnover ₹ 6490,66,99,789+ Sales turnover ₹1441,44,25,111=₹7932,11,24,900

⁴³ @ 0.5 *per cent* on ₹2733,05,87,732 = 1366,52,939, @ 1 *per cent* on ₹2163,08,01,117 = ₹21,63,08,011 @ 2 *per cent* on ₹30,35,97,36,080 = ₹60,71,94,722. Total tax determined = ₹96,01,55,672

2.6.3 Short-levy of Entry Tax on sales turnover of scheduled goods

Non-levy of entry tax on sales turnover of scheduled goods resulted in short levy of tax and penalty worth ₹13.39 lakh.

Rule 19(1) of the OET Rules, 1999 says that every manufacturer of scheduled goods who is registered under Value Added Tax (VAT) Act, 2004 shall, in respect of the finished products which are scheduled goods and are sold by it to a dealer or person, as the case may be, either directly or through an intermediary, collect tax payable under Section 3 of the Act from the buying dealer or person, as the case may be. Further under Section 9 C (5) of the OET Act, an amount equal to twice the amount of tax assessed shall be imposed by way of penalty in respect of any assessment completed under the Sub-section 3 and 4 of this section.

Audit scrutinised the Odisha Value Added Tax (OVAT) and OET assessment records along with corresponding Audit Visit Reports (AVRs) and noticed that out of 18 dealers in Ganjam-II Circle, departmental tax audit of one dealer⁴⁴ was conducted (July 2018) under Rule 11(5) of the OET Rules, 1999 for the tax period 01 October 2015 to 30 June 2017. The dealer in the instant case was a manufacturer of “Agricultural, Horticultural machineries and implements” and the goods were taxable at one *per cent* as per Entry No.37 of the Part-I of the Entry Tax Schedule. Purchases were effected within the State as well as from outside the State of Odisha and sales were effected only within the State of Odisha.

The tax audit team determined the Gross Turnover (GTO) at ₹3.32 crore⁴⁵ and the Taxable Turnover (TTO) at one crore⁴⁶ rupees and calculated the ET of one lakh⁴⁷ rupees. Further, it was noticed that during tax audit, ET was calculated only on purchase of raw materials but was not levied on sale of finished goods. The AA had not also issued any assessment order under the ET Act as there was no tax due to the dealer as per the AVR.

Verification of the AVR under the OVAT Act revealed that the dealer had effected VAT sale of his finished goods amounting to ₹4.46 crore including VAT. However, neither the tax audit team nor the AA levied entry tax on sales of those finished goods without mentioning any justification. The dealer, being a manufacturer of scheduled goods, was liable to pay ET on the sales turnover of its manufactured scheduled goods like “Agricultural, Horticultural machineries and implements” which was taxable at one *per cent* as per Entry No.37 of the Part-I of the Entry Tax Schedule. This resulted in short-levy of ET worth ₹4.46 lakh⁴⁸. Besides, the dealer was liable to pay penalty at twice

⁴⁴ M/s Sheet Profile Company, TIN-21091900858

⁴⁵ Purchase from registered dealers - ₹1.38 crore + un-registered - ₹99 lakh + outside State - ₹95 lakh

⁴⁶ Outside Purchase value - ₹95 lakh + Transportation charges - ₹5 lakh

⁴⁷ One *per cent* on one crore rupees

⁴⁸ One *per cent* on ₹4,46,47,807

the tax amounting ₹8.92 lakh. Thus, the total tax and penalty calculated to ₹13.39 lakh⁴⁹.

Accepting the observation of Audit, the Special Commissioner of CT & GST (Revenue & IT) stated that assessment U/s 10 of the OET Act was completed (January 2021) and a demand was raised against the dealer for payment of ₹13.39 lakh towards tax and penalty.

The matter was intimated (July 2021) to the Government of Odisha. The reply is awaited (September 2021).

Goods and Services Tax

2.7 Introduction

Goods and Services Tax (GST) was implemented with effect from 01 July 2017. GST⁵⁰ is being levied on intra-State supply of goods and services (except alcohol for human consumption and five petroleum products⁵¹), separately but concurrently by the Union (CGST) and the States (SGST)/ Union Territories (UTGST). Further, Integrated GST (IGST) is being levied on inter-State supply of goods or services (including imports) and the Central Government has exclusive powers to levy IGST. Prior to the implementation of GST, Value Added Tax (VAT) was being levied on intra-State sale of goods in the series of sales by successive dealers as per Odisha VAT Act, 2004 and Central Sales Tax (CST) was being levied on sale of goods in course of inter-State trade or commerce as per CST Act, 1956.

The State Government was empowered to regulate the provisions of OVAT Act whereas provisions relating to GST are being regulated by Centre and State on the recommendation of Goods and Services Tax Council (GSTC) which was constituted with representation from Centre and all the States to recommend on the matters related to GST. The State Government notified (June 2017) the Odisha Goods and Services Tax (OGST) Act, 2017 and the Odisha Goods and Services Tax Rules, 2017 in lieu of various taxes⁵² which were subsumed.

Goods and Services Tax Network (GSTN) was set up by the Government of India as a private company to provide IT services. It provides Front-end IT services to taxpayers namely registration, payment of tax and filing of returns. Back-end IT services, *i.e.*, registration, approval, taxpayer detail viewer, refund processing, MIS reports, *etc.*, are also being provided by GSTN to Model-II⁵³ States. Odisha has opted for Model-II.

Since Odisha had opted Model-II for implementation of GST, Back-end applications like registration, return scrutiny, audit, assessment, appeal,

⁴⁹ One per cent of ₹4,46,47,807 = ₹4,46,478 + penalty twice the tax – ₹8,92,956 = ₹13,39,434

⁵⁰ Central GST: CGST and State/ Union Territory GST: SGST/ UTGST

⁵¹ Petroleum products : petrol, high speed diesel, crude oil, natural gas and aviation turbine fuel

⁵² Value Added Tax, Central Sales Tax, Entry Tax, Luxury Tax and Entertainment Tax

⁵³ Model-I States: only front-end services provided by GSTN, Model-II States: both Front-end and Back-end services provided by GSTN

enforcement, MIS reports, etc., for GST administration were developed by GSTN. As per information provided (March 2019) by the Department, all these modules have been developed by GSTN. For access to the Back-end applications, leased line connectivity has been provided by GSTN from their Data Centre to Odisha State Data Centre. All the field offices are connected to the Odisha State Data Centre through State-wide Multi-Protocol Level Switching (MPLS) Network.

2.7.1 Trend of Revenue

The total receipts under GST for the period 2019-20 were ₹26,967.18 crore, which includes SGST of ₹13,203.52 crore, share of net proceeds assigned to State from CGST worth ₹8,641.66 crore and compensation received worth ₹5,122 crore. Against the target of ₹22,898.51 crore, the State could achieve ₹21,845.18 crore only.

The actual receipts during 2018-19 and 2019-20 were as given in **Table 2.2:**

Table 2.2: Actual receipts under GST

(₹ in crore)					
Year	Budget Estimate	Receipts under GST	Share of net proceeds assigned to State (CGST)	Compensation received	Total Receipts under GST
2018-19	21,901.83	11,942.59	8,725.35	4,241.08	24,909.02
2019-20	22,898.51	13,203.52	8,641.66	5,122.00	26,967.18

2.7.2 Goods and Services Tax Registration

2.7.2.1 Pan-India GST Registrations

The category-wise registrations under GST as on 31 March 2020 have been given in **Table 2.3.**

Table 2.3: Details of registrations

Category of Registrant	No. of Registrations	Percentage of total
Normal Taxpayers	1,77,659	90.21
Composition Tax payers	15,427	7.83
Tax Deductors at Source	3,357	1.70
Tax Collectors at Source	124	0.06
Input Service Distributors	155	0.08
Others (Casual, Non-resident taxable person (NRTP)/ Online Information database Access and Retrieval Access (OIDAR))	218	0.11
Total Registrants	1,96,940	

{Source: Information furnished by the Commissioner of CT&GST (O)}

The total registrations under GST as on 31 March 2020 were 1.97 lakh, of which normal taxpayers accounted for 90.21 per cent and composition

taxpayers were around 7.83 per cent. Out of the total registrations, 1,34,183 were migrated from pre-GST regime, accounting for 68.13 per cent, while the balance were new registrations.

2.7.3 GST Return Filing Pattern

As per Central Goods and Services Tax Act, 2017, GSTR – 1 is to file details of outward supplies of taxable goods and/ or services effected by the supplier. GSTR – 3B is a consolidated summary return of inward and outward supplies, required to be furnished by the registered person on a monthly basis. GSTR – 4 is to file quarterly statement and annual return by the composition supplier. GSTR – 5 is to file monthly return by non-resident taxable person. Similarly, GSTR- 6 is to file monthly return by input service distributor.

As per information furnished by the Commissioner of CT & GST (O), the information on return filing position of GSTR-1, GSTR-4, GSTR-5 and GSTR-6 were not readily available with them since the data dumps shared by GSTN with Model II States (based on which return filing position is extracted) only related to information on GSTR-3B. Accordingly, the details of GSTR-3B are discussed in the following para.

2.7.3.1 Filing Pattern of GSTR-3B

The trend of filing of GSTR-3B for the period from April 2019 to March 2020, as compiled from the summary reports shared by GSTN, have been depicted in Table 2.4.

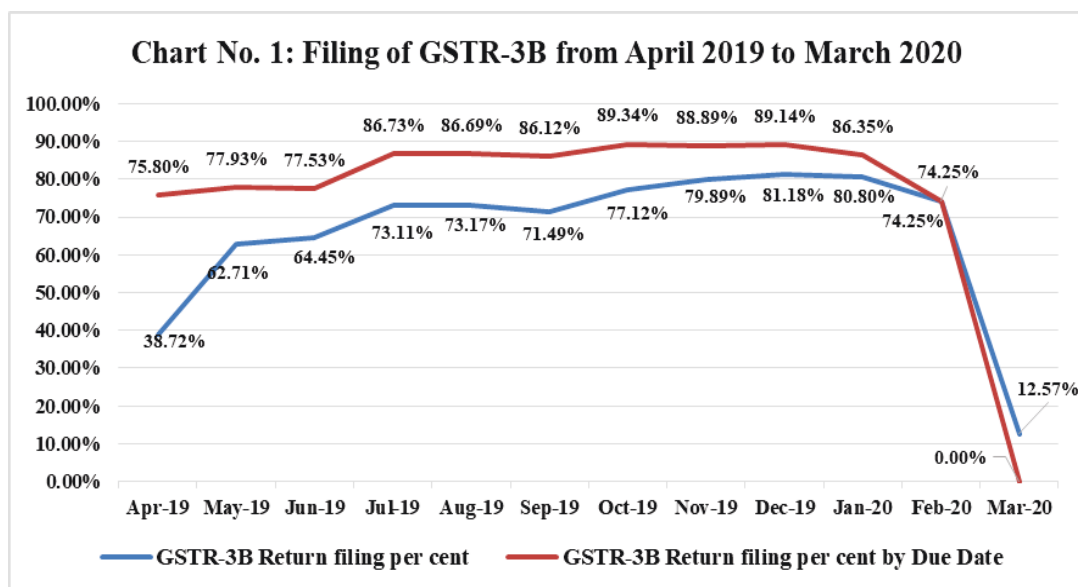
Table 2.4: Filing pattern of GSTR-3B

Return Type	GSTR-3B				
	Month	Due for filing	Returns filed in the month	Returns filing percent	Returns filed by due date
April 2019	236523	179287	75.80	91570	38.72
May 2019	238939	186214	77.93	149837	62.71
June 2019	240763	186662	77.53	155179	64.45
July 2019	216984	188197	86.73	158629	73.11
August 2019	218749	189623	86.69	160058	73.17
September 2019	221961	191147	86.12	158674	71.49
October 2019	213374	190618	89.34	164555	77.12
November 2019	218195	193947	88.89	174319	79.89
December 2019	218677	194932	89.14	177521	81.18
January 2020	221409	191187	86.35	178905	80.80
February 2020	223513	165953	74.25	165953	74.25
March 2020	225717	0	0	28381	12.57

(Source: Information furnished by the Commissioner of CT&GST (O) as per 3B data dumps provided by GSTN)

The filing of GSTR-3B for April 2019 was 75.80 per cent and increased to 89.34 per cent during October 2019 and again came down to only 74.25 per cent during February 2020. It was noticed that GSTR-3B returns were being filed within the due date on an average of 65.78 per cent. GSTR - 3B returns filed by the due date remained low ranging from 12.57 per cent to 81.18 per cent during April 2019 to March 2020. Thus, while it was expected that compliance would improve as the system would stabilise with passage of time,

it was seen that though there was significant improvement up to January 2020, it deteriorated further from February 2020 in filing of GSTR-3B by due date.



2.7.4 Assessments pending under the subsumed Acts

As per the provisions of the OVAT Act, 2005, every dealer shall be deemed to have been assessed to tax based on the returns filed by him if no assessment is made within a period of seven years from the date of filing the return. Assessment under the Central Sales Tax (CST) Act are to be completed within five years.

As per the information furnished (December 2020) by the Commissioner of Commercial Tax and GST, 2,259 assessments under the subsumed Acts were pending at the end of the year 2019-20 as shown in the Table 2.5.

Table 2.5: Assessments pending under the subsumed Acts

Head of revenue	Opening balance	Addition during 2019-20	Total number of Assessments due	Assessments finalised during 2019-20	Balance at the end of the year	Percentage of disposal
0005- Central Goods and Services Tax, 0006- State Goods and Services Tax and 0008- Integrated Goods and Services Tax	0	1,764	1,764	1,128	636	63.95
0040- Taxes on Sales, Trade, etc., (which includes OVAT, CST).	2,130	474	2,604	1,020	1,584	39.17
0042- Taxes on Goods and Passengers (which includes OET).	306	143	449	410	39	91.31
Total	2,436	2,381	4,817	2,558	2,259	53.10

(Source: Commissioner of Commercial Taxes and GST)

It can be seen from the **Table 2.5** that the disposal of assessments under the GST, OVAT/ CST and OET Acts was 63.95 per cent, 39.17 per cent and 91.31 per cent respectively of the total cases pending for assessment.

This indicated that the Department did not take effective steps to dispose the cases as per the targets set⁵⁴ for completion of all assessments by 31 October 2018.

2.7.5 Pendency of Refund cases

As per Section 54 of the OGST Act, 2017, any person claiming refund of any tax and interest, if any, paid on such tax or any other amount paid by him, may make an application before the expiry of two years from the relevant date in such form and manner as may be prescribed.

As per Section 142 (3) of the GST Act, 2017, every claim for refund filed by any person before, on or after the appointed day for refund of any amount of input tax credit, tax, interest or any other amount paid under the existing law, shall be disposed of in accordance with the provisions of existing law and any amount eventually accruing to him shall be refunded to him in cash in accordance with the provisions of the said law.

As per information furnished (October 2020) by the Commissioner of CT and GST (O), 3,122 claims for refunds worth ₹653.68 crore were received as of March 2020. Out of these cases, refunds were allowed in 1,835 cases involving ₹304.58 crore. The details are given in the **Table 2.6**.

Table 2.6: Pendency of refund cases

(₹ in crore)

Sl. No.	Particulars	GST/ Sales tax/ VAT		Entry Tax	
		No. of cases	Amount	No. of cases	Amount
1	Claims outstanding at the beginning of the year	308	58.91	56	14.20
2	Claims received during the year	2,663	570.51	95	10.06
	Total (1+2)	2,971	629.42	151	24.26
3	Refunds made during the year				
	(a) Refunds granted	1,744	289.03	91	15.55
	(b) Refunds rejected/ adjusted	1030	249.05	48	2.27
	Total (a+b)	2,774	538.08	139	17.82
4	Balance outstanding at the end of the year	197	91.34	12	6.44

(Source: Information furnished by the Commissioner of CT and GST)

It could be seen from the above table that 58.78 per cent of cases were disposed of and 34.53 per cent claims were rejected, leaving an outstanding balance of 209 claims involving ₹97.78 crore.

⁵⁴ Circular No 45831 CT/ Dt.20.03.2018

2.7.6 Status of data sharing to Audit

Odisha is a Model-II State and the access to data is received only through GSTN. All Range/ Circle offices of the Commissioner of CT&GST (O) are connected to Odisha State Data Centre through State-wide MPLS Network. Audit scrutiny *i.e.*, return scrutiny, details of dealers regarding composite levy scheme, tax payment details and ITC claims by the dealers requires data analysis. In order to facilitate audit, the GST Council has decided to create User IDs and assign roles in the GST Back Office Application in favour of the Auditors from Accountant General's office. For this, the required process in the GST Back office has already been developed by the GSTN. Accordingly, specific roles, namely 'CAG Auditors' have been assigned to the auditors by which they would be able to view all records in the GST Back office. Such creation of User IDs and assignment of the roles to Auditors of Accountant General have already been created by the State Administrator at the Commissionerate of CT & GST (O).

Recommendation: As the GSTR-3B return is a consolidated summary return of inward and outward supplies, non-availability of GSTR-1 data implied that the department did not have complete invoice level details as filed by the suppliers, which could be used to verify the details given in GSTR-3B or to arrive at aggregate turnover. Since filing of GSTR-1 is mandatory, non-availability of data on that is an area of concern and needs to be addressed.

Chapter - III

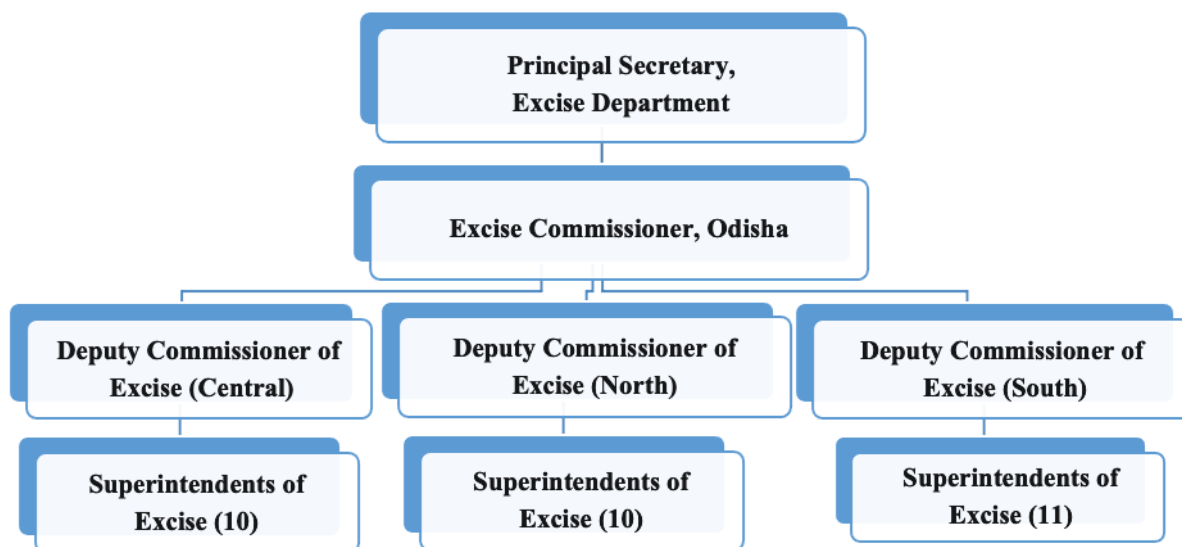
State Excise Duty

CHAPTER III

STATE EXCISE DUTY

3.1 Tax Administration

Levy and collection of Excise Duty (ED) is regulated under the Odisha Excise Act, 2008 and Rules made thereunder by the Government. The organisational setup for administration of excise revenue is as under:



3.2 Internal Audit

Internal Audit Wing (IAW), responsible for evaluating the Internal Control measures in the department and its field offices, was functioning since 2010. During 2019-20, the IAW covered nine out of 14 units planned for audit. The shortfall in conducting audit was attributed to shortage of manpower by the Department. It was observed that 477 paragraphs of Internal Audit Reports having money value of ₹151.34 crore issued during 2008-09 to 2019-20 were pending for want of disposal as on 31 March 2020.

3.3 Results of Audit

Audit was conducted in 19 out of 36 units (52.77 per cent) during 2019-20. Revenue Receipts collected in the test checked 19 units was ₹3,704.24 crore, which is 94.36 per cent of revenue receipts worth ₹3,925.12 crore collected in 36 units during the year 2018-19. Audit scrutiny showed non-realisation/ short realisation of excise duty and non/ short recovery of licence fee/ interest penalty and other irregularities involving ₹14.77 crore in 245 cases as indicated in the **Table 3.1**.

Table 3.1: Details of category wise audit observations on State Excise revenue receipts

Sl. No.	Categories	(₹ in crore)	
		Number of cases	Amount
1.	Non/ Short realisation of excise duty	34	10.19
2.	Non/ Short recovery of licence fee/ interest/ penalty	54	0.93
3.	Other irregularities ⁵⁵	157	3.65
Total		245	14.77

Department accepted the under assessments and other deficiencies worth ₹12.81 crore in 171 cases pointed out during the year and realised ₹30 lakh in 73 cases pointed out in 2019-20. There are two broad categories of audit observations and most of them are of a nature that may reflect similar errors/ omissions in other Excise units under the department but not covered in the test audit. Department may, therefore, like to internally examine all the other units with a view to ensure that excise duty/ fees are levied as per provisions of the Act and rules.

