

**Report of the  
Comptroller and Auditor General of India  
on  
Revenue Sector**

**for the year ended 31 March 2019**

**Government of Madhya Pradesh**

*Report No. 2 of the year 2021*



# Table of Contents

Paragraph	Particulars	Page
	<i>Preface</i>	iii
<b>CHAPTER 1 : OVERVIEW</b>		
<b>1.1</b>	About this Report	1
<b>1.2</b>	Trend of Revenue Receipts	1
<b>1.3</b>	Analysis of Arrears of Revenue	10
<b>1.4</b>	Pendency of refund claims	11
<b>1.5</b>	Authority for audit	12
<b>1.6</b>	Audit approach	12
<b>1.7</b>	Audit process	12
<b>1.8</b>	Response of the Departments/Government to Audit	13
<b>1.9</b>	Follow-up action on Audit Reports	14
<b>1.10</b>	Acknowledgement	17
<b>1.11</b>	Significant audit observations	17
<b>CHAPTER 2 : COMMERCIAL TAX</b>		
<b>2.1</b>	Introduction	20
<b>2.2</b>	Tax Administration	20
<b>2.3</b>	Trend of Receipts	21
<b>2.4</b>	Audit Approach	22
<b>2.5</b>	Results of Audit	22
<b>2.6</b>	Incorrect determination of Turnover	23
<b>2.7</b>	Application of incorrect rate of tax	24
<b>2.8</b>	Short levy of tax/grant of irregular concession under Central Sales Tax Act	25
<b>2.9</b>	Non-levy/short-levy of Entry Tax	27
<b>2.10</b>	Allowance of inadmissible Input Tax Rebate (ITR)	28
<b>2.11</b>	Preparedness for Transition to Goods and Services Tax	30
<b>2.12</b>	Claim and admittance of Input Tax Credit	30
<b>2.13</b>	Login IDs and Password not provided	32

<b>CHAPTER 3: STAMP DUTY AND REGISTRATION FEES</b>		
<b>3.1</b>	Introduction	34
<b>3.2</b>	Tax Administration	34
<b>3.3</b>	Trend of Receipts	35
<b>3.4</b>	Audit Approach	35
<b>3.5</b>	Results of Audit	36
<b>3.6</b>	Short levy of Stamp Duty and Registration Fees due to under valuation of properties	37
<b>3.7</b>	Application of incorrect rate of Stamp Duty	37
<b>3.8</b>	Short realisation of Registration Fees on agreements relating to development of land	38
<b>3.9</b>	Inadequate controls in software	38
<b>3.10</b>	Non-levy of duty/fee on whole amount of royalty payable or deliverable under lease agreement	39
<b>3.11</b>	Conclusion	39
<b>CHAPTER 4 : LAND REVENUE</b>		
<b>4.1</b>	Introduction	42
<b>4.2</b>	Trend of receipts	43
<b>4.3</b>	Results of Audit	44
<b>4.4</b>	Short levy of Land Revenue and Premium	45
<b>4.5</b>	Non-realisation of Land Revenue in diverted cases	47
<b>4.6</b>	Departmental Inspections	48
<b>4.7</b>	Conclusion	49
<b>Appendices</b>		51
<b>Glossary of Abbreviations</b>		165

## Preface

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2019 has been prepared for submission to the Governor of Madhya Pradesh under Article 151 of the Constitution of India for being laid in the State Legislature.

This Report contains significant findings of audit of receipts and expenditure of major revenue earning departments of Government of Madhya Pradesh. Audit has been 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 for the period 2018-19 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 2018-19 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.



# **CHAPTER - I**

## **OVERVIEW**





## **1.1 About this Report**

This Report contains significant findings of compliance audit of receipts of major revenue earning Departments of Government of Madhya Pradesh. Audit has been conducted under the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

This Report contains four Chapters relating to Taxes on Sales, Trades, etc., Goods and Services Tax, Stamp Duty and Registration Fees, and Land Revenue. The total financial implication of the Report is ₹ 57.44 crore.

Compliance audit is an independent assessment of whether a given subject matter (an activity, financial or non-financial transaction, information in respect of an entity or a group of entities) complies in all material respects with applicable laws, rules, regulations, established codes etc., and the general principles governing sound public financial management and the conduct of public officials.

The primary purpose of this Report is to bring to the notice of the State Legislature significant results of audit. The findings of audit are expected to enable the Executive to take corrective action, to frame appropriate policies, as well as to issue directives that will lead to improved financial management of organisations and contribute to better governance.

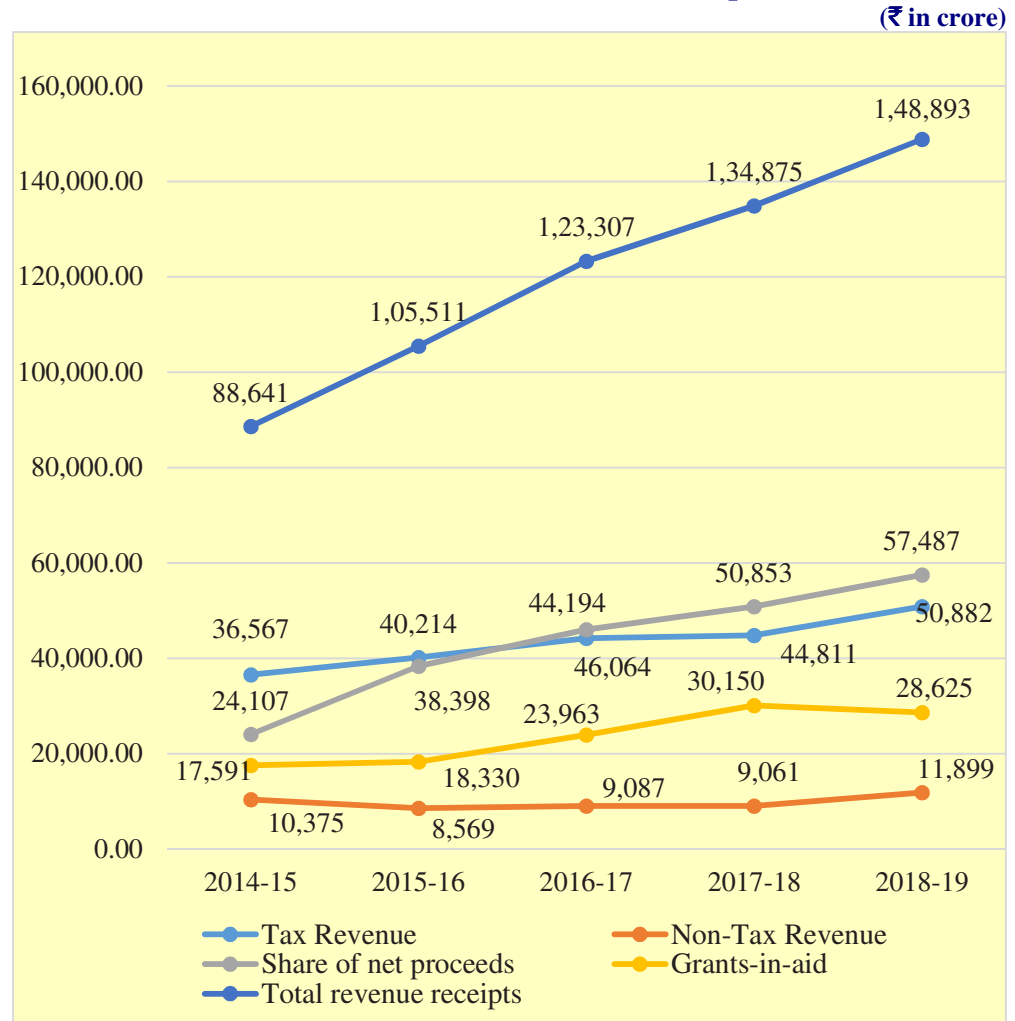
The audit observations in this Report are the result of a test-check of the records made available to audit by the concerned Government Departments. There may be similar irregularities, errors/omissions in other units of these Departments, but not covered in the test audit. Departments may, therefore, examine all the units to ensure that the taxes are assessed, levied, collected and accounted for, as per the provisions of the related Acts and Rules.

