

## CHAPTER-I: General

### 1.1 Trend of revenue receipts

*1.1.1* The tax and non tax revenue raised by the Government of Rajasthan during the year 2005-06, State's share of divisible Union taxes and Grants in aid received from the Government of India during the year and the corresponding figures for the preceding four years are given below:

(Rupees in crore)

Sl. No.	Particulars	2001-02	2002-03	2003-04	2004-05	2005-06
<b>I.</b>	<b>Revenue raised by the State Government</b>					
	• Tax revenue	5,671.17	6,253.34	7,246.18	8,414.82	9,880.23
	• Non tax revenue	1,508.46	1,569.00	2,071.64	2,146.15	2,737.67
	<b>Total</b>	<b>7,179.63</b>	<b>7,822.34</b>	<b>9,317.82</b>	<b>10,560.97</b>	<b>12,617.90</b>
<b>II.</b>	<b>Receipts from Government of India</b>					
	• State's share of divisible Union taxes	2,882.36	3,063.10	3,602.22	4,305.61	5,300.08
	• Grants in aid	2,091.30	2,196.42	2,503.80	2,897.01	2,921.21
	<b>Total</b>	<b>4,973.66</b>	<b>5,259.52</b>	<b>6,106.02</b>	<b>7,202.62</b>	<b>8,221.29</b>
<b>III.</b>	<b>Total receipts of the State (I and II)</b>	<b>12,153.29</b>	<b>13,081.86</b>	<b>15,423.84</b>	<b>17,763.59</b>	<b>20839.19<sup>1</sup></b>
<b>IV.</b>	<b>Percentage of I to III</b>	<b>59</b>	<b>60</b>	<b>60</b>	<b>59</b>	<b>61</b>

<sup>1</sup> For details, please see 'Statement No. 11-Detailed Accounts of Revenue by Minor Heads' in the Finance Accounts of the Government of Rajasthan for the year 2005-06. Figures under the head 0020-Corporation Tax, 0021-Taxes on Income other than Corporation Tax, 0028-Other Taxes on Income and Expenditure, 0032-Taxes on Wealth, 0037-Customs, 0038-Union Excise Duties, 0044-Service Tax and 0045-Other Taxes and Duties on Commodities and Services - share of net proceeds assigned to State booked in the Finance Accounts under A-Tax Revenue have been excluded from revenue raised by the State and included in 'State's share of divisible Union Taxes' in this statement.

**1.1.2** Details of tax revenue raised during the year 2005-06 alongwith the figures for the preceding four years are given below:-

(Rupees in crore)

Sl. No.	Revenue heads	2001-02	2002-03	2003-04	2004-05	2005-06	Percentage of increase (+)/ decrease (-) in 2005-06 over 2004-05
1.	• Taxes on Sales, Trade etc.	2,869.23	3,229.79	3,751.80	4,500.78	5,245.41	(+) 17
	• Central Sales Tax	199.80	208.11	233.63	296.75	348.23	(+) 17
2.	State Excise	1,110.27	1,142.34	1,163.15	1,276.07	1,521.80	(+) 19
3.	Stamp Duty and Registration Fee	478.89	515.73	611.77	817.83	1,031.79	(+) 26
4.	Taxes and Duties on Electricity	250.88	239.85	280.29	442.76	471.35	(+) 6
5.	Taxes on Vehicles	566.33	646.14	904.31	817.21	908.18	(+) 11
6.	Taxes on Goods and Passengers	23.10	130.44	150.50	144.01	236.71	(+) 64
7.	Other taxes on income and expenditure, tax on professions, trades callings and employments	15.56	17.23	20.11	1.85	0.25	(-) 86
8.	Other Taxes and Duties on Commodities and Services	54.04	47.12	46.85	47.56	31.70	(-) 33
9.	Land Revenue	79.17	57.98	71.44	68.86	84.30	(+) 22
10.	Other Taxes	23.90	18.61	12.33	1.14	0.51	(-) 55
<b>Total</b>		<b>5,671.17</b>	<b>6,253.34</b>	<b>7,246.18</b>	<b>8,414.82</b>	<b>9,880.23</b>	<b>(+) 17</b>

Reasons for increase/decrease in receipts during 2005-06 as compared to those of 2004-05, as intimated by the respective departments, are given below:-

**Taxes on Sales, Trade etc. and Central Sales Tax:** Increase (17 per cent in both the taxes) was due to check on tax evasion, recovery efforts and increase in price of petrol and diesel.