3.4 Audit observations

Audit scrutinised the assessment records on State Excise Duty and associated fees in the District Excise Offices (DEOs). Audit found several cases of non-observance of the provisions of the Act/ Rules/ Annual Excise Policies (AEPs). This led to non-levy/ short levy and realisation of excise duty, fees and fines *etc.* as mentioned in the succeeding paragraphs in this chapter. These cases were illustrative and were based on a test check carried out by Audit. Such omissions on the part of the Superintendents of Excise (SEs) were pointed out by Audit each year. However, the irregularities persisted and remained undetected until the next audit was conducted. There was need for the Department to improve the internal control system including strengthening of internal audit to avoid recurrence of such irregularities.

3.5 Provisions of the Acts/ Rules/ Annual Excise Policies and instructions of Government not observed

The Odisha Excise (OE) Act, 2008 and Odisha Excise (OE) Rules, 2017 made thereunder by the Government as well as by the Board of Revenue (BoR) read with the Excise Manual, AEPs and notifications of Government provide for levy and collection of Excise Duty (ED) and charges like establishment cost and extra hour operation charge etc. at the prescribed rates.

The SEs, while finalising the assessments, did not observe the above provisions in some cases as mentioned in the subsequent paragraphs which resulted in non-levy and non-realisation of ED/ fees, fines and penalty etc.

⁵⁵ Non realisation of establishment cost, delay in settlement of shops, extra hour operation *etc.*

3.5.1 Excise duty along with fine on short lifting of country liquor, Indian Made Foreign Liquor and Beer

Failure on the part of District Excise Offices to raise demand against the licensees who did not lift entire Minimum Guaranteed Quantity of Country Liquor, Indian Made Foreign Liquor and Beer, the Excise Duty with fine of ₹8.31 crore remained unrealised.

As per Rule 34 of the Odisha Excise Rules, 2017, Minimum Guaranteed Quantity (MGQ) of Country Liquor (CL), Indian Made Foreign Liquor (IMFL) and Beer as determined by the Government for the year, should be guaranteed by the successful tenderer or bidder to be lifted and transported by him from the distillery, warehouse or depot as the case may be for retail sale in the shop. The licensee shall lift the entire MGQ of CL for the complete year before the expiry of the term of licence *i.e.*, last day of March. The excess quantity over MGQ drawn in previous month shall be adjusted against short drawn MGQ in subsequent months. The Collector may, for any special reasons, permit the licensees to lift the short drawn MGQ of the previous month in the succeeding months except for the month of March. In case of default, the Excise Duty (ED) on the deficit quantity of annual MGQ shall be collected at the end of the year with a fine at the rate of ten *per centum* on the deficit amount. As per the Annual Excise Policy (AEP) 2018-19, the ED on CL, IMFL and Beer was ₹126⁵⁶ per LPL⁵⁷, ₹384⁵⁸ per LPL and ₹50⁵⁹ per BL⁶⁰ respectively.

Case I: Audit test checked (May 2019 to February 2020) the records in 16 out of 31 District Excise Offices (DEOs) and noticed that, during the year 2018-19, two licensees in two DEOs lifted 53,008.500 LPL of CL against the MGQ of 1,80,000 LPL. As such, the licensees were liable to pay ED and fine worth ₹1.76 crore⁶¹ on short lifted quantity of 1,26,991.500 LPL as detailed in the **Table 3.2**.

Table 3.2: Excise duty and fine not realised on short lifted quantity of country liquor

Name of the SE	Name of the CL Shop	Monthly MGQ fixed	MGQ for the year	MGQ lifted during the year	MGQ Short lifted	ED due (₹126 per LPL)	Fine	Total of ED and fine due	ED realised	Total ED and fine payable
(In LPL)						(In ₹)				
SE, Cuttack	Mangalabagh	12000	144000	17415.0	126585.0	15949710	1594971	17544681	0	17544681
SE, Kendrapada	Aul CL Shop	3000	36000	35593.5	406.5	51219	5122	56341	0	56341
Total		15000	180000	53008.5	126991.5	16000929	1600093	17601022	0	17601022

⁵⁶ Excise duty is equal to Specific component + *Ad-valorem* component (20 *per cent* of landing cost). Specific component is ₹100. The landing cost of three LPL of CL is ₹390. As such, the landing cost of one LPL is ₹130. *Ad valorem* component of landing cost on one LPL of CL is calculated at ₹26 (₹130 x 20 *per cent*). Total is ₹126.

⁵⁷ London Proof Litre (LPL) - Strength of alcohol measured in terms of 'Degree Proof'. Strength of 13 parts such alcohol weigh exactly equal to 12 parts of water at 51 Degree F is assigned 100 Degree proof

⁵⁸ Specific Component per LPL = ₹360 + *Ad-valorem* component *i.e.* 50 *per cent* of Landing cost (319.04/6.75) x 50 *per cent* = ₹24 (23.63). All total ₹384

⁵⁹ Specific component per BL = ₹35 and *Ad-valorem* component *i.e.* 40 *per cent* of Landing cost (315.71/7.8) x 40 *per cent* = ₹15. All total ₹50

⁶⁰ Bulk Litre (BL) - a litre with reference to the bulk or quantity of the contents

⁶¹ ED ₹1.60 crore for 1,26,991 LPL @ ₹126 per LPL and fine ₹16 lakh *i.e.* 10 *per cent* of ED

It was also noticed that, during the year 2018-19, 24 licensees in five DEOs lifted 1,58,874.47 LPL of IMFL and 8,13,449.30 BL of Beer before the last day of March 2019 against the MGQ of 2,46,804 LPL of IMFL and 11,69,479 BL of Beer fixed for their shops with short lifting of 87,929.53 LPL of IMFL and 3,56,029.70 BL of Beer. As such, the licensees were liable to pay ED with fine of ₹5.67 crore on short lifted MGQ as given in the **Table 3.3**.

Table 3.3: Excise duty and fine not realized on short lifted quantity of IMFL and Beer

Name of DEO	No. of Shops	MGQ fixed upto March 2019		Total quantity lifted upto March 2019		Short lifted		Total Excise duty involved (in ₹)		Total (in ₹)	Fine (in ₹)	Total revenue unrealised (in ₹)
		IMFL (LPL)	Beer (BL)	IMFL (LPL)	Beer (BL)	IMFL (LPL)	Beer (BL)	IMFL	Beer			
Mayurbhanj	13	63000	612000	47712.14	463412.20	15287.86	148587.80	5870537	7429390	13299927	1329993	14629920
Cuttack	3	136500	256936	100434.10	111520.40	36065.90	145415.60	13849297	7270752	21120049	2112005	23232054
Phulbani	1	42000	60000	6417.77	9844.80	35582.23	50155.20	13663578	2507760	16171338	1617134	17788472
Khordha	4	5304	543	4310.46	273.00	993.54	270.00	381520	13500	395020	39502	434522
Berhampur	3	0	240000	0	228398.90	0	11601.10	0	580058	580058	58006	638064
Total	24	246804	1169479	158874.47	813449.30	87929.53	356029.70	33764932	17801460	51566392	5156640	56723032
Total ED due for CL, IMFL and Beer as per table 1 and 2												74324054

Since the DEOs failed to raise any demand against the licensees on short lifted MGQ of CL, IMFL and Beer, ED with fine amounting to ₹7.43 crore remained unrealised as of August 2020.

The matter was intimated to Government of Odisha during May 2021. Their reply is awaited (September 2021).

Case II: Audit noticed that the DEO Sundargarh awarded the licence to one IMFL ‘Off shop’ settled through lottery system. The DEO issued (15 May 2018) licence for functioning of the shop up to 31 March 2019 and fixed the monthly MGQ at 5,250 LPL for IMFL and 7,500 BL for Beer. But the licensee could not open his shop due to public objection from the date of issue of licence to 5 September 2018 (approximately four months). Besides, the licensee also could not lift the MGQ of IMFL (36,265.159 LPL) and Beer (59,111.904 BL) up to the expiry of licence for which the licensee was required to pay excise duty and fine on short-lifted quantity of MGQ.

The Superintendent of Excise (SE), Sundargarh framed a charge sheet against the licensee during March 2019 to lift the unlifted MGQ within the validity period of the licence *i.e* upto 31 March 2019. The licensee challenged the charge sheet by preferring a writ petition before the Hon’ble High Court of Odisha. While disposing the case, the Hon’ble High Court (March 2019) had given liberty to the licensee to make a representation before the Excise Commissioner (EC) within 10 days which was to be disposed of by 30 April 2019. After that, the licensee filed a representation before the EC on 10 April 2019 for exemption of excise duty on short lifted MGQ of the year 2018-19.

In response, the EC directed (7 August 2019) SE, Sundargarh to calculate the shortfall MGQ along with the amount of ED for the closure period (15 May 2018 to 05 September 2018) only in 2018-19 for onward transmission to Government to take a decision on exemption of duty on MGQ short lifted. The EC also directed to calculate shortfall of MGQ during 06 September 2018 to March 2019 separately. Accordingly, SE, Sundargarh

calculated and intimated (13 December 2019) to EC, the ED of ₹97.71 lakh on shortfall MGQ of 19,504.033 LPL of IMFL and 27,862 BL of Beer for closure period, for necessary action. Besides, the SE also calculated that against the MGQ of 35,875 LPL of IMFL and 51,250 BL of Beer, the licensee could lift 19,113.874 LPL of IMFL and 20,001 BL of Beer with shortfall 16,761.126 LPL of IMFL and 31,249 BL of Beer during the remaining period of 2018-19. The Excise Duty (ED) and fine was worked out as ₹87.99 lakh on shortfall MGQ of IMFL and Beer as detailed in the *Appendix - II*.

Audit noticed that the EC failed to intimate Government regarding the ED on short lifting of MGQ for the closure period as well as to take a decision on exemption of duty of ₹97.71 lakh. Further, SE, Sundargarh neither raised demand worth ₹87.99 lakh for the subsequent period nor the SE was instructed by the EC to collect the outstanding dues for which the excise revenue remained unrealised for a considerable period of time. Due to such lackadaisical approach, the decision of Hon'ble High court to dispose the case by 30 April 2019 was also not adhered to.

In reply, the DEO, Sundargarh stated that the required information on shortfall of MGQ had been sent to EC for taking necessary action at his end. The matter was intimated to Government of Odisha during June 2021. Their reply is awaited (September 2021).

3.5.2 Charges for extra hour operation not realised

Failure on the part of DEO, Ganjam to raise demand for unauthorised extra hours of operation, resulted in non-realisation of the Government revenue to the tune of ₹51.09 lakh towards excise duty from one of the defaulting Distilleries.

As per Rule 79 (2), (3) and (5) of the Odisha Excise Rules, 2017, the licensee of any distillery or other production unit shall arrange its operations so that no Excise Officer or any of his employees need to be on duty for more than eight hours per day which is specified as scheduled hours of duty per shift. If it becomes necessary for the licensee to run the second shift of eight hours, then he can do so only with the prior permission of the Commissioner. The Distillery/ Brewery/ Bottling Unit will pay to the State Government ₹3,000 per extra hour of operation of their bottling Unit/ Warehouse beyond the scheduled hours, in addition to the overtime fees payable to the Excise Staff in pursuance of the provisions prescribed.

During scrutiny of records of 16 out of 31 District Excise Offices (DEOs), Audit noticed that one⁶² distillery under DEO, Ganjam carried out extra hour operations for 1,703 hours beyond the scheduled hours during April 2018 to March 2019 without any prior permission of the Commissioner. Therefore, the distillery was liable to pay extra hour charges worth ₹51.09 lakh at the rate of ₹3,000 per hour for the above extra hours of operation. Since the DEO did not raise any demand against the distillery for realisation of above excise revenue, the distillery did not deposit the same into the Government account till the date

⁶² Aska Co-operative Sugar Industries Ltd.

of audit (September 2019). Thus, an amount of ₹51.09 lakh towards extra hour operation remained unrealised.

In reply, the DEO, Ganjam stated that demand would be raised against the distillery for deposit of extra hour operation fees. The matter was intimated to Government of Odisha during May 2021. Their reply is awaited (September 2021).

3.5.3 Fees not levied for exercising the option for submission of agreements without registration with the land owners

Superintendents of Excise did not raise demand for realisation of fee of ₹45.50 lakh for submission of unregistered land agreements.

As per Rule 51 of the Odisha Excise Rules, 2017, an application for foreign liquor/ IMFL/ Beer 'ON' shops shall be submitted in Form XI B only by those who are having hotels or restaurants. The application shall be accompanied with the documents namely:- (a) evidence regarding ownership of the land and building (b) in case the shop is proposed to function in a rented building, the details of the land and building along with the registered agreement or an undertaking to furnish a registered agreement duly executed with the land or house owner to hire the building (c) where there is no such agreement, the written willingness of the land or house owner to execute a registered agreement in the event of the grant of licence by the State Government. As per clause 4.2.15 of Annual Excise Policy (AEP) for the year 2017-18, the licensees are given an option for submitting agreements without registration with the land owner to avoid closure of shops under compelling circumstances. The licensees shall have to pay ₹25,000 for exercising this option.

Audit scrutinised records relating to land agreements, lease deeds and licence related documents for 2017-18 in 28 out of 31 District Excise Offices (DEOs). It was observed that 300 licensees in 18 DEOs⁶³ submitted unregistered land agreements with the land owners while applying for issue/ renewal of licences for functioning of Excise shops during 2017-18. The licensees had not deposited the required fees of ₹75 lakh (300 * ₹25,000) for exercising the option of submission of agreements without registration as per the clause *ibid*. At the time of issue/ renewal of licences for the year 2017-18, the Superintendents of Excise (SEs) also did not insist to realise the amount for submission of unregistered agreements. After issue of Audit observation (July 2018 to March 2019), eight⁶⁴ SEs realised ₹29.50 lakh from 118 licensees. Yet, 10 DEOs did not take proper action to realise the amount of ₹45.50 lakh from 182 licensees who had submitted unregistered agreements as detailed in the *Appendix – III*.

⁶³ SEs Balasore, Bargarh, Berhampur, Balangir, Cuttack, Gajapati, Ganjam, Jagatsinghapur, Kendrapara, Keonjhar, Khordha, Koraput, Mayurbhanj, Nabarangpur, Nuapada, Puri, Rayagada and Sundargarh.

⁶⁴ SEs Balasore, Bargarh, Balangir, Jagatsinghapur, Mayurbhanj, Nabarangpur, Rayagada and Sundargarh

Further, the AEP was silent about levy of fees/ fines towards non-submission of land agreements at the time of applying for new/ renewal of licenses. Although, 440 licensees had not submitted land agreements at the time of renewal of excise shops, concerned SEs renewed the licences irregularly. It was also noticed that 53 licensees had deposited ₹13.25 lakh towards non-submission of agreements. Arbitrary implementation of the policy may lead to corruption in renewal of licences. In absence of any policy, the amount received from 53 licensees and non-collection of any amount from balance 387 licensees could not be authenticated. Therefore, a clause should be incorporated in the AEP depicting the fees and fines to be levied on licensees who failed to submit the land agreements at the time of issue of new/ renewal of licences.

The matter was intimated to Government of Odisha (June 2021). Their reply is awaited (September 2021).

3.5.4 Fees towards cost of establishment not realised

Failure on the part of two Superintendents of Excise to raise demand against two distilleries resulted in ₹13.06 lakh unrealised, as cost of establishment for the year 2018-19.

As per Rule 93 of the Odisha Excise Rules, 2017, the Excise Commissioner (EC) shall determine and appoint the Excise Officer and staff necessary for the proper supervision of the operations carried out in each warehouse or store-room. The licensee shall pay to the Government the fees for maintaining a warehouse and for conducting the operations at the rates as may be determined by the State Government, from time to time, which shall be payable at the end of each calendar month and shall not exceed in amount the whole of the cost of the excise staff employed for the purpose of this rule.

During scrutiny of records in 16 out of 31 District Excise Offices (DEOs), Audit noticed that eight excise officers and staff members were posted during April 2018 to March 2019 for supervision of the operations carried out in two⁶⁵ distilleries under two⁶⁶ DEOs. The pay and allowances in respect of eight excise officers and staff members deployed in those distilleries relating to the said period was calculated as ₹13.06 lakh as detailed in the *Appendix-IV*. As per aforesaid provisions, the pay and allowances of eight excise officers and staff members was to be reimbursed by those distilleries in which they were deployed to supervise. The Superintendents of Excise (SEs) did not raise demand against two distilleries for reimbursement of pay and allowances. As a result, ₹13.06 lakh was remained unrealised.

In reply, the SEs, Dhenkanal and Ganjam stated (May 2019 and September 2019) that demand would be raised for realisation of the establishment cost after verification of records. The replies of the SEs are not acceptable as the excise officers and staff members were deployed by the concerned SEs. Accordingly, the cost of establishment was to be realised by the SEs as per the above prescribed provision of OER, 2017. The matter was also intimated (May 2021) to Government of Odisha. Their reply is awaited (September 2021).

⁶⁵ M/s Sakthi Sugar Industries Ltd. & M/s Aska Co-operative Sugar Industries (ACSI) Ltd.

⁶⁶ DEOs, Dhenkanal & Ganjam

Chapter - IV

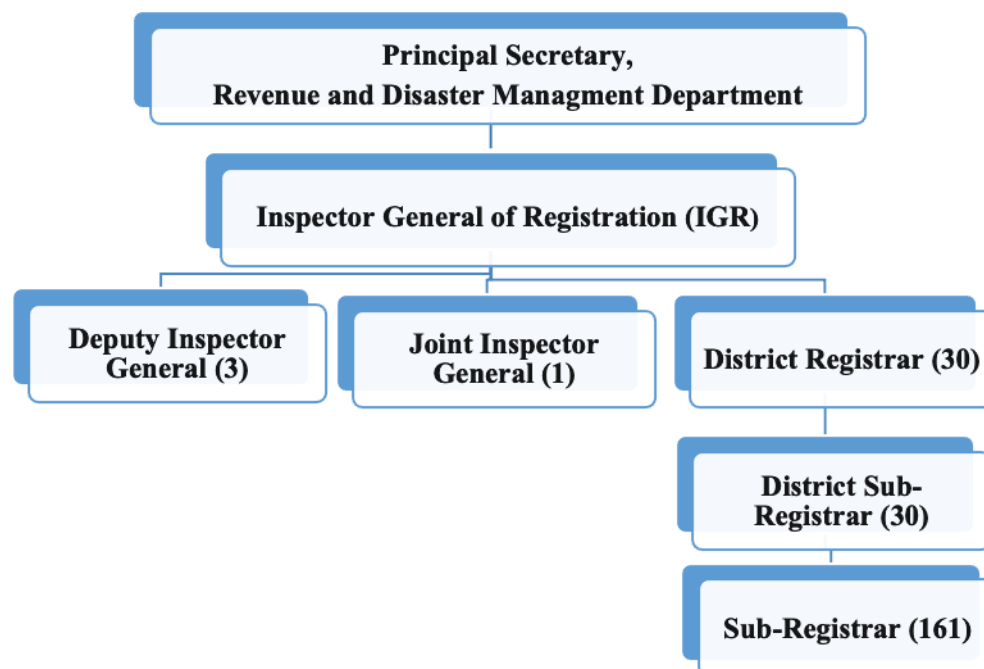
Stamp Duty and Registration Fee

CHAPTER IV

STAMP DUTY AND REGISTRATION FEE

4.1 Tax Administration

Receipts from Stamp Duty (SD) and Registration Fee (RF) are regulated under the Indian Stamp Act, 1899 (IS Act), the Registration Act, 1908 and the Rules framed thereunder. The organisational setup for administration of Stamp Duty and Registration fee is as under:



4.2 Internal Audit

The Internal Audit Wing (IAW) of Revenue and Disaster Management (R&DM) Department was created in the year 1969. During 2019-20, out of 42 units planned for audit, the IAW of the Department covered only 29 units. Audit noticed that 9,430 paragraphs in Internal Audit Reports having money value of ₹3,077.84 crore issued up to 31 March 2020 were pending for disposal as on the date.

4.3 Audit Methodology and Results of Audit

Audit was conducted in 41 out of 191 units (21.47 per cent) in Registration wing of Revenue and Disaster Management Department during 2019-20. Revenue receipts collected in the test checked 41 units was ₹834.37 crore, which is 67.43 per cent of total revenue receipts worth ₹1,237.46 crore collected in 191 units during the year 2018-19. Test check of assessment and other records showed incorrect determination of market value of land and building and non/ short levy of stamp duty and registration fee on lease, Agreement to sale, Power of Attorney etc., involving ₹9.35 crore in 14,507 cases which fall under the categories as given in **Table 4.1:**

Table 4.1: Category wise details of Audit observations

Sl. No.	Categories	No. of cases	(₹ in crore)
1.	Incorrect determination of market value of land and building	59	0.45
2	Non/short levy of stamp duty and registration fee on Lease, Agreement to Sale, Power of Attorney, etc. documents	138	8.83
3	Other irregularities ⁶⁷	14,310	0.07
Total		14,507	9.35

During 2019-20, the Department accepted underassessment and other deficiencies worth ₹6.18 crore in 14,324 cases that was pointed out in earlier years. However, an amount of ₹37 lakh in 137 cases, pointed out in 2019-20 was realised.

There are three broad categories of audit observations under Stamp duty and Registration fees. Most of them are of a nature that may reflect similar errors/ omissions in other Registration wing under the department but not covered in the test audit.