This Chapter presents an overview of the revenue receipts of the Government of Madhya Pradesh during the year 2018-19, analyses the trends of receipts over the five-year period 2014-15 to 2018-19, and details the arrears of tax revenue pending collection as of 31 March 2019. Further, audit approach to examination of revenue receipts of the State is outlined and the response of the State Government to audit findings is also discussed.

## **1.2 Trend of Revenue Receipts**

The Tax and Non-tax revenue raised by the Government of Madhya Pradesh, the State's share of net proceeds of divisible Union taxes and duties assigned to the State and Grants-in-Aid received from the Government of India (GoI) during the year 2018-19, and the corresponding trend of revenue receipts for preceding four years, are shown in **Chart 1.1**.

**Chart 1.1: Trend of Revenue Receipts**



The State's performance in mobilisation of resources is assessed in terms of tax revenue and non-tax revenue, excluding the State's share in Central taxes and Grants-in-aid, which are based on the recommendations of the Finance Commission. As can be seen from the Chart above, the tax revenue raised by the State has displayed a healthy increase during the period 2014-17 (increased by 9.97 per cent in 2015-16; 9.90 per cent in 2016-17). It displayed a marginal increase of 1.40 per cent during 2017-18 but buoyed by an increase of 13.55 per cent during 2018-19 to ₹ 50,882 crore and was the main contributor to the overall revenue receipts of the State.

As can be seen from the above Chart, State's share of net proceeds of divisible Union taxes and duties assigned to the State is the largest contributor to the total revenue receipts of the State during 2016-17 to 2018-19.

Grants-in-aid received from GoI have shown a steady increase from 2014-15 to 2017-18; however, there was a 5.06 per cent decrease during 2018-19. Non-tax receipts have been fluctuating over the period 2014-17 before displaying a moderate growth during 2018-19.

The composition of various components of revenue receipts has also undergone a significant change over the five-year period 2014-19 as can be seen from Charts 1.2 and 1.3 given below.

### Composition of Revenue Receipts during 2018-19 vis-à-vis 2014-15

Chart 1.2: 2014-15

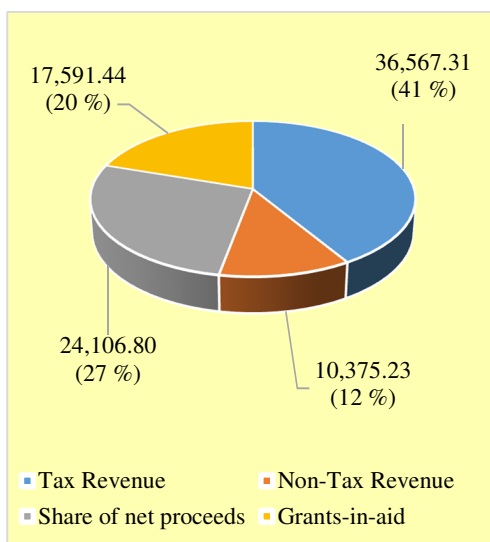
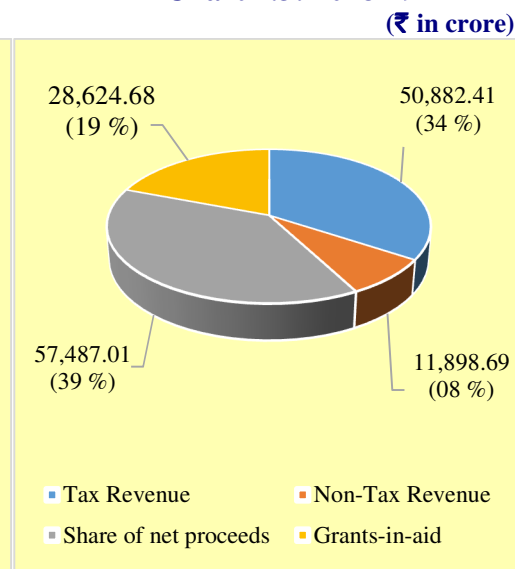


Chart 1.3: 2018-19



As can be seen from the above Charts, the contribution of share of net proceeds of divisible Union taxes and duties assigned to the State has increased from 27 per cent in 2014-15 to 39 per cent in 2018-19 while the contribution of State's Tax Revenue has decreased from 41 per cent to 34 per cent and Non-tax revenue has decreased from 12 per cent to 8 per cent during the same period. The percentage of tax and non-tax revenue raised by the State Government to the total revenue of the State has declined from 53 per cent in 2014-15 to 42 per cent during 2018-19.

#### 1.2.1 Tax Revenue

Details of tax revenue mobilised by the State Government during the period from 2014-15 to 2018-19 are given in **Table 1.1**.

Table 1.1: Details of tax revenue raised

(₹ in crore)

Head of Revenue	2014-15	2015-16	2016-17	2017-18	2018-19	Percentage of increase (+)/ decrease (-) in 2018-19 over 2017-18
Taxes on Sales, Trades, etc.	18,135.96	19,806.15	22,561.12	14,984.04	9,903.20	(-) 33.91
State Goods and Services Tax <sup>1</sup>	NA	NA	NA	8,696.12	18,508.49	(+) 112.84
Taxes on Goods and Passengers	2,686.39	3,084.76	3,805.04	1,159.30	117.50	(-) 89.86

<sup>1</sup> Goods and Services Tax (GST) was implemented with effect from 01 July 2017.

Head of Revenue	2014-15	2015-16	2016-17	2017-18	2018-19	Percentage of increase (+)/ decrease (-) in 2018-19 over 2017-18
State Excise	6,695.54	7,922.84	7,532.59	8,245.01	9,542.15	(+) 15.73
Stamp Duty and Registration Fees	3,892.77	3,867.69	3,925.43	4,788.51	5,277.99	(+) 10.22
Taxes and duties on Electricity	2,010.20	2,257.83	2,620.53	2,590.29	2,616.29	(+) 1.00
Taxes on Vehicles	1,823.84	1,933.57	2,251.51	2,691.62	3,008.26	(+) 11.76
Land Revenue	243.10	276.86	406.65	490.99	383.91	(-) 21.81
Others	1,079.51	1,063.96	1,090.78	1,164.98	1,524.62 <sup>2</sup>	(+) 30.87
<b>Total (1 to 9)</b>	<b>36,567.31</b>	<b>40,213.66</b>	<b>44,193.65</b>	<b>44,810.86</b>	<b>50,882.41</b>	<b>(+) 13.55</b>

Source: Finance Accounts of Government of Madhya Pradesh for the respective years

Note: Receipts under Sl No 1-3 pertain to Commercial Tax Department

The growth in tax revenue of 13.55 per cent during 2018-19 over the previous year was mainly due to a significant increase of ₹ 9,812.37 crore in State Goods and Services Tax receipts.

