

## Overview

This Report contains 31 paragraphs including two reviews, relating to non/short levy of tax, interest, penalty *etc.* involving Rs.381.48 crore. Some of the major findings are mentioned below:

### I. General

The State Government's receipts for the year 2003-04 amounted to Rs.15,423.84 crore as against Rs. 13,081.86 crore for the year 2002-03. While the revenue raised by the Government amounted to Rs.9,317.82 crore (tax revenue: Rs.7,246.18 crore and non-tax revenue: Rs.2,071.64 crore), the balance Rs.6,106.02 crore was received from the Government of India as the state's share of divisible Union Taxes (Rs.3,602.22 crore) and grants-in-aid (Rs.2,503.80 crore).

*(Paragraph 1.1)*

Arrears aggregating Rs.2,417.49 crore remained unrealised under the principal heads of revenue at the end of 2003-04. The arrears were mainly in respect of taxes on sales, trade etc., state excise, taxes on immovable property other than agricultural land, major and medium irrigation, sale of land and property, land revenue and non-ferrous mining and metallurgical industries.

*(Paragraph 1.5)*

Test check of records of sales tax, land revenue, state excise, motor vehicles tax, stamps and registration fees, electricity duty, other tax receipts, forest receipts and other non-tax receipts conducted during the year 2003-04 revealed under-assessment/short levy/loss of revenue amounting to Rs.715.87 crore in 18,459 cases. During the course of the year the departments accepted under-assessment of Rs.69.03 crore in 21,723 cases. No replies have been received in respect of the remaining cases.

*(Paragraph 1.10)*

### II. Sales Tax

Sales tax exemption granted and availed of by 35 industrial units was found irregular resulting in short realisation of Government revenue of Rs.17.90 crore.

*(Paragraph 2.2)*

Application of incorrect rate of tax resulted in short levy of tax and interest of Rs.2.16 crore in five cases.

*(Paragraph 2.3)*

Levy of concessional rate of tax on taxable turnover relating to time barred declaration forms resulted in non-levy of tax of Rs.6.28 crore.

(Paragraph 2.5)

### III. Taxes on Motor Vehicles

Special road tax in respect of stage carriages of RSRTC, private service vehicles and non-transport vehicles was either realised short or was not levied resulting in non-realisation of Government revenue of Rs.5.53 crore.

(Paragraph 3.2)

Motor vehicles tax and special road tax amounting to Rs.3.01 crore in respect of stage carriages, contract carriage, passenger vehicles not covered by non-temporary permits, dumpers/tippers, excavator/loaders and goods vehicles was not recovered.

(Paragraph 3.3)

### IV. Land Revenue

Review, '**Receipts of Colonisation Department**' revealed the following points:

- Despite non-payment of instalments of Rs.20.53 crore representing cost of land, allotments in 1,684 cases were not cancelled.

(Paragraph 4.2.7)

- Non-initiation of steps for eviction of 8,607 trespassers occupying land measuring 97,526 bigha resulted in blockage of Government revenue of Rs.44.74 crore.

(Paragraph 4.2.9)

- Differential cost amounting to Rs.133.41 crore in respect of land measuring 78,965.20 bigha on conversion of land from un-command to command was not realised from cultivators.

(Paragraph 4.2.10)

- Assessing agricultural land measuring 9,479.55 bigha at lower rates resulted in short recovery of Rs.8.89 crore.

(Paragraph 4.2.11)

## V. Stamp Duty and Registration fee

During the period from 1993 to 2003 there was continuous short supply of stamps each year as against the indented quota ranging from 30 to 78 *per cent*.

(Paragraph 5.2.3)

Stamp vendors were not maintaining stock and issue register in the prescribed proforma and the vendors records were not checked on regular basis.

(Paragraph 5.2.6)

Due to purchase of stamps from vendors/LIC Divisional Offices outside the state, there was a loss of revenue of Rs.5.86 crore.

(Paragraph 5.2.9)

Monitoring was weak and irregular as there was absence of prescribed inspection of treasuries and public offices by designated authorities of Registration and Stamp Department.

(Paragraph 5.2.11)

Undervaluation of properties transferred by conveyance deeds resulted in short levy of stamp duty and registration fee aggregating Rs.1.21 crore.

(Paragraph 5.3.1)

## VI. Non-tax receipts

### A: Irrigation Department

Review, '**Assessment and Collection of Water Charges**' revealed the following points:-

- Water charges of Rs.32.89 crore inclusive of interest charges on pendencies from time to time were not levied for water supplied for drinking and industrial purposes.

(Paragraph 8.2.6)

- Non-maintenance of irrigation *Khataunies* (cultivator-wise demand statement of water charges) and non-raising of demand resulted in non-recovery of irrigation charges aggregating Rs.9.08 crore.

(Paragraph 8.2.7)

- Wastage and non-utilisation of water resulted in loss of Rs.8.61 crore.

(Paragraph 8.2.9)

- Failure on the part of Government to provide for revision of water charges in the agreement resulted in minimum short levy of Rs.13.14 lakh.

*(Paragraph 8.2.10)*

**B: Mines and Petroleum Department**

Non-raising of demand of increased amount of petroleum exploration licence fee and mining lease for petroleum and natural gas resulted in non-recovery of revenue of Rs.2.73 crore.

*(Paragraph 8.4)*

Loss of revenue due to un-authorized excavation resulted in non-recovery of revenue of Rs.3.02 crore.

*(Paragraph 8.5)*