Department may, therefore, like to internally examine all the other units with a view to ensure that the duty and fee are levied as per provisions of the Act and Rules.

4.4 Audit observations

Audit scrutinised records relating to assessment and collection of Stamp Duty and Registration Fee. Audit noticed short realisation of revenue on agreement to sale, certificate of sale and in valuation of land and building as mentioned in the succeeding paragraphs. These cases are illustrative and are based on test check carried out by Audit.

4.5 Non-observance of the provisions of the Acts/ Rules and Government instructions

The Indian Stamp (IS) Act, 1899 and the Registration Act, 1908 prescribe that agreement to sale involving delivery of possession of any immovable property to sell such property shall be deemed to be a conveyance and accordingly, the stamp duty shall be payable. Deeds of certificate of sale are to be charged to duty as conveyance on the legal process of transferring property from one owner to another. Conveyance deeds are to be registered on realisation of Stamp Duty (SD) and Registration Fee (RF) at the prescribed rates on the consideration truthfully and correctly mentioned therein keeping in view the benchmark value (BMV) of the Government of Odisha. The documents where properties were shown to be undervalued were to be impounded for correct valuation for realisation of differential SD and RF.

⁶⁷ Loss of Government revenue in shape of SD & RF due to non-implementation of market value guidelines, Blockage of Government revenue due to non-disposal of pending 47-A cases, Non-furnishing of inquiry report etc.

Non-observance of the provisions of the above Acts by the Registering Authorities (RAs) in the cases as mentioned in the following paragraphs resulted in short realisation of SD and RF.

4.5.1 Short levy of Stamp Duty and Registration Fee

Due to misclassification, the Registering Authorities failed to levy Stamp Duty and Registration Fee of ₹5.17 crore on ‘Agreements for Development and Agreements to sale’ deeds as Conveyance.

As per Article 23 of Schedule-I A of the Indian Stamp Act, 1899, (as amended in Odisha Amendment Act, 2014), an agreement to sell involving delivery of possession of any immovable property or a power of attorney authorising the person to sell such immovable property, shall be deemed to be a conveyance and accordingly, the Stamp Duty (SD) shall be payable on the instrument on the basis of the market value of the property. Provided that the Stamp Duty already paid on such agreement to sell shall, at the time of execution of the sale deed by the same person in pursuance of such agreement, be adjusted towards the total amount of such duty chargeable on the conveyance. Further, as per Clause (b) of above Article, in respect of immovable property, five *per centum* of the amount or value of the consideration for such conveyance as set forth therein or the market value of the property whichever is higher and in case of sale or gift deed executed in favour of a woman in respect of land and house, SD shall be charged at four *per cent* instead of five *per cent*. Besides, Fees for Registration (RF) at the rate of two *per cent* of the value on consideration shall be payable for the purposes specified in Section 78 of the Registration Act, 1908.

Audit test checked 41 units out of 191 District Sub-Registrar (DSR)/ Sub-Registrar (SR) offices during the period from April 2019 to March 2020. The following observations were made during the course of audit.

(A) In the office of the DSR, Khordha, Audit noticed (February 2020) that land owners and builders registered (September and October 2019) two documents⁶⁸ titled as “Agreement for Development of Land” and “Deed of Agreement for Sale” for development of land measuring 0.671 acre. The DSR levied SD of ₹200 and RF of ₹90,200 on the value of ₹45.10 lakh as recited in the documents without determining the market value of the properties in contravention to the aforesaid provisions. As per the recitals of these agreements, the owners handed over the physical possession of the vacant scheduled land to the developers/ builders for the purpose of development and construction of residential complex/ buildings. In consideration, it was agreed that the land owners would be entitled to get six numbers of duplex (Having land area of 1,200 sq. ft. and built up area of 2,300 sq. ft. each) and a G + 3 storied building (4,400 sq. ft.) with flooring of vitrified tiles in lieu of the scheduled land given for development.

As per the order (May 2019) of Revenue and Disaster Management Department towards revision of the value of the building, the cost of six

⁶⁸ (1) Document ID No.1081910885 – K. M. Patra & others/ P. R Mohanty of M/s SHAB INFRACON (2) ID No.1081912331 – A. Das/ S. Pattnaik

duplexes and a G+3 storied building was arrived at ₹2.71 crore (at the rate of ₹45.13 lakh⁶⁹ each) and ₹91 lakh⁷⁰ respectively. Since, the land owners executed agreements authorising the developers to sell such immovable properties, the documents should have been classified as conveyance and the market value of the duplexes/ building should have been considered for levy of SD and RF. Misclassification of the documents and non-determination of market value of the properties resulted in short realisation of SD and RF worth ₹24.40 lakh (SD of ₹18.07 lakh + RF of ₹6.33 lakh).

(B) During test check of documents relating to Agreements to Sell, Audit noticed that offices of four DSRs⁷¹ and four SRs⁷² registered 18 documents between 2017 and 2019 as agreement to sell in respect of land measuring 18.44 acres. As per the recitals of the documents, respective land owners (first parties) had handed over the physical possession of properties to the purchasers for a consideration of ₹50.33 crore. The market value of the said land was ₹70.19 crore. Since the possession of the properties was handed over, the documents should have been classified as conveyance with levy and collection of SD and RF on consideration of ₹71.86 crore *i.e.* as set forth in the recitals⁷³ or market value. But, the Registering Authorities (RAs) had collected SD and RF only on the advance money/ consideration money mentioned in the recitals of the documents. This resulted in short realisation of SD and RF worth ₹4.92 crore as detailed in the *Appendix-V*. Thus, undervaluation of properties due to misclassification of documents led to short realisation of SD and RF worth ₹5.17 crore.

On this being pointed out in Audit, in reply, SR, Brahmagiri furnished compliance (May 2021) that two lakh rupees was realised as per the Audit observation. The matter was intimated to Government of Odisha during May 2021. Their reply is awaited (September 2021).

A similar para had appeared in the C&AG's Audit Report (Revenue Sector) 2018-19 but action on the same was yet to be taken by the Government.

4.5.2 Short-levy of Stamp duty and Registration fee due to undervaluation of partition deed

Registering Authorities did not verify the Bench Mark Value (BMV) of land, prescribed rate of buildings/ superstructures and correct assessment of land area. This resulted in undervaluation of the properties and consequent short levy of Stamp Duty and Registration Fee amounting to ₹1.04 crore.

As per Article 45 of Schedule-I A of Indian Stamp (IS) Act, 1899, Stamp Duty (SD) shall be leviable at the rate of two *per cent* on *partition deed*⁷⁴ for the

⁶⁹ GF 1,150 sft. at the rate of ₹1,427 per sft., First floor-1,150 sft. at the rate of ₹1,242 per sft., EI and PH-25 *per cent*, vitrified tiles at the rate of ₹84 per sft., and GST at the rate of 12 *per cent*

⁷⁰ GF 1,100 sft. at the rate of ₹1,527 per sft., First floor-1,100 sft. at the rate of ₹1,242 per sft., Third floor – 2,200 at the rate of ₹1,427 per sft., EI and PH - 25 *per cent*, vitrified tiles at the rate of ₹84 per sft., and GST at the rate of 12 *per cent*

⁷¹ DSR Puri, Balasore, Khordha and Sambalpur

⁷² SR, Kujanga, Jagatpur, Brahmagiri and Panposh

⁷³ Value as per recitals had been taken as consideration since it was more than the market value

⁷⁴ Instrument of partition means any instrument whereby co-owners of any property divide or agree to divide such property in severalty, and includes also a final order for effecting a partition passed by any revenue authority or any Civil Court and an award by an arbitrator directing a partition.

amount of the market value of separated share or shares of the property. Further, Registration Fee (RF) at the rate of two *per cent* of the value of the separated shares on which Stamp Duty is payable shall be taken as the value of consideration. As per instructions issued (May 2019) by the Government of Odisha, all Registering Officers (ROs) shall check the valuation of buildings and superstructures set forth in the instruments presented for registration.

(A) Audit scrutinised the Partition deed documents (April 2019 to March 2020) in 41 out of 191 Sub-Registrars (SRs)/ District Sub-Registrars (DSRs). Audit observed in SR, Panposh that one Partition deed was registered during July 2019 among six co-owners for distribution of shares of land and building. The total value of property was assessed at ₹2.88 crore in the document. Out of this, the largest share of property was stated as ₹1.44 crore which was also taken as deed value. The Registering Authority (RA) levied and collected SD worth ₹2.88 lakh and RF worth ₹2.88 lakh. But, it was observed that the value of land and buildings of all the shares were not evaluated as per the market value and prescribed guidelines. Instead, the RA had assessed the value simply as per the recital of the document resulting in under-valuation of the property. The value of these properties was worked out to be ₹23.36 crore taking into account the BMV and value of buildings/ superstructures as per the prescribed guidelines of the Government. Accordingly, SD & RF worked out to ₹46.71 lakh and ₹46.71 lakh respectively. This resulted in short levy of SD worth ₹43.84 lakh and RF worth ₹43.84 lakh totalling to ₹87.68 lakh as detailed in **Appendix -VI**.

(B) Similarly, scrutiny of Partition deeds registered in DSR, Khordha revealed that, in one case, an area of 0.189 acre along with commercial multi-storied building was divided among land owner and his three legal heirs. The proportionate share of interest of each party of the scheduled property would be 0.04725 acre. The value of land was to be assessed for levy of SD and RF. However, the share portion of land was stated as Ac.0.00047.25 decimals instead of 0.04725 acre resulting in incorrect assessment of land area of each share which led to undervaluation of the consideration amount. The RA evaluated the land and building at ₹1.13 crore as set forth in the document and levied SD worth ₹2.26 lakh and RF worth ₹2.26 lakh. The value of the land and building worked out to ₹5.20 crore taking into account the BMV and value of buildings/ superstructures as per the prescribed guidelines by the Government. Accordingly, SD & RF chargeable worked out to ₹10.40 lakh and ₹10.40 lakh respectively. This resulted in short levy of SD worth ₹8.14 lakh and RF worth ₹8.14 lakh totalling to ₹16.28 lakh as detailed in **Appendix-VII**. This indicated lack of due diligence on the part of the RAs in evaluating the value of properties for the purpose of levy of SD and RF.

On this being pointed out in Audit, SR, Panposh stated that action would be taken after verification of document and rule position thereon. DSR, Khordha stated that necessary action would be taken for realisation of deficit SD and RF.

The matter was intimated to the Government of Odisha during May 2021. Their reply is awaited (September 2021).

A similar para had appeared in the C&AG's Audit Report (Revenue Sector) 2018-19 but action on the same was yet to be taken.

4.5.3 Short-levy of Stamp Duty and Registration Fee on Lease Agreements executed to let or sub-let the property on rent for commercial use

Stamp Duty and Registration Fees worth ₹87.02 lakh was short levied on registration of lease agreements due to non-inclusion of Goods and Services Tax while computing the Average Annual Rent.

As per explanation to Article 35 of Schedule-I A to the Indian Stamp (IS) Act, 1899, Odisha Amendment (OA), when a lessee undertakes to pay any recurring charge, such as Government revenue, the landlords share of cesses municipal rates or taxes which is by law recoverable from the lessor; that amount shall be deemed to be part of the rent. The levy of Stamp Duty (SD) for a consideration equal to the amount or value of Average Annual Rent (AAR) are prescribed as per term of leases in Article 35 *ibid*. As per the order issued (August 2008) by the Government of Odisha (GoO), the rate of SD shall be chargeable at the rate of five *per cent* of the amount or value of the consideration. Registration Fee (RF) shall be payable at the rate of two *per cent* of the value on consideration for the purposes specified in Section 78 of the Registration Act, 1908.

Audit scrutinised records in 41 (21 *per cent*) out of 191 District Sub-Registrars (DSRs)/ Sub-Registrars (SRs) offices and observed (April 2019 to March 2020) in 27 out of 1,428 lease deeds pertaining to six DSR/ SR offices that lease agreements were executed during August 2018 to December 2019 to let or sub-let the property for commercial purpose on monthly rental basis. The period of lease was ranged from five years to 30 years. The Lessees agreed to pay Goods and Services Tax (GST) on behalf of lessors. However, the GST amount was not taken into account while computing the AAR for assessment of SD though it was deemed to be part of rent. The Registering Authorities (RAs) ignored the GST component and levied SD on monthly rental only. This resulted in short levy of SD worth ₹62.46 lakh and RF worth ₹24.56 lakh totalling to ₹87.02 lakh as detailed in the *Appendix-VIII*.

After audit pointed this out, three⁷⁵ RAs accepted the observation and stated to take necessary action for realisation of deficit amount. DSR, Puri and SR, Khandagiri stated that action would be taken after verification of documents. However, DSR, Khordha did not accept the observation and stated that the RA had no scope to calculate SD/ RF as the percentage of GST was not mentioned in the documents. The reply of DSR, Khordha is not acceptable as the rate of GST is readily available with the appropriate authority.

The matter was intimated to Government of Odisha during May 2021. Their reply is awaited (September 2021).

⁷⁵ DSR Balasore, SR Nandapur, SR Panposh

4.5.4 Short realisation of Stamp Duty and Registration Fee on Power of Attorney instruments in lieu of conveyance

The Registering Authorities did not levy Stamp Duty and Registration Fee on 'Power of Attorney instruments' as Conveyance. Due to misclassification, Stamp Duty and Registration Fee of ₹44.83 lakh was short levied.

As per the explanation under Article 23 of Schedule-I A of Indian Stamp (IS) Act, 1899 (as amended in Odisha Amendment Act, 2014), a Power of Attorney (PoA) to sell immovable property, shall be deemed to be a conveyance. Accordingly, the Stamp Duty (SD) shall be payable on the instrument on the basis of the market value of the property which is the subject matter of such instrument. The SD shall be chargeable at the rate of five *per cent* of the amount or value of the consideration for such conveyance as set forth in the deeds or market value of the property, whichever is higher. The Registration Fee (RF) at the rate of two *per cent* of the value of documents shall also be payable.

Audit scrutinised PoAs in 41 out of 191 Registering Offices (April 2019 to March 2020) and observed in one District Sub-Registrar (DSR) and five Sub-Registrar (SR) offices that 18 PoAs had been registered on realisation of SD and RF amounting to ₹38.30 lakh and ₹15.23 lakh respectively. The attorney holders were authorised to sell immovable properties on behalf of the executants. As the executants and the attorney holders were not coming under the ambit of clause 48 (g) of the IS Act, the documents should have been classified as conveyance and SD and RF on the market value of the properties worth ₹14.06 crore should have been levied and realised. Lack of due diligence on the part of the DSR and SRs led to short realisation of SD worth ₹31.96 lakh and RF worth ₹12.87 lakh (*Appendix-IX*).

After being pointed out in Audit, in three cases, the DSR Khordha stated that steps would be taken to realise the amount from the parties and in other cases, it was stated that percentage of land area was handed over instead of full area and valuation of the property was taken for that share. SR, Brahmagiri, Rajgangpur, Kamakhyanagar and Mansada stated that steps would be taken for realisation of SD and RF after verification of documents. SR, Balipatna stated that no possession was handed over by the executants to attorney holders.

The reply of DSR, Khordha is not tenable as it was clearly stated in schedules of land that full area of lands was handed over to the second parties. Further, the reply of SR, Balipatna is not tenable as the possession of land had already been handed over to the attorney holder.

The matter was intimated to Government of Odisha during May 2021. Their reply is awaited (September 2021).

4.5.5 Short/ non-levy of Stamp Duty and Registration Fee from lease deeds due to non-adherence to provision of Indian Stamp Act

The Registering Authorities did not determine the consideration appropriately as per the provisions of IS Act. Due to lower consideration, Stamp Duty and Registration Fee of ₹47.27 lakh short/ non-levied.

Article 35 of Schedule-I A of Indian Stamp (IS) Act, 1899 states that the Stamp Duty (SD) shall be levied on the basis of tenure of lease and Average Annual Rent (AAR). The division (c) of above article defines that the SD is also levied where leases are granted for fine, or premium or money advanced in addition to rent reserved. The SD shall be chargeable at the rate of five *per cent* for a consideration equal to the amount or value of AAR as per division (b) and (c) (iii) of article 23 of above Schedule. Registration Fee (RF) shall also be payable at the rate of two *per cent* of the value on consideration for the purposes specified in Section 78 of the Registration Act, 1908.

Audit scrutinised the records of 41 out of 191 District Sub-Registrars (DSRs)/ Sub-Registrars (SRs) offices (April 2019 and March 2020) and observed in seven cases pertaining to three DSR/ SR offices⁷⁶ that the provisions of IS Act as stated above were not adhered to during realisation of SD and RF. In one case⁷⁷, security deposit set forth in the document was not taken into account for computation of consideration and in four cases⁷⁸, the AAR was assessed at a lower rate for levy of SD and RF. Moreover, in two cases⁷⁹, though SD was exempted as per Tourism Policy, 2016, the RF was leviable on the consideration. Hence, the Registering Authorities (RAs) did not follow the provisions of IS Act and assessed the documents inappropriately. This resulted in short/ non levy of SD and RF worth ₹47.27 lakh as detailed in the *Appendix-X*.

After Audit pointed this out, the observation was accepted by SR, Panposh and stated to realise the deficit amount by issuing demand notice. The DSR, Puri and SR, Kujanga stated that necessary steps would be taken for realisation of deficit SD & RF after verification of documents and seeking clarification from higher authority.

The matter was intimated to Government of Odisha during May 2021. Their reply is awaited (September 2021).

⁷⁶ DSR Puri, SR Kujang and SR Panposh

⁷⁷ SR, Kujang

⁷⁸ SR, Panposh

⁷⁹ DSR, Puri

4.5.6 Short realisation of Stamp Duty and Registration Fee due to undervaluation of buildings and superstructures

Registering Authorities did not verify the prescribed rate of buildings and superstructures while registering documents of sale of landed properties which resulted in undervaluation of such landed properties and consequent short levy of Stamp Duty and Registration Fee amounting to ₹28.41 lakh.

As per Section 27 of the Indian Stamp (IS) Act, 1899, (Odisha Amendment, 1987) read with Section 3 of the Act, *ibid*, the consideration if any, the market value of the property and all other facts and circumstances affecting the chargeability of any instrument with duty, or the amount of the duty with which it is chargeable, shall be fully and truly set forth in the document. As per Section 47-A of the Act, in case of undervaluation of a property/ document during registration, the case shall be referred to the collector who would determine the value and the deficit amount shall be paid by the person liable to pay the duty. Revenue & Disaster Management Department, Government of Odisha issued (December 2003 to May 2019) guidelines for valuation of buildings and superstructures for the purpose of levy of Stamp Duty (SD) and Registration Fee (RF). Rates for the SD and RF applicable to conveyance deed were five and two *per cent* respectively.

Audit test checked (April 2019 to March 2020) documents registered in 41 out of 191 Registration Offices (ROs). It was observed that 14 ROs⁸⁰ registered 33 conveyance deeds during June 2011 to September 2019, for selling of properties having buildings thereon, for consideration of ₹21.89 crore as set forth in the documents. The Registering Authorities (RAs) realised SD of ₹1.07 crore and RF of ₹43.78 lakh. Audit observed that the RAs while evaluating the value of the properties registered, did not verify the prescribed rate of buildings (floor-wise), number of years for which depreciation was to be worked out, value of land as per BMV *etc.*, as per the prescribed guidelines nor were the matters referred to the concerned Collectors for determination of correct value. As per the prescribed guidelines for valuation of buildings and superstructures and the prevalent BMV, the value of those properties should have been ₹26.01 crore as detailed in the *Appendix-XI*. Accordingly, the RAs should have raised demand and recover the SD & RF to the extent of ₹1.27 crore and ₹52.03 lakh respectively from the parties. This resulted in short realisation of SD of ₹20.16 lakh and RF of ₹8.25 lakh.

On this being pointed out, Sub-Registrars (SRs), Jagatpur, Betnoti, Biramaharajpur, Kotpad, Khordha and District Sub-Registrar (DSR), Balasore stated that notices would be issued to the concerned parties for realisation of deficit SD & RF and SR, Kujanga stated that documents would be examined with the Revenue Inspector (RI) report and case would be instituted under Section 47(2-a) for realisation of deficit SD and RF. DSR, Sambalpur furnished compliance (July 2021) that in one case the SD & RF of ₹0.07 lakh

⁸⁰ SR Barbil (1), SR Barpali (4), SR Betnoti (3), SR Biramaharajpur (2), SR Hatadihi (3), SR Jagatpur (2), SR Khordha (1), SR Kotpad (1), SR Kujanga (2), SR Loisingha (3), SR Panposh (4), DSR Balasore (1), DSR Bargarh (4) and DSR Sambalpur (2)

was realised. All other SRs and DSRs stated that necessary action would be taken for realisation of deficit SD & RF after verification of relevant documents.

The matter was intimated to Government of Odisha during June 2021. Their reply is awaited (September 2021).

A similar para had appeared in the C&AG's Audit Report (Revenue Sector) 2018-19 but action on the same was yet to be taken by the Government.