### 1.2.1.1 Reasons for variation in Receipts during 2018-19 compared to 2017-18

As can be seen from **Table 1.1** above, there was a variation ranging from (-) 89.86 per cent to (+) 112.84 per cent in receipts under various heads of revenue during 2018-19 over the previous year 2017-18. The concerned Departments attributed the variation to the following factors:

**Stamp Duty and Registration Fees:** The increase of 10.22 per cent (₹ 489.48 crore) under this Head was mainly due to increase (6.06 per cent) in the number of documents registered over the previous year and also on account of increase in the rate of Municipality Duty from two per cent to three per cent in January 2018.

**Taxes on Goods and Passengers:** The decrease of 89.86 per cent (₹ 1,041.80 crore) was due to subsuming of Taxes on Goods and Passengers in GST.

**Taxes on Vehicles:** The increase of 11.76 per cent (₹ 316.64 crore) was mainly due to better management and efforts of field staff.

**Land Revenue:** The decrease of 21.81 per cent (107.08 crore) in revenue was mainly on account of difficulties in collection due to shortage of officers and staff at District level as well as their engagement in other Government works.

**State Excise:** The increase of 15.73 per cent (₹ 1,297.14 crore) was mainly due to increase in the amount received during tendering of liquor shops.

<sup>2</sup> 'Others' includes Hotel receipts (₹ 0.02 crore), Taxes on income and expenditure ₹ 321.18 crore), Taxes on immovable property other than Agricultural land (₹ 701.15 crore) and Other Taxes and Duties on Commodities and Services (₹ 502.27 crore).

## Share of various Heads of revenue in Tax Revenue (₹ in crore)

Chart 1.4: (2014-15)

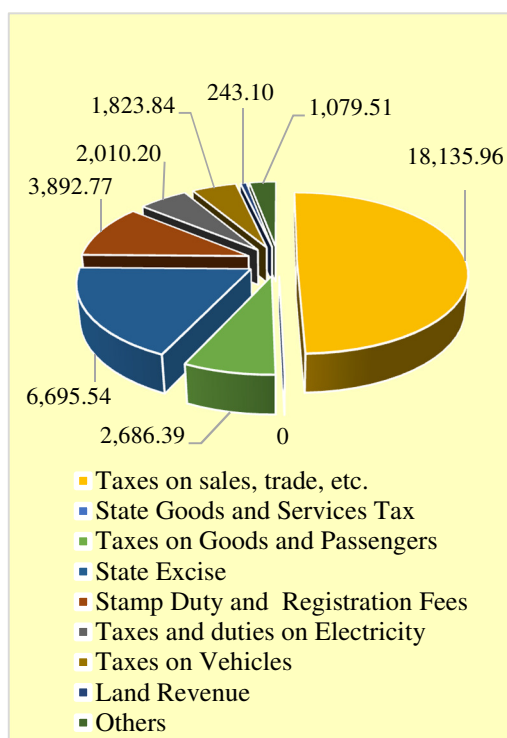
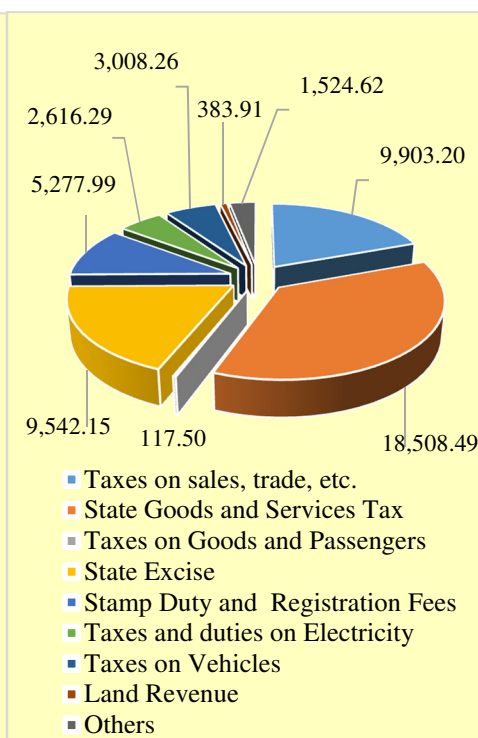


Chart 1.5: (2018-19)



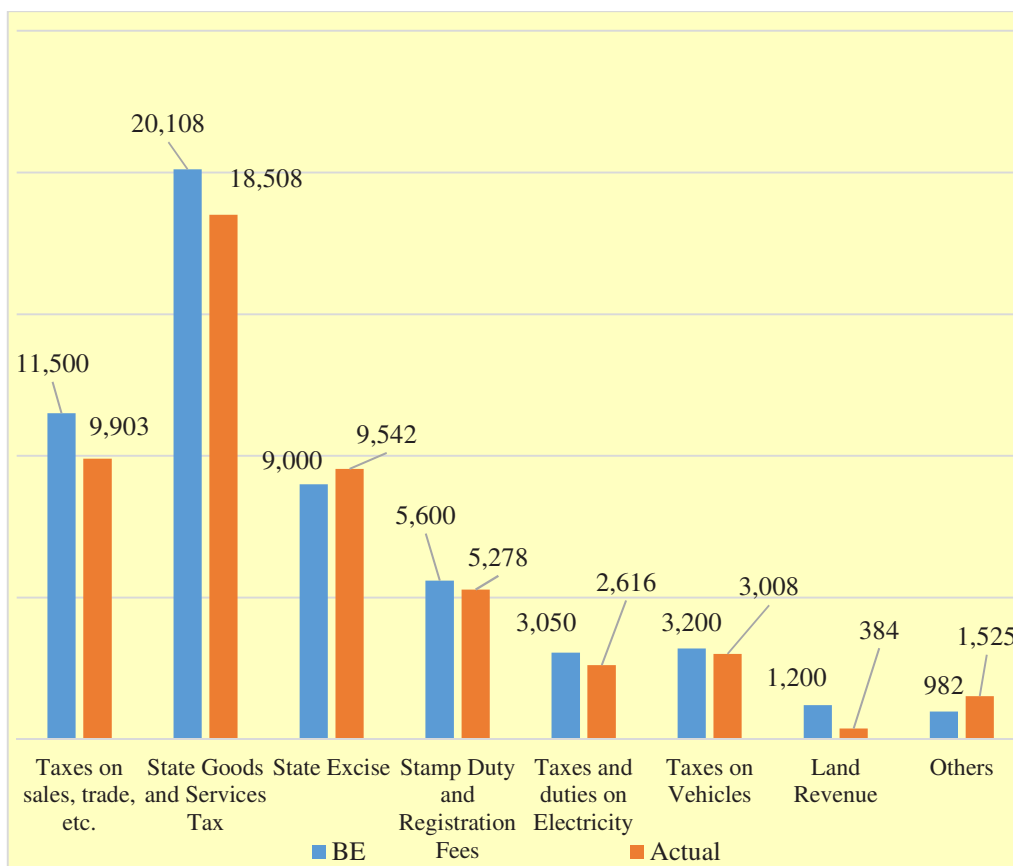
The above Charts indicate that contributions of different Departments have remained largely constant over the last five-year period.

