

OVERVIEW

This report contains 22 paragraphs including two reviews relating to non/short levy of tax, penalty, interest etc., involving Rs.449.74 crore. Some of the major findings are mentioned below:

I. General

- During the year 2004-05 revenue raised by the State Government, both tax (Rs.15,692.61 crore) and non tax (Rs.2,720.29 crore) amounted to Rs.18,412.90 crore as against Rs.15,883.31 crore during the previous year.

(Paragraph 1.1.1)

- Test check of records of trade tax, state excise, taxes on vehicles, goods and passengers, stamp duty and registration fees, land revenue, and other departmental receipts conducted during 2004-05 revealed under assessment, short levy, loss of revenue etc. amounting to Rs.642.86 crore in 2,114 cases. During the course of the year 2004-05, the concerned departments accepted under assessment and short levy etc. of Rs.27.73 crore in 133 cases of which Rs.1.63 crore in 119 cases had been recovered upto March 2005.

(Paragraph 1.7)

- Inspection Reports numbering 8,567 issued up to 31 December 2004 containing 17,394 audit observations with money value of Rs.4,102.33 crore were not settled upto June 2005.

(Paragraph 1.8)

II. Trade Tax

A review on "Assessment and collection of Trade Tax" revealed as under :-

- Non/short levy of tax amounting to Rs.5.11 crore in case of 32 dealers in 19 trade tax offices.

(Para 2.2.8)

- Non levy of entry tax amounting to Rs.2.51 crore in case of 14 dealers in 10 trade tax offices.

(Para 2.2.8)

- Penalty amounting to Rs.4.92 crore in case of 33 dealers in 32 trade tax offices was not levied.

(Para 2.2.8)

- Loss of revenue due to incorrect grant of eligibility/recognition certificate to new industrial units resulted in incorrect allowance of exemption or reduction from tax of Rs.57.86 crore.

(Para 2.2.9)

- Irregular exemption amounting to Rs.1.67 crore to four dealers in three trade tax offices.

(Para 2.2.10)

Other irregularities noticed in audit include:

- Interest amounting to Rs.5.80 crore was not levied.

(Paragraph 2.5)

- Penalty under Central Sales Tax Act amounting to Rs.3.99 crore was not levied.

(Paragraph 2.7)

- Composition money on vegetable ghee amounting to Rs.98.06 lakh besides interest of Rs.1.26 crore was not levied.

(Paragraph 2.8)

IV. Taxes on vehicles, goods and passengers

A review on "Enforcement Wing of Transport Department" revealed :

- Non realisation of arrears amounting to Rs.533.94 crore due to inadequate follow up action.

(Para 4.2.6)

- Loss of revenue amounting to Rs.24.34 crore due to non checking of vehicles plying without permit.

(Para 4.2.7)

- Short compounding of offences amounting to Rs.8.97 crore.

(Para 4.2.8)

- Loss of revenue amounting to Rs.34.15 lakh due to non checking of vehicles plying without certificate of fitness.

(Para 4.2.9)

Other irregularities noticed in audit include:

- Incorrect fixation of seating capacity of stage carriages resulted in loss of revenue of Rs.3.04 crore.

(Paragraph 4.4)

V. Other Tax Receipts

- Collection charges amounting to Rs.1.12 crore were not realised.

(Paragraph 5.3)

VI. Other Departmental Receipts

- Government revenue of Rs.1.09 crore was utilised unauthorisedly towards expenditure.

(Paragraph 6.2.7)

- Non realisation of royalty of Rs.2.03 crore on collection of stone boulders, morrum and earth in Public Works Department, Rural Engineering Services and Project Corporation Department.

(Paragraph 6.4)

- Loss of royalty due to non execution of lease deeds amounting to Rs.8.92 crore.

(Paragraph 6.7)

- Guarantee fee amounting to Rs.310.63 crore was either not recovered or recovered short.

(Paragraph 6.8)