Chapter - V

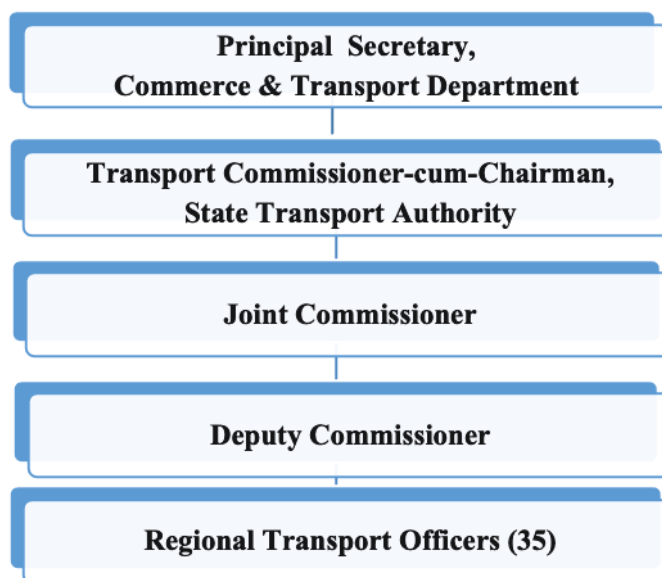
Motor Vehicles Tax

CHAPTER V

MOTOR VEHICLES TAX

5.1 Tax Administration

The receipts from Motor Vehicles (MV) tax are regulated under the provisions of the Central and the State Motor Vehicles Acts and Rules made thereunder. The organisational setup for administration of motor vehicles tax is as under:



5.2 Internal Audit

During 2019-20, Internal Audit Wing of the Department, which is responsible for evaluating the Internal Control measures in the Department and its field offices, had audited six out of 10 units planned for audit. The shortfall was attributed to shortage of manpower by the Department. Audit noticed that 731 paragraphs in Internal Audit Reports having money value of ₹752.80 crore issued up to 31 March 2020 were pending for disposal as on date.

5.3 Results of Audit

Audit was conducted in 20 out of 35 units (57 per cent) in Commerce & Transport Department during 2019-20. Revenue receipts collected in the test checked 20 units was ₹1,164.02 crore, which is 66.68 per cent of total revenue receipts worth ₹1,745.58 crore collected in 35 units during the year 2018-19. Test check of assessment and other records showed under assessment of tax and other irregularities involving ₹36.99 crore in 11,950 cases. This related to non-levy/realisation of Motor Vehicles tax/additional tax and penalty, non/short realisation of compounding/permit fee and fitness fee etc., Short levy/realisation of Motor Vehicles tax/additional tax and penalty, non/short realisation of penalty on belated payment of tax as given in **Table 5.1**.

Table 5.1: Details of category-wise audit observations

Sl. No.	Category	No. of Cases	Amount (₹ in Crore)
1	Non levy/ realisation of Motor Vehicles tax/ additional tax and penalty	9,804	33.87
2	Non/ short realisation of compounding/ permit fee and fitness fee etc.	1,384	0.87
3	Short levy/ realisation of Motor Vehicles tax/ additional tax and penalty	735	2.14
4	Non/ short realisation of penalty on belated payment of tax	27	0.11
	Total	11,950	36.99

During 2019-20, the Department accepted underassessment and other deficiencies worth ₹36.01 crore in 11,727 cases pointed out in Audit and realised ₹0.36 lakh pertaining to five cases during the year 2019-20.

There are four broad categories of audit observations on levy of Motor Vehicles tax and additional tax. Most of them are of a nature of similar errors/ omissions in other units under the Commerce & Transport Department, but not covered in the test audit.

Department may, therefore, like to internally examine all the other units with a view to ensure that the taxes are levied as per provisions of the Act and Rules.

5.4 Other Audit observations

Audit scrutinised records relating to assessment and collection of Motor Vehicles tax in offices of the Transport Commissioner (TC)-cum-Chairman, State Transport Authority (STA) and the Regional Transport Officers (RTOs). Audit found several cases of non-observance of some of the provisions of Acts/ Rules and other cases as mentioned in the succeeding paragraphs of this chapter. The cases are illustrative and are based on test check carried out by Audit. Such omissions remain undetected till next audit is conducted. The Government may direct the Department to improve the internal control system including strengthening of internal audit so that such omissions can be detected, corrected and avoided in future.

5.5 Non-compliance of the provisions of the Acts/ Rules

The provisions of the Motor Vehicles (MV) Act, 1988, Odisha Motor Vehicles Taxation (OMVT) Act, 1975 and Rules made thereunder require levy and collection of:

- (i) *motor vehicles tax (MV tax)/ additional tax from the vehicle owner at the prescribed rate in advance and within the grace period provided; and*
- (ii) *penalty up to double the tax for late payment of tax, if the tax is not paid in time within two months after the expiry of the grace period of 15 days.*

Non-compliance of the provisions of the Acts/Rules in some cases are mentioned in succeeding paragraphs.

5.5.1 Non-realisation of Motor Vehicles tax and additional tax

Regional Transport Officers failed to realise the Motor Vehicles tax of ₹ 9.52 crore and penalty of ₹19.04 crore from the owners of 7,634 registered vehicle.

As per Section 3, 3A, 4(1) and 10 of Odisha Motor Vehicles Taxation (OMVT) Act, 1975, Motor Vehicles (MV) tax and additional tax due on every motor vehicle used or kept for use has to be paid in advance at the rates prescribed for different classes of vehicles as per Taxation Schedule I of the Act, as amended (21 November 2017), unless exemption from payment of such tax has been allowed for the period covered under 'off-road undertaking'. As per Section 13(1) of the Act read with Rule 9(2) of OMVT Rules, 1976, if the tax was not paid within two months after expiry of the grace period of 15 days from the due date of payment, the registered owner or the person having possession or control thereof shall, in addition to payment of tax due, be liable to pay penalty which may be extended up to twice the tax due. Further, as per the instructions (February 1966) of State Transport Authority (STA), the Regional Transport Officers (RTOs) are required to issue demand notices within 30 days from the expiry of the grace period for payment of tax. In case of default, Tax Recovery Certificate (TRC) should be instituted within a period not exceeding 30 days from the date of service of the demand notice to pay the amount.

(i) Non-realisation of Motor Vehicles tax from Goods Carriages and Contract Carriages: Audit analysed VAHAN database with taxation records in 20 out of 35 RTOs relating to the period 2018-19. It was observed that

- out of 75,329 registered Goods Carriages⁸¹, owners of 7,457 registered Goods Carriages pertaining to 19 RTOs; and
- out of 27,541 registered Contract Carriages⁸², owners of 48 vehicles pertaining to nine RTOs

did not pay MV tax and additional tax for different periods between April 2018 and March 2019. The details of MV Tax and penalty of 7,505 vehicles are given in the **Table 5.2**.

⁸¹ 'Goods Carriage' means any motor vehicle constructed or adapted for use solely for the carriage of goods, or any motor vehicle not so constructed or adapted when used for the carriage of goods. {Sec. 2(14) of MV Act, 1988}

⁸² 'Contract Carriage' means a motor vehicle which carries a passenger or passengers for hire or reward and is engaged under a contract, whether expressed or implied, for the use of such vehicle as a whole for the carriage of passengers mentioned therein and entered into by a person with a holder of a permit in relation to such vehicle or any person authorised by him in this behalf on a fixed or an agreed rate or sum. {Sec. 2(7) of MV Act, 1988}

Table 5.2: Details of non-realised MV tax and additional tax

(₹ in lakh)					
Number of RTOs	Vehicle classes	Number of vehicles	Amount of tax not realised	Penalty to be recovered	Total
19 ⁸³	Goods Carriages	7,457	927.34	1,854.68	2,782.02
9 ⁸⁴	Contract Carriages	48	4.57	9.14	13.71
Total		7,505	931.91	1,863.82	2,795.73

(Source: compiled by Audit)

Similar draft para was incorporated in the Audit Report (Revenue Sector) 2018-19, but action on the same is yet to be taken.

(ii) Non-realisation of Motor Vehicles tax from Private Service Vehicles: Audit test checked VAHAN database in 20 out of 35 RTOs for the period 2017-19 for payment of MV tax and observed that registered owners of 36 out of 472 Private Service Vehicles⁸⁵ (PSVs) under nine RTOs did not pay tax worth ₹9.30 lakh and penalty worth ₹18.60 lakh for the period from April 2017 to March 2019.

(iii) Non-realisation of Motor Vehicles tax from stage carriages⁸⁶ plying with valid route permits/ special contract carriage permits: Audit test checked VAHAN database on payment of tax in 20 out of 35 RTOs and observed that 15 RTOs issued 2,242 permits (1,690 stage carriage permits during 2013-19 and 552 special permits during 2016-19) to 106 vehicles (65 vehicles to ply as stage carriage and 41 vehicles to ply as contract carriage). Registered owners of 93 stage carriages did not pay or paid less MV tax of ₹10.66 lakh and penalty of ₹21.32 lakh for the period April 2016 to March 2019 as given in the Table 5.3.

Table 5.3: Details of non-realisation of MV tax and additional tax

(₹ in lakh)					
Number of RTOs	Types of vehicles	Number of vehicles	Amount of tax due	Penalty leviable	Total
12 ⁸⁷	SCs plying with valid route permits	60	8.87	17.74	26.61
10 ⁸⁸	SCs issued with special permits	33	1.79	3.58	5.37
Total		93	10.66	21.32	31.98

⁸³ Balasore (289), Bargarh (47), Bhubaneswar-I (846), Bhanjanagar (16), Chandikhole (857), Ganjam (82), Gajapati (32), Jagatsinghapur (281), Jajpur (4), Jharsuguda (379), Kalahandi (48), Keonjhar (2587), Koraput (278), Mayurbhanj (87), Nabarangpur (108), Phulbani (35), Rourkela (620), Sambalpur (808) and Talcher (54)

⁸⁴ Bargarh (4), Bhubaneswar-I (8), Chandikhole (5), Jajpur (2), Keonjhar (11), Koraput (3), Mayurbhanj (4), Rourkela (4) and Sambalpur (7)

⁸⁵ Private Service Vehicle (PSV): A motor vehicle constructed or adapted to carry more than six persons excluding the driver and ordinarily used by or on behalf of the owner of such vehicle for the purpose of carrying persons for, or in connection with, his trade or business otherwise than for hire or reward but does not include a motor vehicle used for public purpose.

⁸⁶ 'Stage Carriages' means a motor vehicle constructed or adapted to carry more than six passengers excluding the driver for hire or reward at separate fares paid by or for individual passengers, either for the whole journey or for stages of the journey.

⁸⁷ Balasore (3), Bargarh (3), Bhanjanagar (1), Gajapati (4), Jagatsinghapur (2), Jajpur (1), Kalahandi (5), Koraput (23), Phulbani (3), Rourkela (12), Sambalpur (2) and Talcher (1)

⁸⁸ Balasore (8), Bargarh (2), Chandikhole (3), Jagatsinghapur (1), Jharsuguda (1), Kalahandi (1), Koraput (7), Mayurbhanj (2), Phulbani (3) and Talcher (5)

In the above cases, those vehicles were also not exempted under ‘off-road undertakings’ under Section 10(1) of the Act. Since, the periods of delay in those cases were more than two months, penalty at twice the tax due was also leviable. Besides, though the *VAHAN* software facilitates RTOs to generate tax defaulter list at any point of time, the concerned RTOs neither issued demand notices nor did take any action against the defaulting vehicle owners for realisation of tax and penalty thereon. Thus, MV tax amounting to ₹9.52 crore and penalty of ₹19.04 crore from 7,634 vehicles (7,457 GCs, 48 CCs, 36 PSVs and 93 SCs) plying with valid route permits/ special permits respectively could not be realised.

In reply, the RTOs stated (between August 2019 and January 2020) that steps would be taken to issue demand notices/ TRCs for realisation of tax and penalty. The matter was also intimated to the Government during June/ July 2021. Their reply is awaited (September 2021).

Similar para was incorporated in the Audit Report (Revenue Sector) 2018-19, but action on the same is yet to be taken.

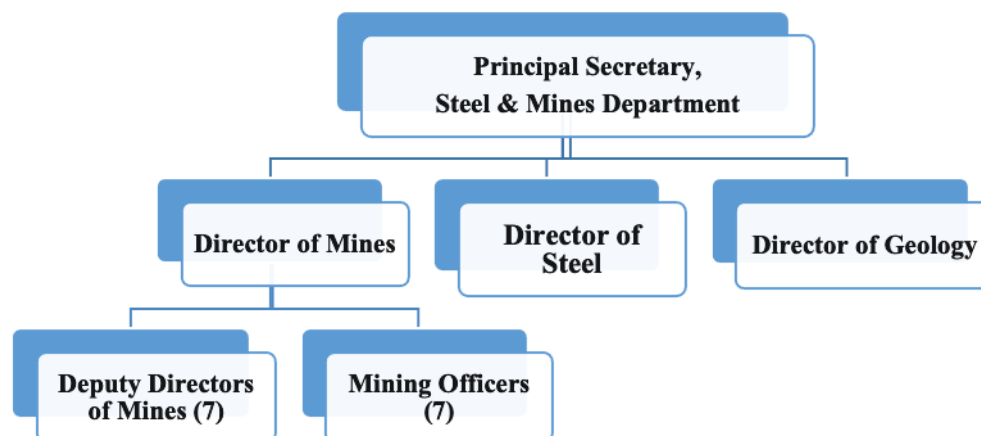
Chapter - VI
Mining Receipts

CHAPTER VI

MINING RECEIPTS

6.1 Non-tax revenue Administration

Assessment and collection of mining receipts are regulated by the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957, the Mineral Concession (MC) Rules, 1960, Mineral Conservation and Development (MCD) Rules, 1988 and Odisha Minerals (Prevention of Theft, Smuggling and Illegal Mining and Regulation of Possession, Storage, Trading and Transportation) Rules, 2007 framed thereunder. The organisational setup for administration of mining receipts is as under:



6.2 Internal Audit

During the year 2019-20, Internal Audit Wing of the Department had audited three out of 12 units that were planned for audit. Further, 294 paragraphs of Internal Audit Reports having money value of ₹1,115.08 crore were pending for disposal as on 31 March 2020.

6.3 Results of Audit

Audit was conducted in 14 out of 43 units (32.55 per cent) in Steel and Mines Department during 2019-20. Revenue receipts collected in the test checked 14 units was ₹10,461.69 crore, which was 99.83 per cent of revenue receipts worth ₹10,479.61 crore collected in 43 units during the year 2018-19. Test check of assessment and other records showed non/ short receipt of Government revenue under Government account and other irregularities involving ₹1,463.71 crore in 249 cases which fall under the categories as indicated in Table 6.1.

Table 6.1: Categories of audit observations on revenue receipts

(₹ in crore)

Sl. No.	Categories	No. of cases	Amount
1.	Non/ short receipts of Government revenue	119	1,462.93
2.	Other irregularities ⁸⁹	130	0.78
Total		249	1,463.71

⁸⁹ Delay in follow-up for realisation of compensation demand under section 21(5), Blockage of revenue due to non-disposal of seized minerals, irregular extension of validity of mining leases etc.

During the year 2019-20, the Department accepted under assessment and other deficiencies worth ₹1,463.71 crore in 249 cases pointed out by Audit. An amount of ₹509.78 crore pertaining to 161 cases was also realised during the year which was pointed out in earlier years.

There is one broad category of audit observation on non/ short receipts of Government revenue which is of a nature that may reflect similar errors/ omissions in other units under the department but not covered in the test audit.

Department may, therefore, like to internally examine all the other units with a view to ensure that Mining receipts are realised as per provisions of the Act and rules.

6.4 Audit observations

Audit conducted scrutiny of records maintained in the offices of the Director of Mines, Odisha, Deputy Directors of Mines (DDsM) and Mining Officers. Audit noticed short levy of royalty, non-realisation of District Mineral Foundation fund and contribution to National Mineral Exploration Trust, mining receipts, salary component, non-levy of dead rent (DR) and surface rent (SR), interest on belated payment of DR and SR and short realisation of stamp duty and registration fee as discussed in the succeeding paragraphs. These cases are illustrative and are based on test checks carried out by Audit.

6.5 Non-observance of provisions of the Acts/ Rules

Mines and Minerals (Development and Regulation) Act, 1957, Mining Concession Rules, 1960, Mineral Conservation and Development Rules, 1988, Orissa Minerals (Prevention of Theft Smuggling and Illegal Mining and Regulation of Possession, Storage, Trading and Transportation) Rules, 2007 read with the notifications and instructions of the State/ Central Government issued from time to time provide for assessment, levy and realisation of royalty at the prescribed rate.

Cases of short levy of royalty, non-realisation of District Mineral Foundation fund and contribution to National Mineral Exploration Trust, mining receipts, salary component, non-levy of dead rent (DR) and surface rent (SR), interest amount and stamp duty and registration fee & other charges are discussed in the following paragraphs.

6.5.1 Non-realisation of cost of graded iron ore extracted beyond the approved quantity

Non-realisation of ₹456.46 crore towards cost price of the iron ore extracted beyond the approved quantity by the Joint Director of Mines from the lessee.

Under Rule 22A of the Mineral Concession Rules (MCR), 1960, mining operations shall be undertaken only in accordance with the duly approved mining plan. Therefore, the production limit capped in the mining plan/ scheme, among other stipulations need to be adhered to by the mining lease holders. As per Rule 22 (5) (v) of the MCR, 1960, the Mining Plan shall incorporate a tentative scheme of mining and annual programme and plan for

excavation from year to year for five years. Further, Sub-section (5) of Section 21 of the MMDR Act, 1957 provides that whenever any person raises, without any lawful authority, any mineral from any land, the State Government may recover from such person the minerals so raised, or where such mineral has been disposed of, the price thereof. In addition, the State Government may also recover from such person rent, royalty or tax, as the case may be for the period during which the land was occupied by such person without any lawful authority.

Audit test checked the assessment records for the year 2018-19, production and dispatch statements and monthly returns along with the approved mining plan/ scheme in 11 out of 14 Mining Circle Offices. Audit observed that Indian Bureau of Mines (IBM) approved (16 November 2017) mining plan in respect of one mining lease holder⁹⁰ under Joint Director of Mines, Joda circle. As per the approved mining plan, the production limit of Run of Mines (ROM) was 37,99,923 Metric Ton (MT) categorically bifurcating the production of ore at 29,66,333 MT and mineral rejects at 8,33,590 MT. However, as verified from the production details from monthly returns, the lessee produced iron ore of 37,87,130 MT and nil quantity of rejects during the year 2018-19. Comparing it with the corresponding figure in the approved mining plan, Audit observed that there was an excess production of 8,20,797 MT (37,87,130 MT less - 29,66,333 MT) of iron ore. As such, the excess production was unlawful for which, the cost of such ore amounting to ₹456.46 crore⁹¹ was to be realised from the lessee. The cost has been calculated taking into account the average sale price of iron ore of ₹5,561.17 per MT as published by IBM (from April 2018 to March 2019) as per the provision of the Act *ibid*. The Joint Director of Mines (JDM) neither recovered the excess ore produced nor realised the cost price. Since, such a large amount of revenue has been overlooked, responsibility may be fixed for the unrealised amount and the lapse.

In reply JDM, Joda, stated that compliance would be sent after due verification and scrutiny of records. The matter was also intimated to the Government of Odisha during June 2021. Their reply is awaited (September 2021).

6.5.2 Short realisation of Royalty and Non-realisation of contribution towards National Mineral Exploration Trust, District Mineral Foundation Fund on sized coal

Non-inclusion of sizing charges in the Run-of-Mine price of coal during assessment resulted in short levy of royalty of ₹41.50 crore with non-realisation of contribution of ₹13.28 crore to National Mineral Exploration Trust and District Mineral Foundation Fund.

Section 9 of MMDR Act, 1957, provides that the holder of a mining lease shall pay royalty in respect of any mineral removed or consumed by him from a lease area at the rate specified in the Second Schedule. Towards levy of

⁹⁰ Smt. Indrani Patnaik of Unchabali Iron & Manganese Mines

⁹¹ Cost price to be realised from lessee (₹456.46 crore) = 8,20,797 MT (Excess mineral raised during 2018-19) X ₹5,561.17 (Average sale price of total 12 months)

royalty on coal, Ministry of Coal vide Notification (May 2012) stated to levy at the flat rate of 14 *per cent ad-valorem* on the price of coal as reflected in the invoice excluding taxes and other charges. Further, if the top size of the coal is limited to 100 millimetre (mm) through manual facilities or mechanical means, sizing charges at the rate of ₹87 per tonne shall be leviable in addition to the price applicable to the Run-of-Mine (ROM) coal. As such, the royalty on coal should have been levied at the rate of ₹12.18 per ton (14 *per cent* of ₹87) from the holder of mining lease in addition to the price applicable for ROM coal. In case processing of ROM minerals is carried out within the leased area, then, royalty shall be chargeable on the processed mineral removed from the leased area.

Further, the holder of a mining lease shall pay a sum equivalent to i) two *per cent* of the royalty to the National Mineral Exploration Trust (NMET). ii) thirty *per cent* of the royalty paid in terms of the Second Schedule to District Mineral Foundation Fund (DMF).

Audit test checked assessment files and monthly returns for the year 2018-19 on production and dispatch in 11 out of 14 Mining Circle Offices (MCOs) and noticed that one lessee⁹² under jurisdiction of Deputy Director of Mines (DDM), Sambalpur, dispatched 340.73 lakh MT of sized coal of less than 100 mm size relating to four coal mines⁹³ during April 2018 to March 2019. The DDM assessed royalty on coal dispatched at the prescribed rate of 14 *per cent* of the price of ROM coal. The DDM, however, did not include the sizing charges in the price of the coal for assessing royalty, though the lessee collected the same from its customers and reflected in the sale invoices. Similarly, the DDM also failed to levy and collect two *per cent* of the royalty towards the NMET and thirty *per cent* of the royalty towards DMF fund as given in **Table 6.2**.