### 1.2.1.2 Budget Estimates (BE) vs Actuals of Tax Revenue

A comparison of BE and Actuals of Tax Revenue during 2018-19 is given in **Chart 1.6**.

**Chart 1.6: Comparison of BE and Actuals of Tax Revenue during 2018-19**

(₹ in crore)



As can be seen from **Chart 1.6**, the variation between the Budget Estimates and the actual figures of receipts during 2018-19 ranged from (-) 68.01 *per cent* to (+) 55.22 *per cent*. Except for State Excise, which has exceeded the budget estimates, none of the other tax receipts have met the budgetary expectations. Reasons for shortfall in revenue receipts *vis-à-vis* budgetary projections, as intimated by the Departments concerned, are as follows:

**State Goods and Services Tax:** The shortfall was primarily due to new taxation system and practical difficulties due to usage of new software.

**Land Revenue:** The shortfall was due to shortage of officers and staff at District level, as well as their engagement in other Government works.

**Taxes and Duties on Electricity:** Budget estimates of the Government were on higher side. Therefore, there was a shortfall.

The other three Departments *viz.* **Registration and Stamps, Commercial Tax (for Taxes on Sales, Trades, etc.) and Transport** stated that they have achieved the Revised Estimates (RE) figures for the year.

### 1.2.2 Non-Tax Revenue

Details of Non-tax revenue raised during the period 2014-19 are indicated in **Table 1.2**.

**Table 1.2: Details of Non-Tax Revenue**

(₹ in crore)

Head of Revenue	2014-15	2015-16	2016-17	2017-18	2018-19	Percentage of increase(+)/ decrease(-) during 2018-19 over 2017-18
Non-ferrous mining and metallurgical industries	2,813.66	3,059.64	3,168.28	3,640.72	3,933.56	(+) 8.04
Education, sports, art and culture	3,276.10	1,292.41	1,824.03	1,309.69	2,366.39	(+) 80.68
Forestry and Wildlife	968.77	1,001.71	917.98	1,112.25	1,042.94	(-) 6.23
Interest receipts	1,260.65	429.47	581.67	639.11	880.34	(+) 37.74
Power	381.23	190.09	357.87	195.15	190.33	(-) 2.47
Minor Irrigation	299.77	326.74	336.24	354.20	545.04	(+) 53.88
Major and Medium Irrigation	137.55	156.16	238.12	169.70	263.48	(+) 55.26
Dividends and Profit	80.35	129.64	231.50	622.36	347.26	(-) 44.20
Other Administrative services	140.21	147.01	193.87	132.66	355.97	(+) 168.33
Medical and Public Health	120.16	121.04	167.04	128.98	214.46	(+) 66.27
Other non-tax receipts	896.78	1,714.88	1,069.91	756.36	1,758.92 <sup>3</sup>	(+) 132.55
<b>Total</b>	<b>10,375.23</b>	<b>8,568.79</b>	<b>9,086.51</b>	<b>9,061.18</b>	<b>11,898.69</b>	

Source: Finance Accounts of Government of Madhya Pradesh

### 1.2.2.1 Reasons for variation in Receipts during 2018-19 compared to 2017-18

As can be seen from **Table 1.2** there was a variation of (-) 44.20 *per cent* to (+) 168.33 *per cent* in non-tax receipts of 2018-19 compared to 2017-18 under various heads of revenue.

The Departments concerned reported the following reasons for variation between the receipts of 2018-19 over those of 2017-18:

<sup>3</sup> 'Other non-tax receipts' includes actual receipts (₹ in crore) during 2018-19 under the following heads: Public Service Commission (6.42), Police (145.70), Jails (3.65), Public Works (151.75), Stationery and Printing (12.42), Contributions and recoveries towards Pension and other Retirement Benefits (222.35), Family Welfare (0.23), Water Supply and Sanitation (25.34), Housing (28.02), Urban Development (15.00), Information and Publicity (0.38), Labour and Employment (27.18), Social Security and Welfare (11.66), Other social services (92.69), Crop Husbandry (62.14), Animal Husbandry (2.73), Dairy Development (0.005), Fisheries (9.94), Food Storage and Warehousing (1.38), Other agricultural program (1.91), Other rural development program (14.97), Petroleum (0.004), New and Renewable Energy (10.28), Village and Small Industries (88.13), Industries (0.85), Other industries (0.14), Roads and Bridges (1.18), Tourism (11.18), Other General Economic Services (29.71), Cooperation (8.40) and Miscellaneous General Services (773.18).

**Education, sports, art and culture:** The increase of 80.68 per cent (₹ 1,056.70 crore) under this Head was mainly due to reimbursement of salary, increase in number of students and fees in private colleges and higher receipts from Central Government in reimbursement of Right to Education fees. Unused money was also deposited in the Government Treasury by the districts in March 2019 under special campaign.

**Minor Irrigation:** The increase of 53.88 per cent (₹ 190.84 crore) under this Head was mainly due to deposit of outstanding amount by National Thermal Power Corporation (NTPC) under one-time settlement and deposit of share of water of Bansagar by Uttar Pradesh and Bihar Governments during 2018-19.

**Major and Medium Irrigation:** The increase of 55.26 per cent (₹ 93.78 crore) under this Head was mainly due to higher revenue from canal projects of Narmada Valley Development Authority (NVDA).

**Dividend and Profit:** The decrease of 44.20 per cent (₹ 275.10 crore) under this Head was mainly due to decrease (87 per cent, ₹ 540.69 crore) in dividends from Narmada Hydroelectric Development Corporation (NHDC) under Indira Sagar Project, which has been off-set by increase (₹ 265.59 crore) in dividend from other investments.

