

Table of Contents

	Reference to	
	Paragraph	Page
<i>Preface</i>		iii
Chapter I - Overview		
About this Report	1.1	1
Trend of Revenue Receipts	1.2	1
Authority for audit	1.3	5
Planning and Conduct of audit	1.4	6
Analysis of Arrears of Revenue	1.5	7
Evasion of Tax	1.6	8
Arrears in assessments	1.7	8
Pendency of refund cases	1.8	9
Response of Departments to audit findings	1.9	9
Significant audit observations	1.10	13
Chapter II - Value Added Tax, Central Sales Tax and Goods & Services Tax		
Tax Administration	2.1	17
Results of Audit	2.2	18
Levy of Penalty	2.3	19
Short levy of VAT due to incorrect determination of taxable turnover	2.4	20
Works Contracts	2.5	21
Short levy of tax due to application of incorrect rate of tax under CST Act	2.6	23
Input Tax Credit (ITC)	2.7	24
Short levy of VAT due to application of incorrect rate of tax	2.8	26
Short payment of tax and non-levy of penalty due to non-conversion of Turnover Tax (TOT) dealer as VAT dealer	2.9	27
Incorrect exemption	2.10	28
Chapter III - State Excise Duties		
Performance Audit on 'Functioning of Prohibition and Excise Department'	3.1-3.12	31-47
Chapter IV - Stamp Duty and Registration Fee		
Tax Administration	4.1	49
Audit Approach	4.2	49

	Reference to	
	Paragraph	Page
Results of Audit	4.3	50
Short collection of Registration fee on instruments creating <i>PariPassu</i> Charge	4.4	51
Short levy of duties and fees due to undervaluation of properties	4.5	52
Irregular exemption	4.6	54
Non-levy of Transfer Duty on Gift Deeds	4.7	55
Short levy of duties and fees due to misclassification of transactions in registered documents	4.8	55
Chapter V – Land Revenue		
Tax Administration	5.1	59
Results of Audit	5.2	60
Non-realisation of cost of alienation of land	5.3	60
Chapter VI – Motor Vehicle Taxes		
Tax Administration	6.1	63
Audit Methodology and Results of Audit	6.2	63
Short levy of life tax on registration of second and subsequent vehicles	6.3	64
Non-collection of Green tax	6.4	65
Non-realisation of Quarterly Tax and Penalty on Transport Vehicles	6.5	66
Transport Vehicles plying without valid Fitness certificates	6.6	66
Appendices & Glossary		
Appendices		69
Glossary		72