Table 6.2: Table showing under assessment of royalty, DMF fund and NMET on sized coal

(₹ in crore)

Name of the colliery	Quantity despatched (In MT)	Royalty short levied	DMF fund short levied	NMET short levied	Total amount short levied
Lakhanpur OCP	17549817.91	21.38	6.41	0.43	28.22
Lajkura OCP	4625666.46	5.63	1.69	0.11	7.43
Belpahar OCP	920431.99	1.12	0.34	0.02	1.48
Samaleswari OCP	10977348.95	13.37	4.01	0.27	17.65
Total	34073265.31	41.50	12.45	0.83	54.78

(Source: Compiled by Audit)

Thus, non-inclusion of sizing charges in the price of the coal in assessment resulted in short-levy of royalty worth ₹41.50 crore with non-realisation of contribution of ₹13.28 crore to DMF fund and NMET. The short realisation of royalty resulted in less collection of non-tax revenue to the State exchequer and DMF funds affected the development of the mining affected people and

⁹² M/s Mahanadi Coal Fields Ltd.

⁹³ Lakhanpur OCP, Lajkura OCP, Samaleswari OCP and Belpahar OCP

area. Similarly, NMET was to be collected for exploration of minerals which also was affected.

In response to observations of Audit, the DDM stated (May 2020) to have raised demands towards differential royalty, DMF fund and NMET against the lessees.

The matter was intimated (June 2021) to the Government of Odisha and their reply is awaited (September 2021).

6.5.3 Non-levy of interest on belated payment of royalty, surface rent and dead rent

Interest amount of ₹9.35 crore on delayed payments of royalty and ₹22.30 lakh on delayed payment of Dead Rent and Surface Rent not realised.

Under Rule 64A of Mining Concession Rules, 1960, State Government may charge simple interest at the rate of twenty-four *per cent* per annum on any rent, royalty or fee or other sum due to the Government. The due date for payment of royalty was 15th of each month against all ores/ minerals removed during the previous month. Surface Rent⁹⁴ (SR) and Dead Rent⁹⁵ (DR) shall be paid in two half yearly instalments from January to June (on or before 15 January) and from July to December (on or before 15 July) of each year.

During test check (May 2019 to March 2020) of assessment records for the period from April 2017 to September 2019 in 11 out of 14 Mining Circle offices (MCOs), Audit noticed that under 10 MCOs, 32 mining lease holders paid royalty, DR and SR amounting to ₹182.57 crore between June 2017 and January 2020 against the due period from July 2015 to September 2019. The delay in payment ranged between 08 days to 3 years and 2 days. The concerned Deputy Directors of Mines (DDsM) and Mining Officers (MOs) did not levy the interest amounting to ₹9.57 crore⁹⁶ for such delays and extended undue benefit to the mining lease holders.

In reply, the Director of Mines, Odisha stated (November 2020) that all the DDsM and MOs have issued demand notices for realisation of interest and eight DDsM/ MOs realised interest worth ₹27.64 lakh from 19 lessees. The balance interest amount of ₹9.30 crore remained unrealised from 14 lessees as detailed in the *Appendix-XII*.

The matter was intimated (June 2021) to the Government of Odisha, the reply is awaited (September 2021).

⁹⁴ Surface Rent means a rent payable to the Government for every year for the surface area allotted to a quarrying permit holder or a lessee under these rules at such rates not exceeding the land tax assessable on the land by the Government from time to time

⁹⁵ Dead Rent means the minimum amount payable in a year by the person granted a mining lease under these rules irrespective of the fact as to whether or not he operates/ could operate the area fully or partly

⁹⁶ Delayed payment of interest on royalty of ₹9,35,16,183 and on Dead Rent and Surface Rent – ₹22,30,542

6.5.4 Dead Rent and Surface Rent not levied

The Deputy Directors of Mines/ Mining Officers did not raise demands towards Dead Rent of ₹51.04 lakh and Surface Rent of ₹53.56 lakh for which such amount remained unrealised.

Section 9A of Mines and Minerals Development and Regulation (MMDR) Act, 1957 provides that the holder of a mining lease shall pay to the State Government, every year, Dead Rent (DR) at such rate, as may be specified in the third schedule appended to the Act for all areas included in the instrument of lease. As per Ministry of Mines notification (September 2014), DR payable was ₹2,000 *per hectare per annum* for low value minerals from fifth year onwards of lease. DR for medium value, high value, precious metals and stone minerals were two times, three times and four times of the said rates respectively.

Similarly, under Rule 27 of Mineral Concession Rules, 1960, the lessee shall also pay Surface Rent⁹⁷ (SR) for the surface area used by him for the purpose of mining operations. As per Steel and Mines Department Notification (November 2013), SR is payable at the rate equivalent to one *per cent* of the market value of land *per annum* subject to a minimum of ₹1,000 to maximum of ₹10,000 *per annum per hectare* for leases granted to different category of minerals in respect of land not assessable to land revenue.

During test check of the assessment records for the period from April 2017 to September 2019 in 11 out of 14 Mining Circle Offices (MCOs), Audit noticed that five MCOs did not levy DR worth ₹51.04 lakh on 19 lessees for the period from January 2018 to December 2019. Similarly, 18 lessees did not pay SR worth ₹53.56 lakh for the surface area used by them. The concerned DDsM/ MOs neither assessed the cases nor raised the demands for realisation of the same. This resulted in non-realisation of Government revenue amounting to ₹1.05 crore towards DR and SR. This indicates lack of action by the concerned authorities in raising the demand for DR and SR.

In reply, MO, Bhawanipatna stated that action would be taken whereas DDM, Koira, raised demands amounting to ₹58.53 lakh after it was pointed out by audit. The remaining three DDsM/ MOs stated that action would be taken after verification of records.

The matter was intimated to the Government of Odisha during June 2021. Their reply is awaited (September 2021).

⁹⁷ Surface Rent is the compensation paid by the lessee for occupying the surface of the land

6.5.5 Non realisation of salary component of Government staff posted in private weighbridges

DDM, Rourkela did not collect and deposit the salary component in the Government account, as a result the owners of private weighbridges were extended undue benefit of ₹1.02 crore.

Rule 11 (1) of the Odisha Minerals, Prevention of Theft, Smuggling and Illegal Mining and Regulation of Possession, Storage, Trading and Transportation (OMPTS) Rules, 2007 provides that Government may set up check-posts with or without barriers and weighbridges at any place within the State with a view to check the transport and storage of minerals raised without lawful authority and to check the quality and quantity of minerals transported from the lease-hold areas to depot. The lessee, licensee or permit holder shall pay to the Government the weighment charges for weighment of mineral in a Government weighbridge at the rate prescribed by the Government. Steel and Mines Department approved (March 2010) the weighment charges as ₹35 per vehicle for weighment of minerals carried at the private weighbridges. Out of this, ₹25 was to be charged towards cost of weighbridge maintenance and ₹10 towards salary components of the Government staff posted therein. The amount collected towards salary component shall be deposited in Government account by the concerned Deputy Director of Mines (DDM).

On scrutiny of permit and pass details of vehicles carrying minerals under different mines of DDM, Rourkela, Audit observed that during November 2017 to January 2020, the DDM, Rourkela issued 10,20,957 transit passes to the lessees of three mines for transportation of minerals through their own weighbridges. Based on the transit passes issued, the salary component of the Government staff posted in those private weighbridges was worked out as ₹1.02 crore which was to be deposited in the Government account as per aforesaid codal provision. But, the DDM, Rourkela did not collect the amount from the owners of private weighbridges and deposit the same in the Government account. As a result, the owners of private weighbridges were extended undue benefit with loss to the Government of ₹1.02 crore.

After this was pointed out by audit, demands amounting to ₹40.51 lakh were raised by the DDM, Rourkela for the period from November 2017 to October 2018, but no demand was, however, raised for the remaining period.

The matter was intimated to the Government of Odisha during June 2021. Their reply is awaited (September 2021).

6.5.6 Stamp Duty and Registration Fee short realised

Non-inclusion of useful waste quantity of decorative stone in the highest production quantity led to loss of Stamp Duty and Registration Fee worth ₹30.96 lakh.

Sub-section (1) and (2) of Section 22 of the Granite Conservation and Development Rules, 1999 provide for regular separate stacking of non-saleable granite and small granite blocks. Such non-saleable granite suitable for possible use in manufacture of bricks as well as flooring or wall tiles by small scale industries sector shall not be used as road metal or stone aggregate. Such material shall be segregated from the dumps of granite rejects and stored separately for future use as far as possible.

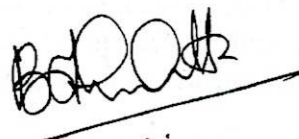
The Government of Odisha, Steel & Mines Department stated (January 2012) that the highest annual production planned and approved by a statutory authority in the mining scheme should form the basis for the assessment of stamp duty taking into account the amount of royalty that would accrue out of the said level of production. Further, as per the approved mining plans, wastes/rejects generated in the mining operation would be dispatched to the nearby areas for construction of roads and buildings and also for construction/periodic repair of existing roads in the surroundings as per demand on payment of royalty. Such useful waste quantity of decorative stone was estimated between 40 and 70 *per cent* of the total waste materials produced.

Audit scrutinised records like registration of mining lease cases in 11 out of 14 Mining Circle Offices (MCOs) and noticed that two MCOs granted mining leases during 2017-18 to four leases of decorative stones (specified as Minor Mineral) and registered lease deeds for 30 years during the said year. Highest production quantity of rejects in four leases ranged from 8,553 cum to 33,354 cum. Based on such rejects, the quantity to be used as construction materials / flooring or wall ranged from 4,276.5 cum to 23,348 cum in such four leases totalling 56,385.5 cum. But, it was noticed that while forwarding the cases to Registration Authorities (RAs) for assessing the stamp duty (SD) and registration fees (RF) for execution of lease deeds, two MCOs did not include the proposed useful quantity of wastes/ rejects of stone blocks and tiles in the highest quantity of production. The reason for non-inclusion of such saleable quantity in total production quantity was not on record. Thus, due to non-inclusion of useful quantity of wastes/ rejects in highest production quantity for assessment by the two MCOs, the royalty was under assessed to the tune of ₹4.42 crore with consequent short-realisation of SD & RF of ₹30.96 lakh as detailed in the *Appendix-XIII*.

In reply, Mining Officer (MO), Cuttack, while referring to the Government Circular (May 2013), stated that stamp duty was payable on every instrument of grant or renewal of mining lease equivalent to 15 *per centum* of the amount of average royalty that would accrue out of the highest annual extraction of minerals permitted under the approved mining plan. However, reply of the MO did not give any reason for non-inclusion of such saleable quantity in the

highest quantity of production. The DDM, Rourkela stated to submit the reply after scrutiny of records.

The matter was intimated to the Government of Odisha during June 2021. Their reply is awaited (September 2021).



(BIBHUDUTTA BASANTIA)
Pr. Accountant General (Audit-II), Odisha

Bhubaneswar
The: 11 OCT 2021

Countersigned



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

New Delhi
The: 14 OCT 2021

Appendices

Appendix – I
(Refer paragraph 2.5.6)
Statement showing calculation of tax and penalty

(Figures in ₹)

Sl. No.	Description	As per assessment	As per Audit
1	Gross Receipt	17,57,92,085	17,57,92,085
	Less sub-contractor payment	8,89,05,564	8,89,05,564
	GTO	8,68,86,521	8,68,86,521
	Less labour and service charge	3,29,16,058	1,73,77,304
	Taxable turnover inclusive of tax	5,39,70,463	6,95,09,217
2	Proportion of sale value of taxable goods (ratio of sale on the purchase ratio)		
	5 per cent taxable (30.48 per cent)	1,64,50,197	2,11,86,410
	13.5 per cent taxable (10.94 per cent)	59,04,369	76,04,308
	14.5 per cent taxable (58.58 per cent)	3,16,15,897	4,07,18,499
3	Taxable turnover determined (Sale value/ (tax rate+100)*100) (as sale value is inclusive of tax)		
	5 per cent taxable goods	1,56,66,854	2,01,77,533
	13.5 per cent taxable goods	52,02,087	66,99,830
	14.5 per cent taxable goods	2,76,12,137	3,55,62,008
4	VAT payable		
	5 per cent	7,83,343	10,08,877
	13.5 per cent	7,02,281	9,04,478
	14.5 per cent	40,03,760	51,56,491
	Total tax payable	54,89,384	70,69,846
	Less ITC	16,88,165	16,88,165
	Less TDS	41,98,439	41,98,439
	VAT paid along with return	0	0
	Balance VAT payable/refund	Refund - 3,97,220	Payable - 11,83,242
	Penalty leviable (25 per cent of tax)		2,95,811
	Total		14,79,053

Appendix – II
(Refer paragraph 3.5.1)

Statement showing non-realisation of ED and fine on short-lifted quantity of IMFL & Beer due to delay in taking action

Name of the IMFL 'Off' shops	Period	IMFL		BEER		Lifted during the period		Short-lifted quantity		IMFL	BEER	Total Excise duty involved	Fine at the rate of 10 per cent of the excise duty	Total ED and fine to be realised
		Monthly MGQ fixed	MGQ fixed for corresponding period	Monthly MGQ fixed	MGQ fixed for corresponding period	IMFL	Beer	IMFL	BEER	Excise Duty at the rate of ₹384 per LPL of IMFL and at the rate of ₹50 per BL of Beer				
		In L.P.L.	In L.P.L.	In B.L.	In B.L.	In L.P.L.	In B.L.	In L.P.L.	In B.L.	(₹)	(₹)			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Daily Market No.1 (licence issued from 15 May 2018 but functioned from 06 September 2018 to March 2019)	15.05.2018 to 05.09.2018	5250.000	19504.033	7500.000	27862	0	0	19504.033	27862	7489549	1393100	8882649	888265	9770914
	06.9.2018 to 31.3.2019	5250.000	35875.000	7500.000	51250.000	19113.874	20001.000	16761.126	31249.000	6436272	1562450	7998722	799872	8798595

Appendix – III
(Refer paragraph 3.5.3)

Statement showing number of licensees furnished unregistered land agreements for renewal of licences for the year 2017-18 but not deposited the required fees (In ₹)

Sl. No.	Name of the Offices	No. of Shops furnished unregistered agreements	Fees not realised	No. of shops deposited fees after issue of Audit observation	Amount realised	Balance shops not deposited fees (Col. 3 - 5)	Fees to be realised	No. of Shops not submitted agreements	No. of shops though not submitted agreements but deposited fees after audit pointed out (Out of col.9)	Amount of fees deposited	Total No. of Shops	Total fees realised after issue of audit observation
1	2	3	4	5	6	7	8	9	10	11	12	13
1	SE, Mayurbhanj	73	1825000	40	1000000	33	825000	18	10	250000	91	1250000
2	SE, Ganjam	27	675000	0	0	27	675000	20	0	0	47	0
3	SE, Berhampur	28	700000	0	0	28	700000	1	0	0	29	0
4	SE, Cuttack	32	800000	0	0	32	800000	79	0	0	111	0
5	SE, Jagatsinghapur	0	0	0	0	0	0	3	3	75000	3	75000
6	SE, Bargarh	31	775000	31	775000	0	0	0	0	0	31	775000
7	SE, Kendrapada	22	550000	0	0	22	550000	22	0	0	44	0
8	SE, Puri	8	200000	0	0	8	200000	46	0	0	54	0
9	SE, Keonjhar	5	125000	0	0	5	125000	61	0	0	66	0
10	SE, Balasore	1	25000	1	25000	0	0	11	0	0	12	25000
11	SE, Sundargarh	12	300000	10	250000	2	50000	50	0	0	62	250000
12	SE, Balangir	0	0	0	0	0	0	32	29	725000	32	725000
13	SE, Nuapada	0	0	0	0	0	0	12	0	0	12	0
14	SE, Gajapati	0	0	0	0	0	0	35	0	0	35	0
15	SE, Rayagada	28	700000	27	675000	1	25000	14	11	275000	42	950000
16	SE, Koraput	14	350000	0	0	14	350000	15	0	0	29	0
17	SE, Nabarangpur	9	225000	9	225000	0	0	0	0	0	9	225000
18	SE, Khordha	10	250000	0	0	10	250000	21	0	0	31	0
	Total	300	7500000	118	2950000	182	4550000	440	53	1325000	740	4275000

Appendix – IV
(Refer paragraph 3.5.4)

Statement showing non-realisation of establishment cost from distilleries during 2018-19

(In ₹)

Sl. No.	Name of the Excise office	No. of excise officials deployed	Name of the Distilleries	Name of the Excise Officers/ officials deployed at distillery	Period	Basic pay	Dearness Allowances	Total amount paid as pay and allowances	Amount to be realised
1	2	3	4	5	6	7	8	9	10
1	SE, Dhenkanal	6	M/s Sakhti Sugar Industries Ltd	Shri Devi Prasad Mishra, IE (Additional Charge)	Apr-18	38700	2709	41409	20705
					May-18	38700	2709	41409	20705
					Jun-18	38700	2709	41409	20705
				Shri Prasanta Ku Mohanty, IE (Additional Charge)	Jul-18	64100	4487	68587	34294
					Aug-18	64100	4487	68587	34294
				Smt. Anita Ojha, SI (Additional Charge)	Sep-18	31000	2790	33790	16895
					Oct-18	31000	2790	33790	16895
					Nov-18	31000	2790	33790	16895
				Shri Samir Ku. Mohanty, IE (Additional Charge)	Dec-18	35400	3186	38586	19293
				Shri Raj Sekhar Swain, IE (Additional Charge)	Jan-19	42300	3807	46107	23054
					Feb-19	42300	3807	46107	23054
					Mar-19	42300	3807	46107	23054
				Shri Kailash Chandra Rout, EC (Full Charge)	Apr-18	26800	2412	29212	29212
					May-18	26800	2412	29212	29212
					Jun-18	26800	2412	29212	29212
					Jul-18	26800	2412	29212	29212
					Aug-18	27600	2484	30084	30084
					Sep-18	27600	2484	30084	30084
					Oct-18	27600	2484	30084	30084
					Nov-18	27600	2484	30084	30084
Dec-18	27600	2484	30084		30084				
Jan-19	27600	2484	30084		30084				
Feb-19	27600	2484	30084		30084				
Mar-19	27600	2484	30084	30084					
Total								897198	627359

Sl. No.	Name of the Excise office	No. of excise officials deployed	Name of the Distilleries	Name of the Excise Officers/ officials deployed at distillery	Period	Basic pay	Dearness Allowances	Total amount paid as pay and allowances	Amount to be realised
2	SE, Ganjam	2	M/s Aska Co-operative Sugar Industries (ACSI) Ltd	Shri Sridhar Hemram, IE	Apr-18	35400	2478	37878	37878
					May-18	35400	2478	37878	37878
					Jun-18	35400	2478	37878	37878
					Jul-18	35400	2478	37878	37878
					Aug-18	36500	2555	39055	39055
					Sep-18	36500	2555	39055	39055
					Oct-18	36500	3285	39785	39785
					Nov-18	36500	3285	39785	39785
					Dec-18	36500	3285	39785	39785
					Jan-19	36500	3285	39785	39785
				Feb-19	36500	3285	39785	39785	
				Mar-19	36500	4380	40880	40880	
				Shri Basant Kumar Mallick, EC	Jun-18	3420	239	3659	3659
					Jul-18	20500	1435	21935	21935
					Aug-18	20500	1435	21935	21935
					Sep-18	21100	1477	22577	22577
					Oct-18	21100	1899	22999	22999
					Nov-18	21100	1899	22999	22999
					Dec-18	21100	1899	22999	22999
					Jan-19	21100	1899	22999	22999
Feb-19	21100	1899	22999		22999				
Mar-19	21100	2532	23632		23632				
Total								678160	678160
Grand Total		8	2					1575358	1305519

Appendix –V

(Refer paragraph 4.5.1 (B))

Statement showing short realisation of SD & RF due to misclassification of registration documents of Agreement to Sell including Development Agreement (in ₹)