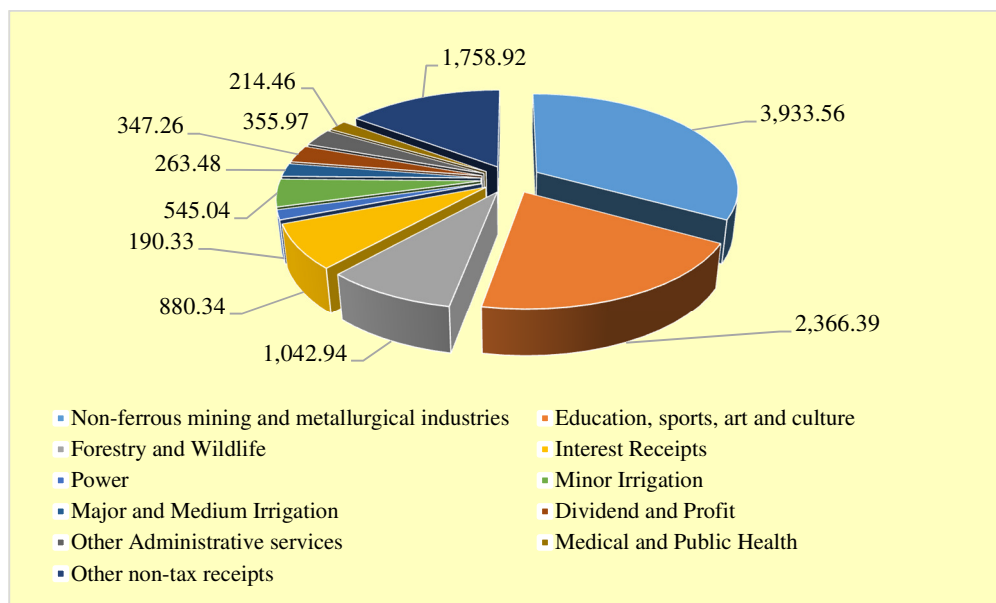
**Other Administrative Services:** The increase of 168.33 per cent (₹ 223.31 crore) under this Head was mainly due to increase (210 per cent, ₹ 207.61 crore) in fines in court cases and depositing of outstanding Government Audit Fees by the Local Bodies.

**Medical and Public Health:** The increase of 66.27 per cent (₹ 85.48 crore) under this Head was mainly due to start of private nursing school, increase in syllabus, fees for accreditation to private hospitals for treatment, accreditation fees of hospitals for kidney transplant, deposit of increased fees of Post Graduate curriculum seats of private medical colleges and excess reimbursement from GoI under *Karmachari Rajya Bima Yojna*.



**Chart 1.7: Share of various Heads of Revenue in Non-Tax Revenue during 2018-19**

(₹ in crore)



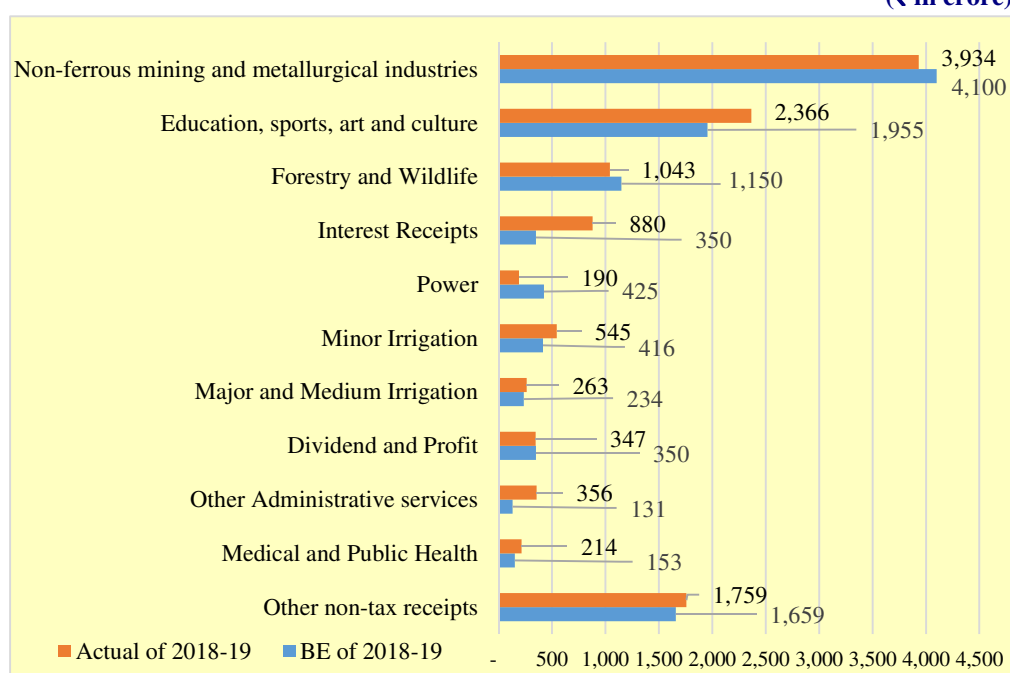
The above Chart indicates that Non-ferrous and metallurgical industries is the largest contributor in Non-tax revenue followed by Education, sports, art and culture and Forestry and Wildlife, together accounting for more than 60 per cent of the total Non-tax revenue of the State Government.

### 1.2.2.2 Budget Estimates (BE) vs Actuals of Non-Tax Revenue

A comparison of Budget Estimates and the Actuals of Non-tax revenue during 2018-19 is given in **Chart 1.8**.

**Chart 1.8: Comparison of BE and Actuals of Non-Tax Revenue during 2018-19**

(₹ in crore)



It can be seen from **Chart 1.8** that there was a variation of (-) 55.21 to (+) 170.72 *per cent* between the Budget Estimates and the actual receipts during 2018-19 under various heads of revenue. Reasons for shortfall in revenue receipts *vis-à-vis* budgetary projections, as intimated by the Departments are as under:

**Forestry and Wild life:** The decrease in revenue during 2018-19 was due to delay in receipt of permission for cutting of trees from the GoI. Since disposal of forest produce was being done through open auction, the rates depend upon the situation of market, which resulted in the realisation of less revenue.

**Power:** Revenue receipts from Sardar Sarovar Project depend upon the generation of electricity. During 2018-19, due to shortage of rainfall, electricity generation was less. Therefore, the revenue receipts were affected.

**Mineral Resources:** The Department stated that it has achieved the Revised Estimates (RE) figures for the year.

### 1.3 Analysis of Arrears of Revenue

The arrears of revenue as on 31 March 2019 in respect of some principal heads of revenue amounted to ₹ 6,350.41 crore, out of which, ₹ 2,678.15 crore (42 *per cent*) was outstanding for more than five years, as detailed in **Table 1.3**.

**Table 1.3: Arrears of Revenue**

(₹ in crore)

Head of revenue	Total amount outstanding as on 31 March 2018	Total amount outstanding as on 31 March 2019	Amount outstanding for more than five years as on 31 March 2019
Taxes on Sales, Trades, etc.	5,219.48	5,405.24	2,361.88
<b>Department replied that</b> efforts had been made for recovery of arrears and that, there was no laxity on its part. The details of outstanding arrears are given below:			
<ul style="list-style-type: none"> <li>• ₹ 2,007.96 crore was pending under various court proceedings, ₹ 643.17 crore was pending with appellate authorities, ₹ 236.89 crore was involved in sick mills or Board for Industrial and Financial Reconstruction (BIFR),</li> <li>• ₹ 5.42 crore was in installments, ₹ 1,044.97 crore was involved in closed firms, and ₹ 814.32 crore was involved in attachment of properties, and</li> <li>• Revenue Recovery Certificates (RRCs) were issued in respect of ₹ 273.75 crore, an amount of ₹ 9.39 crore was awaited to be written-off, and ₹ 369.37 crore was under normal recovery.</li> </ul>			
State Excise	220.72	221.15	75.28
<b>Department replied that:</b>			
<ul style="list-style-type: none"> <li>• ₹ 14.42 crore was pending in courts,</li> <li>• Action was being taken for writing off ₹ 56.24 crore, being an irrecoverable amount, and</li> <li>• Information regarding remaining outstanding arrears of ₹ 150.49 crore was not provided.</li> </ul>			
Stamp Duty and Registration Fees	343.61	413.69	104.46

**Department replied that** outstanding arrears were pending at District level and that, the Collector of Stamps was taking necessary action under section 48 (b) of Stamp Act, for recovery of arrears. However, cases are not disposed in a timely manner due to non-appearance of parties, despite issuance of notice to them. The details of outstanding arrears are given below:

- ₹ 41.36 crore was pending in courts, ₹ 187.37 crore was pending due to parties not responding, ₹ 71.68 crore was pending due to addresses of defaulters not being found, and ₹ 10.46 crore was pending at district level.
- RRCs were issued for ₹ 37.91 crore, Attachment warrants worth ₹ 12.63 crore were issued for recovery, and Demand Notices for recovery of ₹ 52.28 crore were being continuously issued.