**State Excise:** Increase (19 per cent) was due to implementation of new excise policy.

**Stamp Duty and Registration Fee:** Increase (26 per cent) was due to increase in registration of documents and recovery of old dues.

**Taxes on vehicles:** Increase (11 per cent) was due to increased revenue targets.

**Taxes on Goods and Passengers:** Increase (64 per cent) was due to inclusion of new commodities under entry tax.

**Other Taxes on Income and Expenditure, Tax on Professions, Trades, Callings and Employments:** Decrease (86 per cent) was due to abolition of Professional Tax.

**Other Taxes and Duties on Commodities and Services:** Decrease (33 per cent) was due to abolition of Luxury Tax on tobacco.

**Land Revenue:** Increase (22 per cent) was due to sale of land.

**1.1.3** Details of major non-tax revenue raised by the State during the year 2005-06 alongwith the figures for the preceding four years are given below:-

(Rupees in crore)

Sl. No.	Heads of Revenue	2001-02	2002-03	2003-04	2004-05	2005-06	Percentage of increase (+)/ decrease (-) in 2005-06 over 2004-05
1.	2.	3.	4.	5.	6.	7.	8.
1.	Interest Receipts	583.77	607.04	685.12	754.94	990.21	(+) 31
2.	Forestry and Wild Life	44.82	41.63	39.53	39.41	40.07	(+) 2
3.	Non-ferrous Mining and Metallurgical Industries	412.98	449.38	513.70	645.35	814.08	(+) 26
4.	Miscellaneous General Services	46.23	43.88	340.50	90.47	305.87	(+) 238
5.	Major and Medium Irrigation	18.43	20.74	43.23	56.50	46.79	(-) 17
6.	Medical and Public Health	24.57	22.40	16.28	29.84	16.70	(-) 44
7.	Cooperation	6.79	7.90	6.93	8.71	14.79	(+) 70
8.	Public Works	17.49	19.69	16.45	17.85	27.86	(+) 56
9.	Police	48.66	57.59	46.16	54.04	75.86	(+) 40
10.	Other Administrative Services	34.76	38.21	50.65	91.79	54.02	(-) 41
11.	Other Non-Tax Receipts	269.96	260.54	313.09	357.25	351.42	(-) 2
<b>Total</b>		<b>1,508.46</b>	<b>1,569.00</b>	<b>2,071.64</b>	<b>2,146.15</b>	<b>2,737.67</b>	<b>(+) 28</b>

Reasons for increase/decrease in receipts during 2005-06 as compared to those of 2004-05, as intimated by the respective departments, are given below:-

**Interest Receipts:** Increase (31 *per cent*) was due to more receipts of interest from departmental commercial undertakings, investment of cash balances.

**Non-Ferrous Mining and Metallurgical Industries:** Increase (26 *per cent*) was due to increase in collection of revenue from royalty.

**Miscellaneous General Services:** Increase (238 *per cent*) was due to more receipts under unclaimed deposits, sale of land and property and under the sub-head "Other Receipts".

**Major and Medium Irrigation:** Decrease (17 *per cent*) was due to decrease in receipts from Chambal Project, Bhakra Dam Irrigation Branch and Gang Canal.

**Medical and Public Health:** Decrease (44 *per cent*) was mainly due to decrease in receipts from Employees State Insurance Scheme and in other receipts under Public Health.