Sl. No.	Name of the Office	Document No. & date	Area of land in Acre	Advance Money	Consideration as per recital	BMV per Acre	Market value of land/ building	Consideration to be taken	SD leviable (5 per cent/ 4 per cent)	RF leviable (2 per cent)	SD levied	RF levied	Short levied of SD	Short levied of RF	Total short levy of SD & RF
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	SR, Kujunga	10751801563 / 20.11.2018	0.21	120000	1680000	7920000	1663200	1680000	84000	33600	6000	2400	78000	31200	109200
2	SR, Jagatpur	431700739/ 29.03.2017	0.49	500000	2500000	5000000	2450000	2500000	125000	50000	25050	10000	99950	40000	139950
3	DSR, Puri	1481800772/ 07.02.2018	0.06	2400000	8200000	27500000	1650000	8200000	410000	164000	120000	48000	290000	116000	406000
4	DSR, Puri	11481804099/ 18.08.2018	0.04	2700000	3000000	33000000	1320000	3000000	120000	60000	68	54000	119932	6000	125932
5	SR, Brahmagiri	1491801184/ 19.09.2018	0.240	500000	2880000	12000000	2880000	2880000	144000	57600	50	10000	143950	47600	191550
6	DSR, Balasore	61907006/ 24.09.2019	0.21	100000	5670000	27000000	5670000	5670000	283500	113400	5020	2000	278480	111400	389880
7	SR, Panpose	1711801494/ 24.08.2018	0.056	1500000	10500000	88000000	4928000	10500000	525000	210000	100	30000	524900	180000	704900
8	DSR, Khordha	1081908182/ 12.07.2019	0.017	100000	378140	21400000	363800	378140	18907	7563	10	2000	18897	5563	24460
9	DSR, Khordha	1081908566 /22.07.2019	0.037	4200000	4700000	51800000	1916600	4700000	235000	94000	180	84000	234820	10000	244820
10	DSR, Khordha	1081910670/ 06.09.2019	0.286	100000	4200000	33800000	9666800	9666800	483340	193336	10	2000	483330	191336	674666
11	DSR, Khordha	1081910834/ 02.07.2019	0.033	100000	1600000	138000000	4554000	4554000	227700	91080	10	2000	227690	89080	316770
12	DSR, Khordha	11081914630 / 11.12.2019	0.1025	10000	3536250	34500000	3536250	3536250	176813	70725	10	200	176803	70525	247328

Sl. No.	Name of the Office	Document No. & date	Area of land in Acre	Advance Money	Consideration as per recital	BMV per Acre	Market value of land/ building	Consideration to be taken	SD leviable (5 per cent/ 4 per cent)	RF leviable (2 per cent)	SD levied	RF levied	Short levied of SD	Short levied of RF	Total short levy of SD & RF
13	DSR, Khordha	1081914094/ 29.11.2019	0.04	2000000	2500000	138000000	5520000	5520000	276000	110400	10	40000	275990	70400	346390
14	DSR, Khordha	1081912537/ 23.10.2019	0.06	490000	500000	57500000	3450000	3450000	172500	69000	140	9800	172360	59200	231560
15	DSR, Khordha	1081915377/ 27.12.2019	5.084	300000	300000	32000000	162688000	162688000	8134400	3253760	10	6000	8134390	3247760	11382150
16	DSR, Khordha	1081900148/ 03.01.2019	8.515	100000	385000000	49500000	421492500	421492500	21074625	8429850	100	2000	21074525	8427850	29502375
17	DSR, Khordha	1081903815/ 18.03.2019	0.399	120000	12000000	35000000	13965000	13965000	698250	279300	100	2400	698150	276900	975050
18	DSR, Sambalpur	1621901644/ 06.06.2019	0.42	1500000	13028400	31020000	13028400	13028400	521136	260568	100	30000	521036	230568	751604
			0.29		2105400	7260000	2105400	2105400	84216	42108	0	0	84216	42108	126324
			0.15		4653000	31020000	4653000	4653000	186120	93060	0	0	186120	93060	279180
			0.41		4059000	9900000	4059000	4059000	162360	81180	0	0	162360	81180	243540
			0.88		27297600	31020000	27297600	27297600	1091904	545952	0	0	1091904	545952	1637856
			0.16		1161600	7260000	1161600	1161600	46464	23232	0	0	46464	23232	69696
			0.22		1597200	7260000	1597200	1597200	63888	31944	0	0	63888	31944	95832
			0.03		297000	9900000	297000	297000	11880	5940	0	0	11880	5940	17820
Total			18.44	16840000	503343590		701913350	718579890	35357003	14371598	156968	336800	35200035	14034798	49234832

Appendix – VI
(Refer paragraph 4.5.2 (A))

Statement showing short realisation of SD & RF due to undervaluation of land and building (in ₹)

Sl. No.	Name of the share holder	Khata No.	Plot No.	Area in acre	BMV	Market value as per BMV	Remarks	
1	2	3	4	5	6	7	8	
1	Deepa Prajapati (First party)	492	652	0.130	125000000	16250000		
			651	0.100	125000000	12500000		
		492/664	650	0.140	125000000	17500000		
					Value of land	46250000		
		<i>Name of the floor</i>	<i>Carpet area (in sq. ft.)</i>	<i>Super built up area (in sq. ft.)</i>	<i>Rate per sq. ft.</i>	<i>Value of the Floor</i>		
		Ground Floor	6596.94	10455	1639	17135745		
		First Floor	6953.08	10685	1333	14243105		
		Second Floor	7823.32	12135	1530	18566550		
		Total area	21373.34	33275	Value of floors	49945400		
					Ceramic tile flooring	49	1047294	
					Internal E.I (10 per cent)	4994540		
					Internal PH (10 per cent)	4994540		
					External PH (15 per cent)	7491810		
					Total cost	68473584		
					GST (12 per cent)	8216830		
					Cost of building	76690414		
					Cost of share (land + building)	122940414		
2	Bijay Chandra Das (Second party)	<i>Khata No.</i>	<i>Plot No.</i>	<i>Area in Acre</i>	<i>BMV</i>	<i>Market value as per BMV</i>	<i>Remarks</i>	
		492/664	650	0.140	125000000	17500000		
					Value of land	17500000		
		<i>Name of the floor</i>	<i>Carpet area (in sq. ft.)</i>	<i>Super built up area (in sq. ft.)</i>	<i>Rate per sq. ft.</i>	<i>Value of the floor</i>		
		First Floor	233.6	370	1333	493210		
		Second Floor	233.6	370	1530	566100		
		Third Floor	233.6	370	1726	638620		
		Third Floor	233.6	370	1726	638620		
		Total area	934.4	1480	Value of floors	2336550		
					Ceramic tile flooring	49	45786	
					Internal E.I (10 per cent)	233655		
					Internal PH (10 per cent)	233655		
					External PH (15 per cent)	350483		
					Total	3200128		
			GST (12 per cent)	384015				
			Total cost of building	3584143				
			Cost of share (land + building)	21084143				
3	Krishna Kumar Prajapati (Third party)	<i>Khata No.</i>	<i>Plot No.</i>	<i>Area in Acre</i>	<i>BMV</i>	<i>Market value as per BMV</i>	<i>Remarks</i>	
		492/694	649/2716	0.015	125000000	1875000		

Sl. No.	Name of the share holder	Khata No.	Plot No.	Area in acre	BMV	Market value as per BMV	Remarks
			648/2715	0.055	125000000	6875000	
			653	0.035	125000000	4375000	
			654/2714	0.010	125000000	1250000	
					Value of land	14375000	
		<i>Name of the floor</i>	<i>Carpet area (in sq. ft.)</i>	<i>Super built up area (in sq. ft.)</i>	<i>Rate per sq. ft.</i>	<i>Value of the floor</i>	
		Third Floor	4090.14	6145	1726	10606270	
		Fourth Floor	2535.32	4050	1792	7257600	
		Fifth Floor	823.4	1105	1890	2088450	
		Total Area	7448.86	11300	Value of floors	19952320	
			Ceramic tile flooring		49	364994	
					Internal E.I (10 per cent)	1995232	
					Internal PH (10 per cent)	1995232	
					External PH (15 per cent)	2992848	
					Total cost	27300626	
					GST (12 per cent)	3276075	
					Total cost of building	30576701	
					Cost of share (land + building)	44951701	
4	Shamim Akhtar (Fourth party)	<i>Khata No.</i>	<i>Plot No.</i>	<i>Area in Acre</i>	<i>BMV</i>	<i>Market value as per BMV</i>	<i>Remarks</i>
		407	648/P	0.070	125000000	8750000	
		<i>Name of the floor</i>	<i>Carpet area (in sq. ft.)</i>	<i>Super built up area (in sq. ft.)</i>	<i>Rate per sq. ft.</i>	<i>Value of the floor</i>	
		Ground Floor	306.24	500	1639	819500	
		First Floor	448.32	715	1333	953095	
		First Floor	233.6	370	1333	493210	
		Third Floor	174.93	275	1726	474650	
		Fifth Floor	2097.87	3227.5	1890	6099975	
		Total area	3260.96	5087.5	Value of floors	8840430	
			Ceramic tile flooring		49	159787	
					Internal E.I (10 per cent)	884043	
					Internal PH (10 per cent)	884043	
					External PH (15 per cent)	1326065	
					Total cost	12094368	
					GST (12 per cent)	1451324	
					Total cost of building	13545692	
					Cost of share (land + building)	22295692	
5	Nasim Akhtar (Fifth party)	<i>Khata No.</i>	<i>Plot No.</i>	<i>Area in Acre</i>	<i>BMV</i>	<i>Market value as per BMV</i>	<i>Remarks</i>
		407	648/P	0.070	125000000	8750000	
		<i>Name of the floor</i>	<i>Carpet area (in sq. ft.)</i>	<i>Super built up area (in sq. ft.)</i>	<i>Rate per sq. ft.</i>	<i>Value of the floor</i>	
		Ground Floor	306.24	485	1639	794915	
		First Floor	448.32	730	1333	973090	
		First Floor	233.6	370	1333	493210	
		Third Floor	174.93	275	1726	474650	
		Fifth Floor	2097.87	3227.5	1890	6099975	

Sl. No.	Name of the share holder	Khata No.	Plot No.	Area in acre	BMV	Market value as per BMV	Remarks
		Total area	3260.96	5087.5	Value of floors	8835840	
			Ceramic tile flooring		49	159787	
					Internal E.I (10 per cent)	883584	
					Internal PH (10 per cent)	883584	
					External PH (15 per cent)	1325376	
					Total cost	12088171	
					GST (12 per cent)	1450581	
					Total cost of building		13538752
					Cost of share (land + building)		22288752
		Name of the floor	Carpet Area (in sq. ft.)	Super built up area (in sq. ft.)	Rate per sq. ft.	Value of the floor	
6	M/s Sahej Realcon (P) Ltd. (Sixth party)	Ground Floor	3150.08	5260	1639	8621140	
		First Floor	3393.92	5400	1333	7198200	
		Second Floor	5183.13	7120	1530	10893600	
		Third Floor	7618.32	12190	1726	21039940	
		Fourth Floor	9990.2	15575	1792	27910400	
		Fifth Floor	6819.1	11790	1890	22283100	
		Total Area	36154.75	57335	Value of floors	97946380	
			Ceramic tile flooring		49	1771583	
					Internal E.I (10 per cent)	9794638	
					Internal PH (10 per cent)	9794638	
					External PH (15 per cent)	14691957	
					Total cost	133999196	
					GST (12 per cent)	16079903	
					Total cost of building		150079099
					Cost of share (building)		150079099
ABSTRACT							
	Name of the share holder	Party No.	Amount of Share				
1	Deepa Prajapati (First party)	1st	122940414				
2	Bijay Chandra Das (Second party)	2nd	21084143				
3	Krishna Kumar Prajapati (Third party)	3rd	44951701				
4	Shamim Akhtar (Fourth party)	4th	22295692				
5	Nasim Akhtar (Fifth party)	5th	22288752				
		Total	233560702	(Total share of 5 others)			
6	M/s Sahej Realcon (P) Ltd (Sixth Party)	6th	150079099	(Largest share not to be assessed for SD & RF)			
Value for consideration is ₹23,35,60,702 on which SD & RF Leviable							
	SD leviable	SD levied	Short levied of SD	RF leviable	RF levied	Short levied of RF	Short levied of SD & RF
	4671214	287500	4383714	4671214	287500	4383714	8767428

Appendix – VII
(Refer paragraph 4.5.2 (B))

Statement showing short realisation of SD & RF due to undervaluation of land and building (in ₹)

Sl. No.	Name of the share holder	Khata No.	Plot No.	Area in acre	BMV	Market value as per BMV	Remarks
1	2	3	4	5	6	7	8
	Document ID No. 1081905945 /29.04.2019 Mouza: Bhubaneswar / Unit No. III Kharabela Nagar						
	Schedule-A (Total Plot and constructed area)	440/220	389/1663 & 497 (p)	0.18900	290000000	54810000	
1	Schedule-B / Silla Chalapati Rao (1st party)			0.04725	290000000	13702500	
					Land value	13702500	
		<i>Name of the floor</i>	<i>Carpet area (in sq. ft.)</i>	<i>Super built up area (in sq. ft.)</i>	<i>Rate per sq. ft.</i>	<i>Value of the floor</i>	
		Ground Floor	450	450	1312	590400	
					Internal E.I & PH (25 per cent)	147600	
				Share value	14440500		
2	Schedule - C / Madhavi Sumi Tankala (2nd party)	<i>Khata No.</i>	<i>Plot No.</i>	<i>Area in acre</i>	<i>BMV</i>	<i>Market value as per BMV</i>	<i>Remarks</i>
				0.04725	290000000	13702500	
					Land value	13702500	
		<i>Name of the floor</i>	<i>Carpet area (in sq. ft.)</i>	<i>Super built up area (in sq. ft.)</i>	<i>Rate per sq. ft.</i>	<i>Value of the floor</i>	
		Second Floor	4000	4000	1228	4912000	
		Third Floor	4000	4000	1382	5528000	
					Internal E.I & PH (25 per cent)	2610000	
				Share value	26752500		
3	Schedule-D / Manjusha Subudhi (3 rd party)	<i>Khata No.</i>	<i>Plot No.</i>	<i>Area in acre</i>	<i>BMV</i>	<i>Market value as per BMV</i>	<i>Remarks</i>
				0.04725	290000000	13702500	
					Land value	13702500	
		<i>Name of the floor</i>	<i>Carpet area (in sq. ft.)</i>	<i>Super built up area (in sq. ft.)</i>	<i>Rate per sq. ft.</i>	<i>Value of the floor</i>	
		Ground Floor	1250	1250	1312	1640000	
		First Floor	1850	1850	1312	2427200	
					Internal E.I & PH (25 per cent)	1016800	
				Share value	18786500		
4	Schedule-E / Malati Patra (4 th party)	<i>Khata No.</i>	<i>Plot No.</i>	<i>Area in acre</i>	<i>BMV</i>	<i>Market value as per BMV</i>	<i>Remarks</i>
				0.04725	290000000	13702500	
					Land value	13702500	
		<i>Name of the</i>	<i>Carpet area (in</i>	<i>Super built</i>	<i>Rate per sq. ft.</i>	<i>Value of the</i>	

Sl. No.	Name of the share holder	Khata No.	Plot No.	Area in acre	BMV	Market value as per BMV	Remarks
1	2	3	4	5	6	7	8
		<i>floor</i>	<i>sq. ft.)</i>	<i>up area (in sq. ft.)</i>		<i>floor</i>	
		Ground Floor	1250	1250	1312	1640000	
		First Floor	1850	1850	1312	2427200	
					Internal E.I & PH (25 per cent)	1016800	
					Share value	18786500	
ABSTRACT							
	Name of the share holder	Party No.	Amount of share				
1	Schedule-B/ Silla Chalapati Rao (1 st party)	1 st	14440500				
3	Schedule-D/ Manjusha Subudhi (3 rd party)	3 rd	18786500				
4	Schedule-E/ Malati Patra (4 th party)	4 th	18786500				
		Total	52013500		(Total share of 3 others)		
2	Schedule-C/ Madhavi Sumi Tankala (2 nd party)	2 nd	26752500		(Largest share not to be assessed for SD & RF)		
Value on which SD & RF leviable = ₹52013500							
	<i>SD leviable</i>	<i>SD levied</i>	<i>Short levied of SD</i>	<i>RF leviable</i>	<i>RF levied</i>	<i>Short levied of RF</i>	<i>Short levied of SD & RF</i>
	1040270	226342	813928	1040270	226342	813928	1627856

Valuation by the RA in the document

	Name of the share holder	Party No.	Amount of share	Remarks
1	Schedule-B/ Silla Chalapati Rao (1 st party)	1 st	875025	SD & RF levied by the RA on this amount
2	Schedule-D/ Manjusha Subudhi (3 rd party)	3 rd	5221025	
3	Schedule-E/ Malati Patra (4 th party)	4 th	5221025	
		Total	11317075	
4	Schedule-C/ Madhavi Sumi Tankala (2 nd party)	2 nd	13187025	(Largest share not assessed for SD & RF)

Appendix – VIII
(Refer paragraph 4.5.3)

Statement showing short-levy of SD & RF on lease deeds due to non-inclusion of GST in Average Annual Rent (in ₹)

Sl. No.	Name of the Office	Doc. ID No./ DoR	lease period (in years)	Yearly lease rent	Escalation	Total rent up to completion of lease period including GST at the rate of 18 per cent	Average Annual Rent (AAR)	Consideration of AAR based on lease period	Security Deposit (SD)	Total Consideration (AAR+SD)	SD Payable	SD Paid	Balance SD payable	RF Payable	RF paid	Balance RF payable	Total SD + RF payable
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	DSR, Balasore	61908194/19.10.19	30	6837120	12 per cent up to completion of 18 years for every three years interval and thereafter 15 per cent	441354570	14711819	44135457	3418560	47554017	2377701	2041100	336601	951080	816450	134630	471231
2	SR, Khandagiri	1131903064/29.03.19	15	6566340	15 per cent for every three years interval	156725595	10448373	20896746	1641586	22538332	1126917	524808	602109	450767	209925	240842	842951
3		1131904338/28.05.19	9	8451144	15 per cent for every three years interval	103886955	11542995	11542995	4225572	15768567	788428	700389	88039	315371	280155	35216	123255
4	DSR, Khordha	1081909804/14.08.19	18	8825760	15 per cent for every three years interval	273494718	15194151	30388302	4412888	34801190	1740059	1508400	231659	696024	603315	92709	324368
5		1081813805/19.12.18	9	51504000	15 per cent for every three years interval	633120642	70346738	70346738	25752000	96098738	4804937	4268400	536537	1921975	1707358	214617	751154
6		1081813803/19.12.18	9	25014240	15 per cent for every three years interval	307491300	34165700	34165700	12507120	46672820	2333641	2073100	260541	933456	829223	104233	364774
7		1081812646/22.11.18	12	13500000	15 per cent for every three years interval	262328088	21860674	43721348	7425000	51146348	2557317	2402000	155317	1022927	960770	62157	217474
8		1081812216/14.11.18	10	54584640	15 per cent for every three years interval	768949240	76894924	76894924	27292320	104187244	5209362	4622876	586486	2083745	1849770	233975	820461

Sl. No.	Name of the Office	Doc. ID No./ DoR	lease period (in years)	Yearly lease rent	Escalation	Total rent up to completion of lease period including GST at the rate of 18 per cent	Average Annual Rent (AAR)	Consideration of AAR based on lease period	Security Deposit (SD)	Total Consideration (AAR+SD)	SD Payable	SD Paid	Balance SD payable	RF Payable	RF paid	Balance RF payable	Total SD + RF payable
9		1081811768 /9.10.18	15	15053220	15 per cent for every three years interval	359290695	23952713	47905426	7526610	55432036	2771602	2406224	365378	1108641	963530	145111	510489
10		1081811767 /9.10.18	15	10004160	15 per cent for every three years interval	238779585	15918639	31837278	5002080	36839358	1841968	1599142	242826	736787	640712	96075	338901
11		1081811766 /9.10.18	15	17776404	15 per cent for every three years interval	424287735	28285849	56571698	8888202	65459900	3272995	2841517	431478	1309198	1137663	171535	603013
12		1081902710 /25.02.19	18	10320000	15 per cent for every three years interval	306613782	17034099	34068198	5160000	39228198	1961410	1686675	274735	784564	674670	109894	384629
13		1081907758 /5.07.19	12	2580984	15 per cent for every three years interval	45620292	3801691	7603382	1719012	9322394	466120	376800	89320	186448	150669	35779	125099
14		1081909767 /14.08.19	18	4035240	15 per cent for every three years interval	125044956	6946942	13893884	2017620	15911504	795575	689700	105875	318230	275843	42387	148262
15		1081806332 /31.05.18	5	2495232	06 per cent every year	16597710	3319542	3319542	1039680	4359222	217961	116365	101596	87184	85175	2009	103605
16		1081902118 /14.02.19	15	26674704	15 per cent for every three years interval	745491675	49699445	99398890	15454392	114853282	5742664	4898238	844426	2297066	1959296	337770	1182196
17		1081809742 /16.08.18	10	8250000	10 per cent for every two years interval	118866300	11886630	11886630	500000	12386630	619331	553671	65660	247733	221469	26264	91924
18		1081809563 /20.08.18	10	8250000	10 per cent for every two years interval	118866300	11886630	11886630	400000	12286630	614331	563671	50660	245733	225469	20264	70924
19		1081809693 /2.08.18	12	4620000	15 per cent for every three years interval	81665652	6805471	13610942	1750000	15360942	768047	670227	97820	307219	268091	39128	136948
20		1081810396 /7.09.18	9	4462080	15 per cent for every	54850787	6094532	6094532	2231040	8325572	416279	405771	10508	166511	162309	4202	14710