Non-ferrous mining and metallurgical industries	48.38	75.69	Not provided by the Department
---	-------	-------	--------------------------------

**Department replied that:**

- Arrears included ₹ 54.48 crore on account of outstanding royalty due from Reliance Sasan Power during 2018-19; and
- Reasons for remaining outstanding arrears would be provided after receipt of information from the Districts.

Taxes and Duties on Electricity	225.07	234.64	136.53
---------------------------------	--------	--------	--------

**Department replied that:**

- Recovery of ₹ 119.39 crore was pending in cases that were *sub-judice*, ₹ 3.67 crore was pending against sick textiles mills, and ₹ 83.47 crore was pending in other stages, and
- ₹ 28.11 crore was pending under the cases where Revenue Recovery Certificates (RRCs) have already been issued.

<b>Total</b>	<b>6,057.26</b>	<b>6,350.41</b>	<b>2,678.15</b>
--------------	-----------------	-----------------	-----------------

## 1.4 Pendency of refund claims

Details of refund claims pending at the close of 2018-19, as reported by the Departments, are given in **Table 1.4**.

**Table 1.4: Details of pendency of refund cases**

(₹ in crore)

Particulars	Taxes on Sales, Trades, etc.		Stamp Duty and Registration Fees		State Excise		Taxes and Duties on Electricity	
	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
Claims outstanding at the beginning of the year (A)	1,038	145.58	2,027	5.91	31	1.49	153	1.42
Claims received during the year (B)	6,300	737.22	6,978	22.28	161	13.17	01	0.27
Refunds made during the year (C)	6,376	778.94	6,700	20.09	153	13.56	01	0.27

Balance outstanding at the end of year (A+B-C=D)	962	103.86	2,305	7.81 <sup>4</sup>	39	1.10	0 <sup>5</sup>	0
Percentage of refund [C to (A+B)]	-	88.24	-	71.27	-	92.50	-	-

### 1.5 Authority for audit

The Comptroller and Auditor General of India (CAG) derives authority for audit from Articles 149 and 151 of the Constitution of India and CAG's (Duties, Powers and Conditions of Service) Act, 1971 (DPC Act). CAG audits receipts of the Government under Section 16 of the DPC Act.

### 1.6 Audit Approach

There are seven primary revenue generating Departments in Government, out of which, audit was conducted in six Departments during the year 2018-19, viz. Commercial Tax, State Excise, Taxes on Vehicles, Land Revenue, Registration and Stamps, and Mineral Resources. This report features findings on three out of these six Departments.

Details of Audit universe pertaining to each of these three Departments, as well as units audited under each during the year 2018-19 are given in **Table 1.5**.

**Table 1.5: Details of total and audited units in each Department**

Name of the Department	Total no. of units	Apex Auditable entity <sup>6</sup>	Audit units	Total no. of units audited
Commercial Tax	132	2	130	32
Registration and Stamps	290	1	289	33
Land Revenue	422	2	420	28

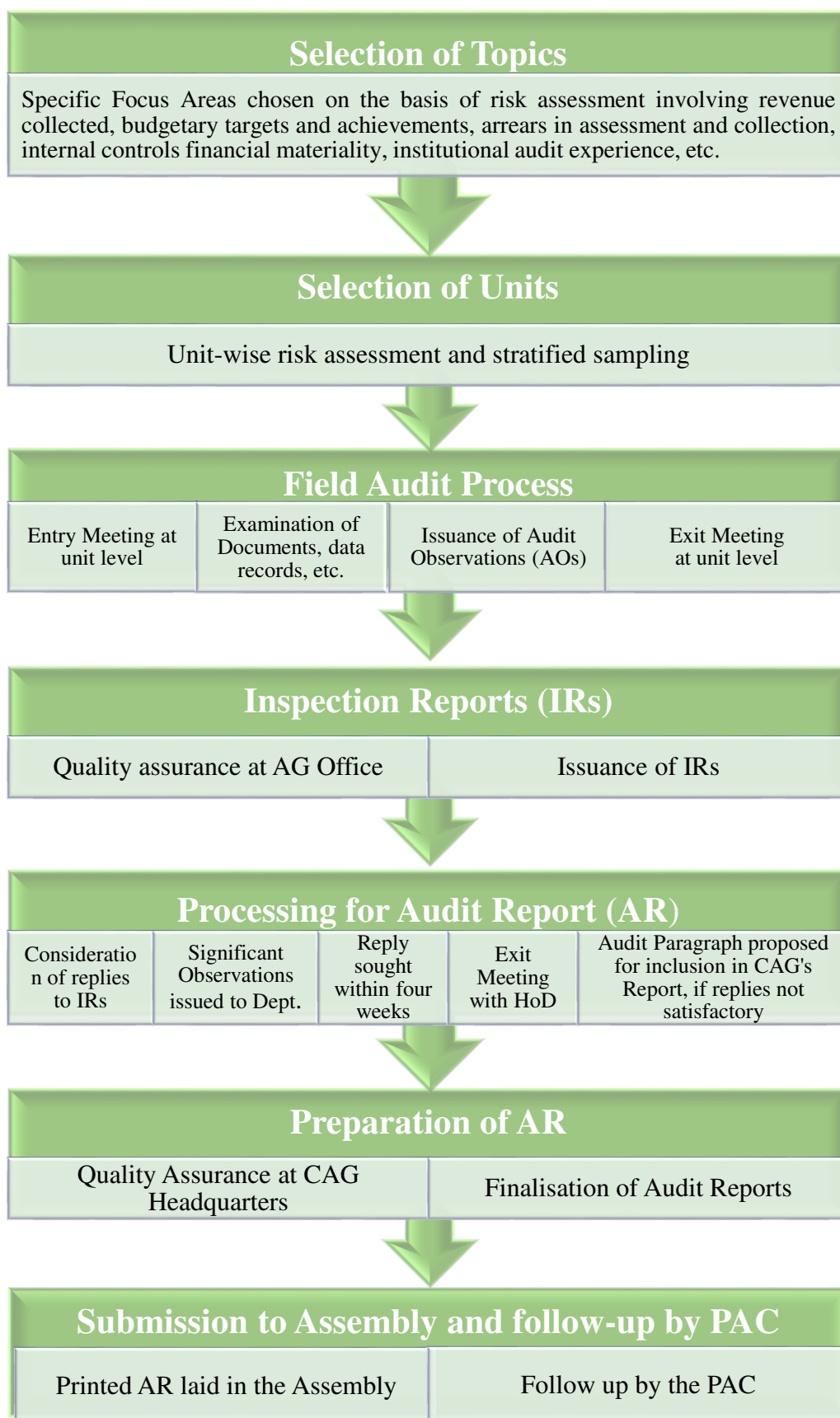
### 1.7 Audit Process

The complete audit process is divided into three broad categories – Planning, Execution and Reporting. Detailed procedure under these heads is as follows:

<sup>4</sup> Department intimated (November 2019) that difference in the balance outstanding at the end of the year was due to deduction of amount from refunds to the parties. Department further intimated (November 2020) that refund were made by the Collectors of Stamp as per provisions contained in section 49 to 54 of Stamp Act, 1899.