**Co-operation:** Increase (70 *per cent*) was due to more receipts in audit fees and other receipts.

**Public Works:** Increase (56 *per cent*) was due to more recoveries of percentage charges collected from contractor.

**Police:** Increase (40 *per cent*) was due to more receipt on account of receipts of State Headquarters Police.

**Other Administrative Services:** Decrease (41 *per cent*) was due to decrease in other receipts under the minor head "Elections".

## **1.2 Variations between estimates and actuals**

The variations between the revised estimates and actuals of revenue receipts for the year 2005-06 in respect of the principal heads of tax and non tax

revenue are given below:-

(Rupees in crore)

Sl. No.	Heads of Revenue	Revised estimates	Actuals	Variation excess (+) or shortfall (-)	Percentage of variation
<b>Tax revenue</b>					
1.	Taxes on Sales, Trade etc.	5,500.00	5,593.64	(+) 93.64	(+) 2
2.	State Excise	1,508.00	1,521.80	(+) 13.80	(+) 1
3.	Stamp Duty and Registration Fee	1,000.00	1,031.79	(+) 31.79	(+) 3
4.	Taxes and Duties on Electricity	499.24	471.35	(-) 27.89	(-) 6
5.	Taxes on Vehicles	880.00	908.18	(+) 28.18	(+) 3
6.	Land Revenue	99.05	84.30	(-) 14.75	(-) 15
7.	Taxes on Immovable Property other than Agricultural Land	0.15	0.48	(+) 0.33	(+) 220
<b>Total</b>		<b>9,486.44</b>	<b>9,611.54</b>	<b>(+) 125.10</b>	<b>(+) 1</b>
<b>Non tax revenue</b>					
1.	Nonferrous Mining and Metallurgical Industries	750.00	814.08	(+) 64.08	(+) 9
2.	Interest Receipts	1,009.56	990.21	(-) 19.35	(-) 2
3.	Miscellaneous General Services	120.23	305.87	(+) 185.64	(+) 154
4.	Forestry and Wild Life	40.75	40.07	(-) 0.73	(-) 2
5.	Police	80.00	75.86	(-) 4.14	(-) 5
<b>Total</b>		<b>2,000.54</b>	<b>2,226.09</b>	<b>(+) 225.55</b>	<b>(+) 11</b>

**Taxes on Immovable Property other than Agricultural Land:**-Reasons for increase (220 *per cent*) though called for have not been received (August 2006).

**Miscellaneous General Services:** Increase (154 *per cent*) was due to increase in sale of land and property, unclaimed deposits and under the sub head "Other receipts".

**Land Revenue:** Decrease (15 *per cent*) was due to less receipt of sale proceeds of waste land and redemption of land tax and under the sub head "Other receipts".

### 1.3 Cost of collection

The gross collection in respect of major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the years 2003-04, 2004-05 and 2005-06, alongwith the relevant all India average percentage of expenditure on collection to gross collection for 2004-05 were as follows:

(Rupees in crore)

Sl. No.	Heads of Revenue	Year	Collection	Expenditure on collection of revenue	Percentage of expenditure on collection	All India Average percentage for the year 2004-2005
1.	Taxes on Sales, trade etc.	2003-04	3,985.43	37.05	0.9	0.95
		2004-05	4,797.53	41.85	0.9	
		2005-06	5,593.64	52.42	0.9	
2.	State excise	2003-04	1,163.15	19.82	1.7	3.34
		2004-05	1,276.07	22.39	1.8	
		2005-06	1,521.80	34.18 <sup>2</sup>	2.2	
3.	Taxes on vehicles	2003-04	904.31	11.49	1.3	2.74
		2004-05	817.21	13.30	1.6	
		2005-06	908.18	13.67	1.5	
4.	Stamp duty and registration fee	2003-04	611.77	11.23	1.8	3.44
		2004-05	817.83	14.32	1.8	
		2005-06	1,031.79	15.79	1.5	