Sl. No.	Name of the Office	Doc. ID No./ DoR	lease period (in years)	Yearly lease rent	Escalation	Total rent up to completion of lease period including GST at the rate of 18 per cent	Average Annual Rent (AAR)	Consideration of AAR based on lease period	Security Deposit (SD)	Total Consideration (AAR+SD)	SD Payable	SD Paid	Balance SD payable	RF Payable	RF paid	Balance RF payable	Total SD + RF payable
					three years interval												
21		1081811405 /7.09.18	10	3618000	25 per cent for every five years interval	48028950	4802895	4802895	1000000	5802895	290145	253513	36632	116058	101406	14652	51284
22		1081813484 /11.12.18	9	6720000	15 per cent for every three years interval	82606608	9178512	9178512	2240000	11418512	570926	500920	70006	228370	200368	28002	98008
23		1081813804 /19.12.18	9	10202400	15 per cent for every three years interval	129949560	14438840	14438840	5305248	19744088	987204	877100	110104	394882	350827	44055	154159
24		1081913108 /6.11.19	30	12000000	no escalation	424800000	14160000	42480000	70000000	112480000	5624000	5350000	274000	2249600	2140000	109600	383600
25	SR, Nandapur	1221900936 /16.12.19	18	3194640	12 per cent for every three years interval	91774890	5098605	10197210	1597320	11794530	589726	512000	77726	235891	204782	31109	108835
26	SR, Panposh	1711901628 /23.09.19	9	3383484	15 per cent for every three years interval	41591988	4621332	4621332	1071080	5692412	284621	249410	35211	113848	99764	14084	49295
27	SR, Puri	1481704278 /13.09.17	15	6788100	15 per cent for every three years interval	162018570	10801238	21602476	1696997	23299473	1164974	1000250	164724	465989	400085	65904	230628
Total								777490507	221274327	998764834	49938241	43692267	6245974	19975297	17519094	2456203	8702177

Appendix – IX
(Refer paragraph 4.5.4)

Statement showing short realisation of SD and RF on Power of Attorney documents

(in ₹)

Sl. No.	Document Id No. & date	Name of the executant	Name of the attorney	Relationship	Name of the Mouza	Khata No. / KISSAM	Plot No.	Area (in acre) / Flat (in sq. ft.)	BMV per acre/ Flat cost	Land cost as per BMV / Building cost	SD leviable (at the rate of 5 per cent)	RF leviable (at the rate of 2 per cent)	SD levied	RF levied	Short levy of SD	Short levy of RF	Short levy of SD & RF
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1. SR, Mansda																	
1	831200712 / 20.06.2012	Sarat Chandra Das	Kaling Kumar Guru	Other than family	Fatepur	967 / Sarad	1429	1.890	100000	189000	9450	3780	100	250	9350	3530	12880
			Total					1.890		189000	9450	3780	100	250	9350	3530	12880
2. SR, Kamakhyanagar																	
2	511600455 / 17.05.2016	Tapan Kumar Nath S/o Late Arjun Nath	Purna Chandra Dehury S/o Late Ranjan Dehury	Other than family	Auajharan	6 / Taila-1	303	0.110	70180	7720	2186	875	1100	250	1086	625	1711
						GB	305	0.240	150040	36010							
			Total							43729							
3	511800850 / 04.09.2018	1. Mahajiaudin Ahmed S/o Shyamsudin Ahmed 2. Mahmmad Kamarudin Ahmed S/o Shyamsudin Ahmed	Binod Bihari Swain S/o Bansidhar Swain	Other than family	Ziramali a	215/ S-1, S-2	579, 838, 1029, 1058, 1397, 1400, 1412, 1417, 1421, 1399/ 1800, 550/ 1801, 547/ 1802, 498/ 1803, 1114/ 1806,	1.260	5000000	6300000	315000	126000	1000	250	314000	125750	439750

Sl. No.	Document Id No. & date	Name of the executant	Name of the attorney	Relationship	Name of the Mouza	Khata No. / KISSAM	Plot No.	Area (in acre) / Flat (in sq. ft.)	BMV per acre/ Flat cost	Land cost as per BMV / Building cost	SD leviable (at the rate of 5 per cent)	RF leviable (at the rate of 2 per cent)	SD levied	RF levied	Short levy of SD	Short levy of RF	Short levy of SD & RF	
							1230/ 1807, 1410/ 1808											
			Total					1.610		6387459	317186	126875	2100	500	315086	126375	441461	
	3. SR, Balipatna																	
4	109130063 1/6.03.2013	Manas Ranjan Routray & 2 others	Ghanashyam Panda	Other than family	Pampalo	438	1130	1.5	165000	247500	12375	4950	100	250	12275	4700	16975	
5	109130046 8/20.02.2013	Smt. Prasanti Patnayak & Smt. Priti Patnayak	M/s Trisakti Promoters & Builders Pvt. Ltd.	Other than family	Alarpur	333/40, 333/ 87/ GB	92 & 93	1.7	990000	1683000	84150	33660	2500	1000	81650	32660	114310	
6	109130046 7/20.02.2013	Smt. Sasmita Roy	M/s Trisakti Promoters & Builders Pvt. Ltd. through Umresh Ch. Patnayak	Other than family	Alarpuri	177/ GB	96	0.69	990000	683100	34155	13662	2500	1000	31655	12662	44317	
7	109130046 3/20.02.2013	Nerandra Ku. Jena & Dherendra Ku. Jena	Kalpna Constructions & Infrastructures (P) Ltd.	Other than family	Hirapur	462/82, 80/ GB	538 & 539	0.55	1320000	726000	36300	14520	5100	2000	31200	12520	43720	
			Total					4.440		3339600	166980	66792	10200	4250	156780	62542	219322	
	4. SR, Rajgangpur																	
8	176170003 7/11.01.2017	Sukra Oram S/o Late Leda Oram	Gajendra Tirkey S/o Late Gobind Tirkey	Other than family	Duduka bahal	38 / Goda - 1	696	1.070	73205	78329	3916	1567	1005	250	2911	1317	4228	
9	176170096 5/14.11.20	Zulekha Khaton	Md. Sami Afsar S/o	Grandson	Kumarkela	408/536, Ma Sa	354/ 3630	0.040	20020000	800800	40040	16016	1000	250	39040	15766	54806	

Sl. No.	Document Id No. & date	Name of the executant	Name of the attorney	Relationship	Name of the Mouza	Khata No. / Kissam	Plot No.	Area (in acre) / Flat (in sq. ft.)	BMV per acre/ Flat cost	Land cost as per BMV / Building cost	SD leviable (at the rate of 5 per cent)	RF leviable (at the rate of 2 per cent)	SD levied	RF levied	Short levy of SD	Short levy of RF	Short levy of SD & RF
	17	W/o Md. Muslim	Md. Majhar														
10	176170112 7/28.12.20 17	Binod Ku Biswakarma S/o Late Ramdhani Biswakarma	Bina Devi W/o Parameswar Biswakarma	Mother-in-law	Ranibandh	68/135, Ma Sa	718/934	0.050	10890000	544500	27225	10890	1000	250	26225	10640	36865
			Total					1.160		1423629	71181	28473	3005	750	68176	27723	95899
5. SR, Brahmagiri																	
11	149180034 2/ 26.03.2018	Mr. Ayub Hassan	Mr. Krushna Chandra Routray, MD of M/S Jassmin Infr. developers Pvt. Ltd. (Outside family)	Other than family	Torana	637/38, 637/24, 637/12 / GB	2657/ 2785, 2657/ 2786, 2657	4.210	980100	4126221	206311	82524	210500	75030	-4189	7494	3305
			Total					4.210		4126221	206311	82524	210500	75030	-4189	7494	3305
6. DSR, Khordha																	
12	108190873 5/24.07.20 19	Smt. Bharati Roy & others	Shri B. Mohanty of M/s ARCHID BUILDER (P) Ltd.	Other than family	Patia	474/246 / GB	403/ 1972	0.24	138000000	33120000	1656000	662400	999365	400034	656635	262366	919001
13	108190770 7/28.06.20 19	P. K. Sabat	A. K. Swain of M/s MAHIMA INFRACON Pvt. Ltd.	Other than family	Raghuburjalli	511/234 / GB	543/ 1881	1500	2522100	2522100	126105	50442	45500	18450	80605	31992	112597
14	108190890 9/24.07.20 19	Adulla Kanta Roy	A. K. Swain of M/s MAHIMA	Other than family	Raghuburjalli	511/649 / GB	561/ 2667	1000	1681400	1681400	84070	33628	32500	13249	51570	20379	71949

Sl. No.	Document Id No. & date	Name of the executant	Name of the attorney	Relationship	Name of the Mouza	Khata No. / Kissam	Plot No.	Area (in acre) / Flat (in sq. ft.)	BMV per acre/ Flat cost	Land cost as per BMV / Building cost	SD leviable (at the rate of 5 per cent)	RF leviable (at the rate of 2 per cent)	SD levied	RF levied	Short levy of SD	Short levy of RF	Short levy of SD & RF
			INFRACON Pvt. Ltd.														
15	108191440 2/6.12.2019	R. Mohapatra	Jagannath Promoters	Other than family	Saheed Nagar	2/363 / GB	1147	0.1	200000000	20000000	1000000	400000	500100	200000	499900	200000	699900
16	108191236 3/21.10.2019	S. Mishra & others	M/s AK Unison Developers	Other than family	Suryanagar	211 / GB	311/551	0.248	118600000	29412800	1470640	588256	779600	311800	691040	276456	967496
17	108191346 5/15.11.2019	S. Routray	MS United Construction	Other than family	Jaipur	577 / GB	152	1.260	28300000	35658000	1782900	713160	1159000	463554	623900	249606	873506
18	108191334 2/14.11.2019	S. S. Sahu	Sri Bhulaxmi Infra	Other than family	Subudhipur	30/334 / GB	66/236	0.15	18000000	2700000	135000	54000	88000	35100	47000	18900	65900
			Total					1.998		125094300	6254715	2501886	3604065	1442187	2650650	1059699	3710349
Grand Total								15.308		140560209	7025824	2810330	3829970	1522967	3195854	1287363	4483217

**Appendix –X
(Refer paragraph 4.5.5)**

Statement showing short levy of SD & RF on lease deeds

(in ₹)

1. SR, Kunjang (one case)																			
Sl. No.	Document No. / date	Name of vendor/ vendee	Mauza, Plot No./ Kissam	Area of land in acre	Premium of the land per acre applicable to port related activities	Premium of the land as set forth in the document	Annual rent as per the recital	Amount of the security deposit	Consideration money for calculation of SD and RF (Premium + Security deposit + 2 times of GR and Cess)	Consideration money on which SD & RF was levied	SD leviable	SD levied	RF leviable	RF levied	Short levy of SD	Short levy of RF	Total short levy of SD and RF		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18		
1	107518002 14 / 28.02.2018	Board of Trustees of Paradeep/ M/s Adani Wilmar Limited	Bhitaragar h, khata No. 01 and plot No. 228(P), 275(P), 279(P), 305(P),307 and 309(P)	22.7	2590000	37553440	91890	7125712	44862932	38867814	2243147	1943400	897259	777357	299747	119902	419648		
	Total			22.70				7125712	44862932	38867814	2243147	1943400	897259	777357	299747	119902	419648		
2. SR, Panposh (Four cases)																			
Sl. No.	Doc ID No. /DoR/ Lessor /Lessee	Period of lease	Year	Annual Rent	Annual Cess	Year	Total (Rent + Cess)	Percentage of Escalation	Four times of Average Annual Rent (AAR)	Premium / Transfer Fee	Consideration for levy of SD & RF	Consideration as per recital on which SD & RF levied	SD Payable	SD Paid	Balance SD payable	RF Payable	RF paid	Balance RF payable	Total short levy of SD and RF
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	171180194 7/ 8.11.2018, ADM, Rourkela/ BPUT, Rourkela	1.12.2016 to 30.11.2106	1-20	3351750	2513813	20	117311260	0	55559916	0	55559916	23462252	2777996	117313	1604883	1111198	469246	641952	2246835
			21-40	5027625	3770720	20	175966890	50 per cent											
			41-60	7541438	5656079	20	263950335	50 per cent											
			61-80	11312156	8484119	20	395925503	50 per cent											
2	171190038 3/ 22.08.2019 Collector, Sundargarh /M/s Richbirds Drinking	24.9.2018 to 10.5.2062	1-24	1353100	1014825	24	56830200	0	11624359	6765500	18389859	16237200	919493	811660	107833	367797	317133	50664	158497
			25-44	2029650	1522238	20	71037750	50 per cent											

	Water Pvt. Ltd.																		
3	1711902075/ 03.12.2019 Collector, Sundargarh /M/s. Kalinga Sponge Iron Ltd.	21.5.2019 to 6.04.2068	1-49	880000	660000	49	75460000	0	6160000	4400000	10560000	5940000	528000	297000	231000	211200	118800	92400	323400
4	1711902087/ 04.12.2019 Collector, Sundargarh / M/s. Shree Jangannath Engineerin g Pvt. Ltd.	21.5.2019 to 6.04.2068	1-49	880000	660000	49	75460000	0	6160000	4400000	10560000	5940000	528000	297000	231000	211200	118800	92400	323400
							Total		79504275	15565500	95069775	51579452	4753489	2578773	2174716	1901396	1023979	877417	3052132

3. DSR, Puri (Two cases)

Sl. No.	Document ID No. / date	Name of the lesser / lessee	Mauza, Khata No. / Plot No./ Kissam	Lease area in Acre	Premium / consideration	Tree cost	GR 1 per cent of premium	Cess 75 per cent of GR	Four times GR + Cess	Consideration for determination of SD & RF	Stamp Duty exempted	SD realised	SD short realised	RF leviable	RF Realised	RF short realised	Total short levy of SD and RF
1	2	3	4	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1	14818002133/20.4.2018	IDCO and OTDC, Department of Tourism	Sipasarubali / 2,9,14,15,35 etc. / 232,171,249/388, 233/440 etc.	775.35	85177276	-	0	0	0	56968620	0	0	0	1139372	0	1139372	1139372
2	14818002131/20.4.2018	IDCO / OTDC, Department of Tourism	Sipasarubali / 144(AJA), 190/517, 218, 221, 190/383, 190/445, 190/477, 221/446, 190/518, 190/476, 190/472, 190/473, 190/474, 190/475, 245, 177 etc.	197.29	4932250	497900	49322	36992	345256	5775406	0	0	0	115508	0	115508	115508
				972.64						62744026	0	0	0	1254880	0	1254880	1254880

Abstract

Sl. No.	Name of DSR/ SR	No. of cases	Consideration for levy of SD & RF	Consideration as per recital on which SD & RF levied	SD Payable	SD Paid	Balance SD payable	RF Payable	RF paid	Balance RF payable	Total short levy of SD and RF
1	2	3	4	5	6	7	8	9	10	11	12
1	SR, Kujang	1	44862932	38867814	2243147	1943400	299747	897259	777357	119902	419648
2	SR, Balipatana	4	95069775	51579452	4753489	2578773	2174716	1901396	1023979	877417	3052132
3	DSR, Puri	2	62744026	0	0	0	0	1254880	0	1254880	1254880
	Total	7	202676733	90447266	6996635	4522173	2474462	4053534	1801336	2252198	4726661

Appendix –XI
(Refer paragraph 4.5.6)

Statement showing short realisation of SD & RF due to wrong calculation of cost of building and allowing higher rate of depreciation (in ₹)

Sl. No.	Name of the DSR, SR, Document No. & date	Name of the vendor & vendee	Mauza / Khata No. / Plot No. / KISSAM	Area of land in Ac.	Cost of land taken as per document	Description of building	Built up area in sq. ft.	Rate per sq. ft.	Value of building (8 x 9)	Cost of EI 10 per cent of (10)	Cost of PH 15 per cent / 10 per cent of (10)	Cost of building with EI & PH (10+11+12)	Depreciation value of building [P*(1-R/100)^n]	Depreciation value of building as per document	Cost of building after depreciation	Total consideration (6+16)	Consideration as per document	SD leviable (5 per cent or 4 per cent of 17)	SD levied	RF leviable (2 per cent of 17)	RF levied	Short levy of SD (19-20)	Short levy of RF (21-22)	Total short levy of SD & RF (23+24)	
(1) SR Kujang																									
1	107518007 99/ 08.06.2018	Manisha Priyadarshni / Banalata Sethi	M. Jagati, Kh. No. 267/28 Plot No.480, GB	0.14	672 000	Single storey RCC frame structure	1044	110 4	11525 76	1152 58	1728 86	14407 20	-	-	144072 0	211272 0	1824 576	84509	730 00	422 54	364 92	115 09	57 62	172 71	
2	107518008 99/ 26.06.2018	Pritam Samantaray/ Tarun Kumar Dash	M.- Balrampur Kh. No.886/178, Plot No.1813, KISSAM-GB	0.11	770 000	Single storey RCC frame structure	1000	110 4	11040 00	1104 00	1656 00	13800 00	-	-	138000 0	215000 0	1970 000	10750 0	985 00	430 00	394 00	900 0	36 00	126 00	
(2) SR JAGATPUR																									
3	104317003 67/ 04.03.2017	Mr D.K.Prusty/ Mr R.R.Tunga	Kapaleswar, Kh.859/3259 Pl No. 245/5957 Gharabari	0.05	100 000 0	Load bearing residence. GF	1100	100 9	11099 00	1109 90	1664 85	13873 75	-	-	138737 5	238737 5	2320 000	11936 9	116 100	477 48	464 00	326 9	13 48	461 6	
4	104317024 08/ 08.11.2017	R.P.Mohapatra/ Smt M. Brahma	Kapaleswar, Kh.859/1210 Pl No. 336/3967, 335/3966 GB	0.06	120 000 0	RCC Building Ccment flooring	1625	110 4	17940 00	1794 00	2691 00	22425 00	-	-	224250 0	344250 0	2995 625	13770 0	120 000	688 50	599 13	177 00	89 37	266 37	
(3) SR BETANATI																									
5	112818007 81/ 05.12.2018	J. Pati/ A.K.Pati	Kendua, Kh.53 Plot No. 38 GB	0.26	780 000	Pucca building (Ground floor)	1000	119 9	11990 00	1199 00	1798 50	14987 50	-	-	452250 0	537950 0	5007 300	26897 5	250 365	107 590	100 146	186 10	74 44	260 54	
			plot No. 37 Jalsaya	0.11	770 00	1st floor	1000	104 4	10440 00	1044 00	1566 00	13050 00	-	-	-	-	-	-	-	-	-	-	-	-	-
			Asbestos house	2500	550	13750 00	1375 00	2062 50	17187 50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	112816001 37/	U Singh/ Susama	Budhikhama ri, Kh.85/15	0.62	682 00	RCC building ceramic tile	500	132 7	66350 0	6635 0	9952 5	82937 5	-	-	481617 5	488437 5	4400 000	24421 9	220 000	976 88	880 00	242 19	96 88	339 06	

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	17.02.2016	Kumari Kar	Plot No 416/642			flooring																		
						Asbestos house	1086	550	597300	59730	89595	746625												
						Tin house	8144	300	2443200	244320	0	2687520												
						Boundary	535	1033	552655	0	0	552655												
7	128110064 9/ 08.06.2011	B. Khandalwal/ B. K. Das	Dhanpur Kh. 172/57 Pl. No 204/1012	1.26	1073520	RCC building	1980	911	1803780	180378	270567	2254725	-	-	2254725	3328245	2877300	166412	144000	66565	57546	22412	9019	31431
(4) SR HATADIHI																								
8	110613002 28/ 21.03.2013	M. K. Jena/ Smt. S Rout	Jhunabadi Pl. No. 47/177 Karakhana, pl. No -48 GB, P-47 sarad-3, P.49, 46/148, 46/164 Sarad-2 Mahulipank ha Pl. No. 54/402 sarad-2	2.52	172420	Pucca building	1804	839	1513556	151356	227033	1891945	-	-	2391945	2564365	2200000	128218	110000	51287	44000	18218	7287	25506
						Crusher unit						500000												
9	110618000 28/ 11.01.2018	M. K. Patuwari/N. Rout	Bonchoo Kh.1039/1 Plot No. 243/6969 GB Kh.961/298, Pl.243 sarada 3	0.71	1050000	Pucca building	1125	1104	1242000	124200	124200	1490400	-	-	1790400	2840400	1770000	142020	88500	56808	35400	53520	21408	74928
						Machineries						300000												
10	110618005 31/ 02.07.2018	Smt. S. Tripathy/ B. K. Nayak	Nandipada Kh. 194/157 Pl. No 505 GB	0.10	256768	RCC building	1716	1104	1894464	189446	284170	2368080	2162787	1622044	2162787	2419555	2100000	120978	105000	48391	42000	15978	6391	22369
(5) SR KOTPAD																								
11	112015001 86/	Mr M Yusuf/ Smt.	Damayanti Nagar,	0.037	122250	Bricks masonry with	1925	510	981750	98175	147263	1227188	-	-	1227188	1349438	565000	67472	28250	26989	11300	39222	1568	54911