<sup>5</sup> Due to expiry of three-year period as per provision of Limitation Act, 153 refund claims amounting to ₹ 1.42 crore were not refundable.

<sup>6</sup> Apex Auditable units are directional and supervisory units, which are responsible for policy formulation. Audit units are defined as units which have attributes like, substantial devolution of administrative and financial powers, functional autonomy, and operational significance with reference to achievement of objectives of Apex Auditable Entity.



### 1.8 Response of the Departments/Government to Audit

On completion of audit of Government Departments and Offices, Inspection

Reports (IRs) were issued to the Heads of Office concerned with copies to their superior officers, for their monitoring and corrective action. Serious financial irregularities are reported to the Heads of the Department and the Government.

Department-wise details of outstanding IRs and Audit Observations at the end of September 2020 are given in **Table 1.6**.

**Table 1.6: Department-wise details of outstanding IRs/paragraphs outstanding at the end of September 2020**

Name of the Department	Nature of receipts	No. of outstanding IRs	No. of outstanding Audit Paragraphs
Commercial Tax	Taxes on Sales, Trades, etc.	1,799	9,500
Energy	Taxes and Duties on Electricity	103	224
State Excise	State Excise	450	1,704
Revenue	Land Revenue	1,580	4,998
Transport	Taxes on Vehicles	603	3,396
Registration and Stamps	Stamp Duty and Registration Fees	809	2,311
Mineral Resources	Non-ferrous mining and metallurgical industries	355	1,812
	<b>Total</b>	<b>5,699</b>	<b>23,945</b>

Despite flagging this issue continuously over the years, the State Government is yet to take corrective action with regard to addressing audit concerns and settling outstanding Audit Paragraphs.

An extensive review of old outstanding IRs/paras was conducted by this office during the year, in tandem with the office of the Chief Secretary of the Government of Madhya Pradesh. Accordingly, a total of 88 IRs and 3,585 paras were settled on the basis of responses received from the Departments.

**Recommendation:**

**State Government needs to put in place an appropriate mechanism expeditiously to ensure that Departmental Officers respond to IRs promptly, take corrective action and work closely with Audit to bring about early settlement of outstanding IRs and Audit Paragraphs.**

**1.9 Follow-up action on Audit Reports**

As per the recommendations of the Shakhder Committee<sup>7</sup>, *suo motu* Explanatory Notes (ENs) on corrective/remedial measures taken on all paragraphs included in the Audit Reports are required to be submitted by the Departments, duly vetted by the Accountant General, to the Public Accounts Committee (PAC) within three months from the date of placing of the Audit Reports in the Legislature.

<sup>7</sup> High Powered Committee appointed to review the response of the State Governments to the Audit Reports of the Comptroller and Auditor General of India.

Explanatory Notes in respect of 54 paragraphs of the Audit Reports for the period 2012-13 to 2016-17 have not been received (October 2020) from State Revenue and Water Resources Department. Details are given in **Table 1.7**.

**Table 1.7: No. of Paragraphs to which Explanatory Notes were not received**

Name of the Department	2012-13	2013-14	2014-15	2015-16	2016-17
Commercial Tax	0	0	0	12	8
State Excise	0	3	0	7	1
Land Revenue	0	0	0	0	3
Transport	0	0	0	0	0
Registration and Stamps	1	0	0	13	4
Mineral Resources	0	0	0	0	0
Water Resources <sup>8</sup>	0	0	0	0	1
Forest <sup>9</sup>	0	0	1	0	0
<b>Total</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>32</b>	<b>17</b>

As per the instructions issued (November 1994) by the State Legislative Affairs Department, Action Taken Reports (ATRs) on the recommendations of the PAC should be submitted within six months from the date of tabling the Recommendation Reports of the PAC. In spite of these provisions, the ATRs on Audit Paragraphs of the Reports are being delayed inordinately.

After issue of Recommendation Reports<sup>10</sup> by the PAC, the ATRs in respect of 11 paragraphs of the Audit Reports for 1999-2000 and 229 paragraphs for the period from 2005-06<sup>11</sup> to 2016-17 were not received as of October 2020, adding up to 240 paragraphs from State Revenue Departments. Details are given in **Table 1.8**.

**Table 1.8: Details of ATRs not received**

Name of the Department	No. of paragraphs in respect of which ATRs not received
Commercial Tax	72
State Excise	34
Land Revenue	28
Transport	22
Registration and Stamps	35
Mineral Resources	25
Forest	11

<sup>8</sup> Water Resources Department is not a primary revenue generating Department. However, an audit on "Assessment and Collection of Water Tax" had featured in the Audit Report 2016-17.

<sup>9</sup> Forest Department is also not a primary revenue generating Department. However, an audit on "Forest Receipts" had featured in the Audit Report 2014-15.

<sup>10</sup> Received between December 2004 to December 2019 in this office.

<sup>11</sup> ATRs in respect of the period 2000 to 2005 have been settled.

Commercial Tax (Entertainment Tax)	11
Finance	01
Water Resources	01
<b>Total</b>	<b>240</b>

**Recommendation:**

**The State Government should initiate action to address the shortcomings and systemic deficiencies pointed out by Audit in order to plug the leakage of revenue. The Government also needs to ensure that all Departments promptly prepare ATRs on PAC recommendations.**

**1.9.1 Status of discussion of Revenue Report by PAC**

In the last four Audit Reports for the period 2013-14 to 2016-17, year wise total Audit Paragraphs, Paragraphs selected for discussion and Paragraphs discussed by PAC are given in **Table 1.9**.

**Table 1.9: Status of discussion of Revenue Report by PAC**

Year	2013-14	2014-15	2015-16	2016-17	Total
Total Paragraphs	37	29	52	26	144
Paragraphs selected for discussion by PAC	19	14	25	15	73
Paragraphs discussed by PAC	7	5	5	2	19

As can be seen from the above table, there were a total 144 paragraphs in the last four Audit Reports for the period 2013-14 to 2016-17, out of which, 73 were selected for discussion by PAC but only 19 paragraphs were discussed.

**1.9.2 Compliance to earlier Audit Reports**

In the last five Audit Reports for the period 2013-14 to 2017-18, the Departments/Government accepted audit observations involving ₹ 2,986.42 crore. However, only ₹ 51.43 crore was recovered as of October 2020, as detailed in **Table 1.10**.