### 1.4 Collection of sales tax per assessee

(Rupees in lakh)

Year	No. of assesseees	Sales tax revenue	Revenue/assessee
2001-02	1,87,281	3,06,903	1.64
2002-03	2,19,052	3,43,790	1.57
2003-04	2,09,216	3,98,543	1.90
2004-05	2,16,462	4,79,753	2.21
2005-06	2,58,614	5,59,364	2.16

<sup>2</sup> The increase of over 52 per cent in expenditure during 2005-06 over the preceding year was reportedly due to reorganisation of Excise Preventive Force resulting inter alia in creation of additional posts and purchase of computers etc.

### 1.5 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2006 in respect of some principal heads of revenue amounted to Rs.2,984.79 crore of which Rs.772.12 crore was outstanding for more than five years as detailed below:

(Rupees in crore)

Sl. No.	Heads of revenue	Amount outstanding as on 31 March 2006	Amount outstanding for more than 5 years	Remarks
1.	2.	3.	4.	5.
01.	Taxes on Sales, Trade etc.	2,336.12	482.86	Out of Rs.2,336.12 crore, demand for Rs.234.64 crore was stayed. Demand for Rs.92.82 crore was covered under Land Revenue Act and Revenue Recovery Act. Demand of Rs.8.22 crore was likely to be written off. Demand of Rs.234.48 crore was pending against the dealers who were not traceable. Recovery of Rs.444.78 crore was pending against Government departments. Arrears of Rs.1,321.18 crore were at various stages of recovery.
02.	State Excise	217.19	187.79	Recovery for Rs.72.41 crore was stayed by the court/judicial authorities, recovery of Rs.120.35 crore was held up due to rectification/review of application and recovery of Rs.24.43 crore likely to be written off.
03.	Taxes on vehicles	21.62	9.98	Out of Rs.21.62 crore, demand for Rs.2.31 crore was stayed by the court/Government. Demand for Rs.17.75 crore was covered under recovery certificates. Arrears of Rs.1.56 crore were at other stages of recovery
04.	Stamp duty and Registration fee	76.80	6.48	Out of Rs.76.80 crore, demand for Rs.39.75 crore was covered by recovery certificates. Demand for Rs.35.36 crore was stayed by High Court and other judicial authorities. Demand for Rs.1.36 crore was stayed by Government. Demand for Rs.0.29 crore was held up due to rectification/review of application and demand for Rs.0.03 crore was held up due to written off.
05.	Land Revenue	59.21	11.65	Out of Rs.59.21 crore, demand for Rs.3.69 crore was stayed by Government and Rs.5.78 crore was stayed by the High Court and other judicial authorities. Demand for Rs.0.02 crore likely to be written off. Arrears of Rs.49.72 crore were at various stages of recovery.
06.	Water supply and Sanitation receipts from Rural/Urban water supply scheme	61.88	22.78	Out of Rs.61.88 crore, demand for Rs.0.02 crore covered by recovery certificates. Demand for Rs.0.24 crore was stayed by the High Court and other judicial authorities and Rs.0.03 crore was stayed by Government. Demand for Rs.0.03 crore was held up due to dealers becoming insolvent. Arrears of Rs.61.56 crore were at other stage of recovery.

1.	2.	3.	4.	5.
07.	Non ferrous Mining and Metallurgical Industries	82.26	26.63	Out of Rs.82.26 crore, demand of Rs.43.50 crore was stayed by the High Court/other judicial authorities and Rs.2.40 crore was stayed by the Government. Demand for Rs.22.41 crore was covered under recovery certificates under LR Act and PDR Act. Arrears of Rs.1.84 crore was likely to be written off. Arrears of Rs.12.11 crore were at various stages of recovery.
8.	Miscellaneous General Services- Sale of Land	105.76 <sup>3</sup>	11.74	Reasons not intimated by the department.
9.	<sup>4</sup> Major and Medium irrigation	23.95	12.21	Out of Rs.23.95 crore, demand for Rs.0.16 crore stayed by Government, arrears of Rs.11.56 crore pertaining to Board of Revenue were pending collection at various stages of recovery. Stages of recovery for remaining Rs.12.23 crore not intimated by the Commissioner, CAD Chambal, Kota and Chief Engineer, IGNP, Bikaner.
<b>Total</b>		<b>2,984.79</b>	<b>772.12</b>	