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	29.04.2015	M Bijaya Laxmi	Khata No. 1231/644 Plot No 1027/3344			AS flooring , GCI roofed																	9	
(6) SR, BIRAMAHARAJPUR																								
1 2	116717009 28/ 11.09.2017	S.N. Satapathy/ M.K. Nayak	Champamal, Kh.544/32 Pl.253/2653, GB	0.05 2	259 000	Single storey RCC frame structure (Residence)	680	110 4	75072 0	0	0	75072 0	-	-	750720	100972 0	8200 00	50486	410 00	201 94	164 00	948 6	37 94	132 80
1 3	116717009 60/ 04.10.2017	Dhobei Kheti / Narottam Danta	Sandha,Kh.1 33 Pl. 517, Gharbari	0.04 1	203 00	Single storey RCC frame structure (Non-residence)	500	118 4	59200 0	0	0	59200 0	-	-	592000	612300	5723 00	30615	286 50	122 46	114 46	196 5	80 0	276 5
(7) DSR, BARGARH																								
1 4	101518023 36/ 07.09.2018	S.K. Agarwal/ Mrs. K. Agarwal	Gudesira Kh.903, 910, 911 Pl. 2229, 2230, 2232/ Gharabari	0.81	222 750 0	Non-residence Cement mortar roof having G.I. sheets	1960 0	620	12152 000	1215 200	0	13367 200	125830 34	921520 0	125830 34	148105 34	1144 2700	59242 1	457 800	296 211	228 854	134 621	67 35 7	201 978
1 5	101518012 62/ 16.05.2018	Rashmi Agarwal/ Sunil Agarwal	Bargarh, Kh.2414/ 7941 PL.139/ 12139, Gharabari	0.14	246 400 0	Non-residence RCC roof Pucca structure	5040	120 3	60631 20	6063 12	6063 12	72757 44	616135 1	582131 2	616135 1	862535 1	8285 312	43126 8	414 500	172 507	165 707	167 68	68 00	235 68
1 6	101518011 84/ 07.05.2018	S.K. Agarwal/ Rohit Agarwal	Gudesira Kh.565/214 Pl. 2220,2229,2 230,2231/ Gharabari	2.1	577 500 0	Non-residence Cement mortar roof having A.C. sheets	3067 2	620	19016 640	1901 664	0	20918 304	228009 77	144016 64	228009 77	285759 77	2217 6664	14287 99	110 890 0	571 520	443 534	319 899	12 79 86	447 884
						Boundary wall	3260	612	19951 20			20000 00												
1 7	101517007 09/ 24.03.2017	Bikram Sharma/ Bikash Agarwal	Khuntpali Kh.980/5, 34 plots/ Gharabari	3.58	787 600 0	Non-residence Cement mortar roof having A.C. sheets	2480 7	620	15380 340	1538 034	0	16918 374	178517 73	568515 7	178517 73	257277 73	1465 0000	12863 89	732 500	514 555	293 000	553 889	22 15 55	775 444
						Boundary wall	1774	612	10856 88			10856 88												
(8) SR, BARBIL																								
1 8	110318000 56/	The World Ventures	Bileipada Kh.-110/43	4.17	312 750	RCC (Res) Ground floor	5200	128 3	66716 00	6671 60	1000 740	83395 00	268560 85	147250 00	268560 85	581310 85	4600 0000	29065 54	230 000	116 262	920 000	606 554	24 26	849 176

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	02.02.2018	Limited / Tata Sponge Iron Limited	Pl.- 925,926,920, 931 KISSAM-Karkhana		00	First floor	5200	104 4	54288 00	5428 80	8143 20	67860 00							0	2			22							
						Second floor	5200	119 9	62348 00	6234 80	9352 20	77935 00																		
						Third floor	5200	135 3	70356 00	7035 60	1055 340	87945 00																		
(9) SR, BARPALLI																														
19	101912002 60/ 26.03.2012	Samari Badhei/ Puspanjali Panigrahi	Barpali/ 1227/ Pakkaghara	0.03	112 200	Residence RCC roof slab GF	754	839	63260 6	6326 1	9489 1	79075 8	394557	343198	394557	506757	4553 98	25338	227 70	101 35	910 8	256 8	10 27	359 5						
20	101913004 71/ 17.05.2013	S.K.Chirania / P.K. Chirania	Barpali, Kh.1432/180 , Pl.461/5584 GB	0.04	229 680	Residence RCC building, GF	1220	839	10235 80	1023 58	1535 37	12794 75	903785	822730	903785	113346 5	1052 410	56673	526 21	226 69	210 49	405 2	16 20	567 3						
21	101917005 82/ 24.11.2017	Narayan Kalo/ B.C. Bagha	Barpali, Kh. 1410/3424, Pl.786/ 8191/8508, GB	0.06	435 900	Residence RCC frame structure, GF	726	110 4	80150 4	8015 0	1202 26	10018 80	943106	628740	943106	137900 6	1094 640	68950	547 32	275 80	218 93	142 18	56 87	199 05						
22	101915002 87/ 15.05.2015	Tapan Sahu/ Mamata Sahu	Barpali, Kh.1432/295 Pl. 461/5306, Gharabari	0.03	195 000	Residence RCC frame structure, GF	843	110 4	93067 2	9306 7	1396 01	11633 40	-	-	116334 0	135834 0	1192 368	67917	600 50	271 67	238 48	786 7	33 19	111 86						
(10) SR, KHORDHA																														
23	114180267 3/ 18.08.2018	R.G.Routray / Smt M. Pattanaik	Mukundaprasad, Kh.526/2224 , Pl. No.1886 GB	0.11 8	126 012 5	Pucca building	1150	107 4	12351 00	1235 10	1852 65	15438 75	-	-	204877 5	330890 0	3002 000	13235 6	120 100	661 78	600 40	122 56	61 38	183 94						
						Asbestos house	792	510	40392 0	4039 2	6058 8	50490 0																		
(11) SR, LOISINGHA																														
24	103613007 51/ 19.06.2013	H. Deep/ Salita Nag	Loisingha, Kh.713/66 Pl.1802/255 0,1808/2551 GB	0.18	471 000	Single storey, GF residence	1117	767	85673 9	8567 4	1285 11	10709 24	992978	918845	992978	146397 8	1389 845	73199	695 00	292 80	281 97	369 9	10 83	478 1						
25	103614004 73/ 23.04.2014	K Mishra/ Niranjana Sahu	Salveta, Kh.51 Pl. 1513	0.05	100 000	Double storeyed building, GF	870	107 4	93438 0	9343 8	1401 57	11679 75	-	-	116797 5	116797 5	9900 00	58399	495 00	233 60	198 00	889 9	35 60	124 58						

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			Gharabari			Residence																		
26	1036100552/05.12.2015	D. Bag/Lilima Behera	Loisingha, Kh.713/509 Pl.1772/2960 GB	0.05	250000	Single storey building, Residence	1000	1009	1009000	100900	151350	1261250	932236	750000	932236	1182236	1000000	59112	50000	23645	20002	9112	3643	12755
(12) DSR, BALASORE																								
27	100061904506/26.6.2019	Smruti Pradhan / Dinakrusna Khuntia	Bamapada Kh. 271/1901, Pl. 702/1860	0.06	1296000	Ground floor	904	1427	1290008	129001	387002	1806011	-	-	3547951	5254810	5133500	262741	256700	105096	102672	6041	2424	8465
						First floor	904	1242	1122768	112277	336830	1571875												
						Marble	522	88	45936			45936												
						Boundary wall	101	1229	124129			124129												
						Total						3547951												
(13) SR, PANPOSH																								
28	11711800806/24.4.2018	R. Mohapatra / Agravanshi Pvt Ltd	Rourkela, Unit-43, Kh-392, 290/P GB-1	0.104	1300000	RCC three storeyed, GF	3173	1283	4070959	407096	610644	5088699	12408047	11532767	12408047	25408047	24532767	1270402.326	1226639	508161	490656	43763	17505	61268
						First floor	3173	1044	3312612	331261	496892	4140765												
						Second floor	3173	1199	3804427	380443	570664	4755534												
						Marble Flooring	3000	77				231000												
29	11711800841/16.5.2018	G. Mohanty / G. S. Jaiswal	Rourkela, Unit-42, Kh.5, Pl. 192 GB-1	0.245	27154677	2 & 3 storeyed load bearing / Residence, GF	2304	1074	2474496	247450	371174	3093120	1743330	1739131	1743330	30106405	30060000	1505320.245	1503000	602128.1	601200	2320	928	3248
						First floor	2304	973	2241792	224179	336269	2802240												
						Ground floor	952	1184	1127168	112717	169075	1408960	1208398	1166192	1208398									
						First floor	952	973	926296	92630	138944	1157870												
						Second floor	952	1074	1022448	102245	153367	1278060												
30	11711801103/22.6.2018	D. Nayak / S. Dalai	Rourkela, Unit-29, Kh.319/1425 Pl.384/1944 GB	0.045	2508600	2 storeyed Load bearing / Residence GF	1575	1074	1691550	169155	253733	2114438	3594815	34914221	3594815	6103415	6000000	305171	300000	122068	120000	5171	2068	7239
						First floor	1575	973	1532475	153248	229871	1915594												
						Granite	1200	190				22800												

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						flooring						0												
						Boundary wall	178	1033				183874												
31	11711901379/6.9.2019	R. K. Singh/ P. K. Kedia	RTU-41, Kh.100/188 Pl.294/1141, 297/1142, GB-1	0.85	1507000	RCC frame structure, 1st floor	1495	1242	1856790	185679	278519	2320988	-	-	2368028	4159191	3887000	207960	194350	83184	77740	13610	5444	19053
						Ceramic flooring	960	49				47040												
(14) DSR SAMBALPUR																								
32	11621902048/25.6.2019	N. K. Agrawal/ Smt. M. Panda	Singpalim, Kh.108/106, 108/108 Pl.48/659, 48/660	0.015	140250	Flat No.B-302, 2nd floor	1198	1427	1709546	170955	256432	2136933	-	-	3201201	3725595	3604928	149024	144200	74512	72098	4824	2414	7238
						Ceramic tile	1198	49	58702			58702												
						Boundary wall						22814												
						Parking						82752												
						Fittings						900000												
33	11621901211/20.05.2019	Smt. Suprava Satpathy/ Aswini Pati	733/858, 2544/3848	0.05	825000	Two storeyed load bearing GF	1054	1427	1504058	150406	225609	1880073	2409933	2409934	2409933	3524125	3500000	176206	175000	70482	70000	1206	482	1689
						First floor	1054	1242	1309068	130907	196360	1636335												
	Total			18.92			184066	-	141929838	13672489	13156567	206520705	113947192	106696135	152240709	260133457	218871633	12732670	10716227	5202669	4377841	2016443	824828	2841271

Appendix-XII
(Refer paragraph 6.5.3)

Statement showing interest on delayed payment of royalty to be realised

Sl. No.	Name of the Unit	Name of the lessee	Arrear royalty as on	Amount of arrear royalty (₹ in crore)	Due date of payment	Due date of payment after grace period	Actual date of payment	Amount paid out of arrear (₹ in crore)	Delay in days	Rate of interest at the rate of 24 per cent per annum	Interest payable (₹ in crore)
1	2	3	4	5	6	7	8	9	10	11	12
1	DDM, Jajpur	Daitary Iron ore mines	November, 2018	17.00	15/12/18	13/02/19	07/03/19	17.00	22	24	0.24
2		Saruabila Chromite Mines of Misrilall Mines (P) Ltd.	March, 2019	1.01	15/04/19	15/06/19	11/10/19	1.01	118	24	0.08
3	DDM, Koira	Kurmitar Mines of OMC Ltd.	December, 2018	5.00	15/01/19	15/03/19	04/04/19	5.00	20	24	0.07
			December, 2018	4.78	15/01/19	15/03/19	08/04/19	4.78	24	24	0.08
4		Bolani Iron Ore Mines of M/s SAIL	March, 2018	1.27	15/04/18	13/06/18	06/07/18	1.27	23	24	0.02
			June, 2018	4.36	15/07/18	12/09/18	05/03/19	4.36	174	24	0.50
			September, 2018	6.74	15/10/18	13/12/18	06/03/19	6.74	83	24	0.37
5		Roida Iron & Mn Mines of OMC Ltd.	September, 2018	0.43	15/10/18	13/12/18	06/04/19	0.43	114	24	0.03
			December, 2018	1.49	15/01/19	15/03/19	13/05/19	1.49	59	24	0.06
6	DDM, Joda	Katamati Iron Ore Mines of TATA Steel Ltd.	March, 2018	65.62	15/04/18	13/06/18	10/09/18	65.62	89	24	3.84
			June, 2018	26.50	15/07/18	12/09/18	25/02/19	26.50	166	24	2.89
			September, 2018	5.92	15/10/18	13/12/18	25/02/19	5.92	74	24	0.29
7		M/s K. N. Ram & Co. Roida-II Iron & Mn Mines	September, 2018	1.80	15/10/18	13/12/18	30/01/19	1.80	48	24	0.06
8		M/s Rungta Mine Ltd, Jajang Iron and Mn. Mines	June, 2018	1.76	15/07/18	12/09/18	31/10/18	1.76	49	24	0.06
			September, 2018	28.06	15/10/18	13/12/18	11/01/19	28.06	29	24	0.53
9	MO, Baripada	Gorumahisani Iron Ore over 1435.300 Hect. of M/s Ghanashyam Mishra & Sons (P) Ltd	December, 2018	2.46	15/01/19	16/03/19	19/04/19	2.46	34	24	0.05
Total								174.20			9.17

Statement showing interest on delayed payment of Dead Rent & Surface Rent to be realised

Sl. No.	Name of the Mines	Lease area in ha.	Surface right area in ha.	Period for which SR/DR not levied	Rate of SR/ Ha per year (in ₹)	Surface Rent (in ₹)	Rate of DR/ Ha per year (in ₹)	Dead Rent (in ₹)	Due date of payment	Due date including grace period of 60 days	Date of Payment	No of days delays	Total SR & DR paid (in ₹)	Rate of interest per annum	Interest payable (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
MO, Bhawanipatna															
1	Labanyasar semiprecious stone (Iolite) of Sri Debaraj Meher	2.505	2.505	1st half of 2017	5000	6263	6000	0	15/01/17	16/03/17	31/10/17	229	6263	24 per cent	943
		2.505	2.505	2nd half of 2017	5000	6263	6000	3900	15/07/17	13/09/17	20/03/18	188	10163	24 per cent	1256
		2.505	2.505	1st half of 2018	5000	6263	6000	0	15/01/18	16/03/18	11/04/18	26	6263	24 per cent	107
		2.505	2.505	2nd half of 2018	5000	6263	6000	7515	15/07/18	13/09/18	07/01/20	481	13778	24 per cent	4358
		2.505	2.505	1st half of 2019	5000	6263	6000	7515	15/01/19	16/03/19	07/01/20	297	13778	24 per cent	2691
		2.505	2.505	2nd half of 2019	5000	6263	6000	7515	15/07/19	13/09/19	07/01/20	116	13778	24 per cent	1051
Total													67923		10406
DDM, Koraput															
2	Maliparbat Bauxite Mines of M/s HINDALCO Ltd., Semiliguda, Koraput	268.11	268.11	As of 2016	1000	134055	2000	-6371	15/07/16	13/09/16	17/08/19	1068	127684	24 per cent	89666
		268.11	268.11	1st half of 2017	1000	134055	2000	268110	15/01/17	16/03/17	17/08/19	884	402165	24 per cent	233763
		268.11	268.11	2nd half of 2017	1000	134055	2000	268110	15/07/17	13/09/17	17/08/19	703	402165	24 per cent	185899
		268.11	268.11	1st half of 2018	1000	134055	2000	268110	15/01/18	16/03/18	17/08/19	519	402165	24 per cent	137243
		268.11	268.11	2nd half of 2018	1000	134055	2000	268110	15/07/18	13/09/18	17/08/19	338	402165	24 per cent	89380
		268.11	268.11	1st half of 2019	1000	134055	2000	0	15/01/19	16/03/19	17/08/19	154	134055	24 per cent	13574
Total													1870399		749525
DDM, Talcher															
3	Talcher Under Ground Coal Mines, MCL	1140	1140	01-01-2019 to 31.12.2019	0	0	2000	2280000	15.01.19	16/03/19	31/12/19	290	2280000	24 per cent	434762

Sl. No.	Name of the Mines	Lease area in ha.	Surface right area in ha.	Period for which SR/DR not levied	Rate of SR/ Ha per year (in ₹)	Surface Rent (in ₹)	Rate of DR/ Ha per year (in ₹)	Dead Rent (in ₹)	Due date of payment	Due date including grace period of 60 days	Date of Payment	No of days delays	Total SR & DR paid (in ₹)	Rate of interest per annum	Interest payable (in ₹)
DDM, Joda															
4	Dalpahar Iron Mines M/s D C Jain	89.961	0	01-01-2018 to 30-06-2018	0	0	4000	179922	15/01/18	16/03/18	20/11/18	249	179922	24 per cent	29458
		89.61	0	01-07-2018 to 31-12-2018	0	0	4000	179922	15/07/18	13/09/18	20/11/18	68	179922	24 per cent	8045
Total													359844		37503
5	M/s Midest Integrated Steel Ltd.	104.68	104.68	01-01-2018 to 30-06-2018	0	0	4000	209360	15/01/18	16/03/18	27/12/19	651	209360	24 per cent	89618
		104.68	104.68	01-07-2018 to 01-12-2018	0	0	4000	209360	15/07/18	13/09/18	27/12/19	470	209360	24 per cent	64701
		104.68	104.68	01-01-2018 to 30-06-2018	3000	157020	0	0	15/01/18	16/03/18	23/05/18	68	157020	24 per cent	7021
Total													575740		161339
Sl. No.5 out of ₹1,61,718, ₹61,225 is realised															61225
Grand Total													5153906		1332309

Appendix-XIII
(Refer paragraph 6.5.6)

Statement showing short realisation of Stamp Duty and Registration Fees (in ₹)

Sl. No.	Name of audit entity	Name of the mines	Area in Ha	Highest production quantity of rejects in Cum	Percentage of Highest production of rejects that are to be used as construction materials	Quantity to be used as construction materials / flooring or wall (in Cum)	Rate of royalty per Cum (in ₹)	Royalty payable (in ₹)	Amount on which SD & RF to be calculated (3 times for 30 years lease)	SD realizable (in ₹)	RF realisable (in ₹)	Total (in ₹)
1	2	3	6	7	8	9	10	11	12	13	14	15
1	DDM, Rourkela	ARC Resources, Timna,	11.93	33354	70	23348.0	130	3035240	9105720	455286	182114	637400
2	Mining Officer, Cuttack	Dimritadi Decorative Stone	5.504	21210	50	10605.0	130	1378650	4135950	206798	82719	289517
3		Sagar Decorative Mines	19.991	31136	40	12454.0	130	1619072	4857216	242861	97144	340005
4		Bhatagada Decorative Stone	15.766	8553	50	4276.5	130	555945	26129415	1306471	522588	1829059
			14255	40	5702.0	1430	8153860					
Total			53.191	108508		56385.5		14742767	44228301	2211416	884565	3095981

Glossary of Abbreviations

Glossary of Abbreviations

Sl. No.	Abbreviation	Description
1	AA	Assessing Authority
2	ACSIL	Aska Cooperative Sugar Industries Limited
3	AEP	Annual Excise Policy
4	AG	Accountant General
5	AAR	Average Annual Rent
6	AVR	Audit Visit Report
7	BER	Board's Excise Rules
8	BL	Bulk Litre
9	BMV	Bench Mark Value
10	B&OE Act	Bihar and Odisha Excise Act
11	CAG	Comptroller and Auditor General of India
12	CCT	Commissioner of Commercial Tax
13	CGST	Central Goods and Services Tax
14	CS	Country Spirit
15	CST	Central Sales Tax
16	CT	Commercial Tax
17	DDM	Deputy Director of Mines
18	DEO	District Excise Office
19	DMF	District Mineral Fund
20	DPC	Duties, Power and Conditions of Service
21	DSR	District Sub Registrar
22	ED	Excise Duty
23	EO	Excise Officer
24	ET	Entry Tax
25	GoO	Government of Odisha
26	GST	Goods and Services Tax
27	GSTN	Goods and Services Tax Network
28	GTO	Gross Turn Over
29	IDEA	Interactive Data Extraction and Analysis
30	IFSC	Indian Financial System Code
31	IGR	Inspector General of Registration
32	IGST	Integrated Goods and Services Tax
33	IMFA	Indian Metals and Ferro Alloys Ltd
34	IMFL	Indian Made Foreign Liquor
35	IR	Inspection Report
36	IS Act	Indian Stamp Act
37	IS	Indian Stamp
38	IT	Information Technology
39	ITC	Input Tax Credit
40	LPL	London Proof Litre

Sl. No.	Abbreviation	Description
41	MC	Mineral Concession
42	MCD	Mineral Conservation and Development
43	MGQ	Minimum Guaranteed Quantity
44	MIS	Management Information System
45	MMDR	Mines and Minerals (Development and Regulation)
46	MV	Motor Vehicle
47	NIC	National Informatics Centre
48	NOC	No Objection Certificate
49	NMET	National Mineral Exploration Trust
50	OA Act	Odisha Amendment Act
51	OET	Odisha Entry Tax
52	OMV	Odisha Motor Vehicles
53	OMVT	Odisha Motor Vehicles Taxation
54	OST	Odisha Sales Tax
55	OVAT	Odisha Value Added Tax
56	PAG	Principal Accountant General
57	PAN	Permanent Account Number
58	PoA	Power of Attorney
59	PP	Permanent Permit
60	RA	Registering Authority
61	R&DMD	Revenue and Disaster Management Department
62	RF	Registration Fee
63	RI	Revenue Inspector
64	RO	Registering Officer
65	ROs	Registration Offices
66	ROM	Run of Mine
67	RTO	Regional Transport Office
68	SC	Stage Carriage
69	SD	Stamp Duty
70	SE	Superintendent of Excise
71	SGST	State Goods and Services Tax
72	SR	Sub-Registrar
73	STA	State Transport Authority
74	TC	Transport Commissioner
75	TDS	Tax Deducted at Source
76	TP	Temporary Permit
77	TRC	Tax Recovery Certificate
78	TTO	Taxable Turn Over
79	UTGST	Union Territory Goods and Services Tax
80	VAT	Value Added Tax
81	VATIS	Value Added Tax Information System

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