## 1.6 Arrears in assessments

The details of cases pending assessment at the beginning of the year 2005-06, cases becoming due for assessment during the year, cases disposed off during the year and number of cases pending finalisation at the end of the year 2005-06 as furnished by the departments are as follows:

Heads of Revenue	Opening balance	New cases due for assessment	Total	Cases disposed off	Balance	Percentage of Column 5 to 4
<b>Finance Department</b>						
Sales Tax	64,830	1,90,787	2,55,617	2,54,740	877	99.66
Entertainment Tax	1,968	2,996	4,964	3,619	1,345	72.90
Taxes on Immovable property other than Agricultural Land	1,093	Figures awaited				
Non ferrous Mining and Metallurgical Industries	6,355	7,532	13,887	7,149	6,738	51.48

<sup>3</sup> Tentative.

<sup>4</sup> This information pertains to Board of Revenue, Rajasthan, Ajmer; Commissioner, Command Area Development (CAD), Chambal, Kota and Chief Engineer, Indira Gandhi Nahar Pariyojna (IGNP), Bikaner.

### 1.7 Evasion of Tax

Details of cases of evasion of tax detected by the departments, cases finalised and the demand for additional tax raised during 2005-06 as reported by the departments are given below:

Sl. No.	Heads of Revenue	Opening balance as on 1 <sup>st</sup> April 2005	Cases detected	Total	No. of cases in which assessments/investigations completed and additional demands including penalty etc. raised.		No. of cases pending finalisation as on 31 <sup>st</sup> March 2006
					No. of cases	Amount of demand (Rupees in crore)	
1.	Taxes on Sales, Trade etc.	281	11,681	11,962	11,777	54.95	185
2.	Non ferrous Mining and Metallurgical Industries	8,267	2,617	10,884	2,079	Not intimated	8,805
3.	Stamp Duty and Registration Fee	14,558	11,741	26,299	17,476	67.06	8,823

### 1.8 Write off and waiver of revenue

During the year 2005-06, demands for Rs.30.46 crore in 12,710 cases were written off/waived/remitted as reported by the departments are detailed below:

(Rupees in lakh)

Sl. No.	Name of Department	Number of cases	Amount	Reasons
1.	Commercial Taxes	7,405	2,020.50 <sup>5</sup>	Waived due to death of dealers not having movable/immovable property, leaving of business point by dealers.
2.	State Excise	2	0.13	Waived due to death of dealers not having movable/immovable property.
3.	Registration and Stamps	5,303	1,025.10	In 5,017 cases penalty of Rs.661.08 lakh was remitted and 286 cases of Rs.364.02 lakh were waived/written off for other reasons.
	<b>Total</b>	<b>12,710</b>	<b>3,045.73</b>	

<sup>5</sup> It includes Rs.725.44 lakh waived under Amnesty Scheme and Rs.483.39 lakh waived under penalty and interest.

## 1.9 Refunds

The number of refund cases pending at the beginning of the year 2005-06, claims received during the year, refunds allowed during the year and cases pending at the close of the year 2005-06 as reported by departments are given below:

(Rupees in crore)

Name of department	Opening balance		Claims received		Refunds allowed		Closing balance	
	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
Commercial Taxes	1,372	7.78	6,767	43.40	6,777	44.61	1,362	6.57
Registration and Stamps	2,082	1.64	1,422	2.45	2,146	2.51	1,358	1.58
Land Revenue	5	0.07	18	0.02	16	0.02	7	0.07
Colonisation	44	0.12	18	0.03	32	0.10	30	0.05
Land and Building Tax								
Non ferrous Mining and metallurgical Industries	169	0.31	18	0.25	33	0.26	154	0.30
<b>Total</b>	<b>3,672</b>	<b>9.92</b>	<b>8,243</b>	<b>46.15</b>	<b>9,004</b>	<b>47.50</b>	<b>2,911</b>	<b>8.57</b>

Interest of Rs.4.79 crore in 1134 cases was paid by the Commercial Taxes Department due to belated refunds and Rs.3.22 crore in 1,104 cases due to other reasons which were not specified. Interest of Rs.0.01 crore in one case was paid by the Mines Department due to belated refunds.

## 1.10 Results of audit

Test check of records of sales tax, land revenue, state excise, motor vehicles tax, stamps and registration fee and other non-tax receipts conducted during the year 2005-06 revealed under-assessment, short levy and loss of revenue amounting to Rs.688.81 crore in 18,131 cases. The concerned departments accepted under-assessment etc. of Rs.111.89 crore involved in 10,248 cases of which 4,815 cases involving Rs.56.12 crore had been pointed out in audit during the year 2005-06 and the rest in earlier years. The department recovered an amount of Rs.9.70 crore in 2,215 cases at the instance of audit during the year 2005-06.

This report contains 39 paragraphs including one review relating to non/ short levy of taxes, duties, interest and penalties etc., involving Rs.352.81 crore. The Department/Government accepted audit observations involving Rs.37.07 crore of which Rs.2.05 crore had been recovered upto July 2006.

### 1.11 Outstanding inspection reports and audit observations- Lack of responsiveness and erosion of accountability

Audit observations on under assessments, short determination/realisation of taxes, duties, fees *etc.* and defects in the maintenance of initial records, which are not settled on the spot, are communicated to the heads of the departments through inspection reports. Important irregularities are also reported to Government/departments through inspection reports by the office of Accountant General (Commercial & Receipt Audit) to which replies are required to be furnished by them within one month of their issue.

The number of inspection reports and audit observations relating to revenue receipts issued upto 31 December 2005 which were pending settlement with the departments as on 30 June 2006 alongwith figures for the preceding two years, are given below:-

Sl. No.	Particulars	As on 30 June		
		2004	2005	2006
1.	Number of inspection reports pending settlement	2,971	2,800	2,370
2.	Number of outstanding audit observations	7,477	7,701	6,716
3.	Amount of revenue involved (Rupees in crore)	1,117.84	1,511.54	1,804.08

Departmentwise break up of the inspection reports and audit observations outstanding as on 30 June 2006 are given below:-

Sl. No.	Department	Number of outstanding inspection reports	Number of outstanding audit observations	Amount (Rupees in crore)	Earliest year to which reports relate	Number of inspection reports where even first compliance not received
1.	Commercial Taxes	542	1,723	860.56	1989-90	8
2.	Land Revenue	483	837	200.61	1989-90	14
3.	Registration and Stamps	494	1,391	49.66	1996-97	89
4.	Transport	424	1,482	68.10	1996-97	11
5.	Forest	144	365	4.71	1997-98	8
6.	Mines and Geology	137	542	550.29	2000-01	6
7.	State Excise	103	298	67.67	1998-99	7
8.	Lands and Buildings Tax	13	17	0.71	1997-98	-
9.	Electrical Inspectorate	30	61	1.77	1995-96	Nil
	<b>Total</b>	<b>2,370</b>	<b>6,716</b>	<b>1,804.08</b>		<b>143</b>

It would be seen from the above details that period of pendency in settlement of audit comments ranged between six to 16 years. According to Rule 327(1) of General Financial Rules, the retention period for various accounting records ranges between one and three years after audit. As a result of failure of departmental officers to comply with the observations of inspection reports within the prescribed retention period of records, the possibility of their settlement in future appeared to be bleak due to non availability of records.

Government should look into the matter to ensure that action is taken against the officials who failed to send replies to the audit findings within the prescribed time schedule, recover revenue and streamline the system to ensure prompt action and proper response to audit observations.

The above position was brought to the notice of the Government in October 2006.

### **1.12 Departmental Audit Committee Meetings.**

Audit Committee meetings were to be arranged by each department, four times a year on quarterly basis upto December. Department wise position of Audit Committee meetings held during 2005 was as under:

Sl. No.	Name of Department	Number of meetings held during 2005				
		1 <sup>st</sup> quarter ending March 2005	2 <sup>nd</sup> quarter ending June 2005	3 <sup>rd</sup> quarter ending September 2005	4 <sup>th</sup> quarter ending December 2005	Total
1.	Commercial Taxes	Nil	Nil	Nil	Nil	Nil
2.	State Excise	1	1	Nil	Nil	2
3.	Transport	1	Nil	2	Nil	3
4.	Registration and Stamps	1	1	Nil	Nil	2
5.	Land and Building	1	1	Nil	Nil	2
6.	Land Revenue	Nil	Nil	Nil	Nil	Nil
7.	Mines and Geology	Nil	Nil	Nil	1	1
	<b>Total</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>10</b>

### 1.13 Response of the Departments to Draft Audit Paragraphs

The Finance Department issued directions to all departments in August 1969 to send their response to the draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India within three weeks of their receipts. The draft paragraphs are forwarded to the Secretaries of the concerned Department through demi official letters drawing their attention to the audit findings and requesting them to send their response within three weeks. The fact of non receipt of replies from the Government is invariably indicated at the end of each such paragraph included in the Audit Report.

Draft paragraphs to be included in the Report of the Comptroller and Auditor General of India (Revenue Receipts) for the year ended 31 March 2006 were forwarded to the Secretaries of the respective departments between June 2006 and August 2006 through demi official letters. Out of 124 cases (clubbed into 39 paragraphs) issued, the Department has accepted audit observations in 32 cases.

### 1.14 Follow up on Audit Reports-summarised position

According to instructions issued by the Finance Department, all departments are required to furnish explanatory memoranda duly vetted by Audit to the Rajasthan Legislative Secretariat in respect of paragraphs included in the Audit Report within three month of their being laid on the table of the House.

The position of paragraphs which have appeared in the Audit Reports and those pending discussion as on 31 July 2006 is given in *Annexure-'A'*. It would be seen that 54 audit paragraphs were discussed by the Public Accounts Committee. As a result thereof, no audit paragraph pertaining to reports upto the year 2000-01 is pending for discussion in the Public Accounts Committee and a total of 94 paragraphs pertaining to the period 2001-02 to 2004-05 were pending.

As per the Rules and Procedures of the Committee on Public Accounts of the Rajasthan State Assembly framed in 1997, the concerned Department shall take necessary steps to send its Action Taken Notes (ATNs) on the recommendation of the Public Accounts Committee (PAC) on the Audit Reports within six months from the date of its presentation to the House. The position of outstanding ATNs due is given in *Annexure-'B'*. It would be seen that the pendency of ATNs ranged from 15 months to 75 months.

**1.15 Recovery of revenue of accepted cases**

During the years between 2000-01 and 2004-05 the department/Government accepted audit observations involving Rs.509.88 crore of which an amount of Rs.127.65 crore was recovered till 31 March 2006 as detailed below:

(Rupees in crore)

<b>Year of Audit Report</b>	<b>Total money value</b>	<b>Accepted money value</b>	<b>Recovery made</b>
2000-01	421.94	39.29	22.54
2001-02	448.86	97.72	29.60
2002-03	382.52	173.30	35.54
2003-04	381.48	181.41	36.88
2004-05	276.63	18.16	3.09
<b>Total</b>	<b>1,911.43</b>	<b>509.88</b>	<b>127.65</b>