**Table 1.10: Compliance to earlier Audit Reports**

(₹ in crore)

Department	Money value accepted	Amount recovered	Percentage of recovery to amount accepted
Commercial Tax	689.92	0.78	0.11
Land Revenue	128.67	15.16	11.78
Registration and Stamps	78.77	10.17	12.91
Mineral Resources	233.84	14.51	6.20
Transport	95.23	0.36	0.37
State Excise	69.51	6.95	9.99
Forest	12.23	0.70	5.72



Water Resources	1,626.24	0.00	0
Energy	52.01	2.80	5.38
<b>Total</b>	<b>2,986.42</b>	<b>51.43</b>	<b>1.72</b>

## 1.10 Acknowledgement

The office of Accountant General (Audit-II), Madhya Pradesh, Bhopal acknowledges the cooperation rendered by various Departments in providing necessary information and records to Audit. However, despite constant pursuance, Value Added Tax Information System (VATIS) IDs were not provided to Audit by the Commercial Tax Department (December 2020).

## 1.11 Significant audit observations

This Report contains 17 audit paragraphs that emerged from a test-check of records of three Departments of Government of Madhya Pradesh with a tax effect of ₹ 57.44 crore.

Significant results of audit that feature in this Report are summarised below.

### 1.11.1 Commercial Tax

The Assessing Authorities (AAs) under-assessed the taxable turnover by ₹ 32.69 crore. As a result, tax of ₹ 2.99 crore and penalty of ₹ 7.43 crore were not levied.

*(Paragraph 2.6)*

The AAs failed in implementing the provision of the MPVAT Act, Rules and Departmental circulars in order to classify the commodities correctly and apply the appropriate rate of tax. This resulted in short levy of VAT of ₹ 3.19 crore and penalty of ₹ 3.77 crore.

*(Paragraph 2.7)*

The AAs failed in implementation of provisions of the Central Sales Tax Act regarding applicability of the appropriate rate of tax. This resulted in short realisation of tax of ₹ 0.95 crore and non-levy of penalty of ₹ 0.88 crore.

*(Paragraph 2.8)*

The AAs did not levy Entry Tax or levied it at incorrect rates on goods like iron & steel, electrical item, packing material, transformer, pipe, chemical, plastic granules, cement sheet, light diesel oil, explosive, tiles, sanitary, *tendupatta*, *bidi*, sand, *gitti*, coal, bitumen, resin, winding wire and steel tube, etc. on their entry into local area. As a result, Entry Tax amounting to ₹ 1.01 crore could not be realised and penalty of ₹ 2.06 crore remained un-imposed.

*(Paragraph 2.9)*

The AAs allowed ITR without verifications and taking into consideration the fact that the selling dealers concerned had short deposited output tax into the Government account resulting in allowance of excess ITR of ₹ 8.88 crore.

*(Paragraph 2.10)*

Cross-verification of transitional credit (SGST) claimed, with the ITC carried forward as shown in VAT returns (Form-10), revealed that 369 taxpayers had

irregularly carried forward transitional credit of ₹ 11.49 crore in TRAN-1 in excess of the ITC shown in the VAT returns.

*(Paragraph 2.12)*

### **1.11.2 Stamp Duty and Registration Fees**

29 Sub-Registrars (SRs) did not consider the various factors affecting the market value of properties in 113 instruments and refer these instruments to the Collector of Stamps for determination of correct value of properties and duty leviable thereon. This resulted in short levy of Stamp Duty of ₹ 3.59 crore and Registration Fees of ₹ 0.34 crore.

*(Paragraph 3.6)*

Six SRs charged Registration Fees of ₹ 50.74 lakh against the chargeable Registration Fees of ₹ 1.01 crore in 35 agreements relating to the development of land by the builders/developers, which resulted in short realisation of ₹ 50.74 lakh to the Government.

*(Paragraph 3.8)*

Ten SRs did not consider the whole amount of royalty payable under the mining lease for determination of Stamp Duty and Registration Fees. This resulted in short realisation of Stamp Duty and Registration Fees of ₹ 5.21 crore.

*(Paragraph 3.10)*

### **1.11.3 Land Revenue**

SDOs did not comply with the provisions of the *upbandh* under Market Value Guidelines (MVGs) and Government Notifications. This resulted in short levy of Premium of ₹ 2.89 crore and non-levy of *Panchayat Upkar* of ₹ 0.05 crore.

*(Paragraph 4.4)*

Four Collectors issued diversion orders in 113 cases without recovering the Diversion Rent of ₹ 22.54 lakh, Premium of ₹ 35.91 lakh, *Panchayat Upkar* of ₹ 1.86 lakh and Penalty of ₹ 130.83 lakh. As a result, an amount of ₹ 1.91 crore is still pending for recovery in these Collectorates.

*(Paragraph 4.5)*

# **CHAPTER - II**

# **COMMERCIAL TAX**



## Highlights

### Why CAG did this Audit

Commercial Tax Department levies and collects Value Added Tax, Entry Tax, Central Sales Tax and *Vilasita, Manoranjan and Amod Kar*, which are based on self-assessment system.

During 2018-19, the Department was engaged in completing the assessment for the transactions that took place during the previous regime of Value Added Tax, Entry Tax, Central Sales Tax, etc. and was also heading towards new taxation system of Goods and Services Tax. Accordingly, Audit was done for assessments under previous taxation system only, as assessment under GST regime were yet to be finalised by the Commercial Tax Department.

Audit was conducted with a view to assess whether:

#### In Pre-GST era:

- Taxable turnover was worked out properly and appropriate rates of tax have been applied; and
- Input Tax Rebate (ITR) was claimed and allowed properly.

#### In Post-GST era:

Taxation Authorities verified the correctness of the amount of ITC as claimed in TRAN-1 filed by the taxpayers.

### What CAG found

**During a test check of records in the Office of Commissioner, Commercial Tax, and 32 out of 115 underlying units, the following issues of non-compliance with the provisions of Act/Rules were noticed:**

#### Pre-GST era:

- *The Assessing Authorities (AAs) under-assessed the taxable turnover*
- *Failure of the AAs to apply the correct rate of tax resulted in short levy of tax,*
- *Failure of AAs to apply provision of inter-State sales resulted in short levy of tax,*
- *Entry Tax on goods was either not levied or levied at incorrect rates on their entry into local area. and*
- *The AAs allowed ITR of aggravated amount against the admissible ITR, which resulted in short realisation of tax and non-imposition of penalty.*

#### Post-GST era:

- *4,450 applications were pending registration as on 31 March 2020.*
- *Taxpayers had irregularly carried forward transitional credit of ₹ 11.49 crore in TRAN-1 in excess of the ITC shown in the VAT returns.*

## **2.1 Introduction**

Commercial Tax Department accounts for the highest revenue receipts of the Government of Madhya Pradesh. The Department administers and collects revenue on goods and services under the Madhya Pradesh Value Added Tax Act, 2002 (VAT Act), The Central Sales Tax Act, 1956 (CST Act), The Madhya Pradesh Entry Tax, 1976, The Madhya Pradesh Professional Tax, 1995 and *The Madhya Pradesh Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011*. After introduction of Goods and Services Tax with effect from 01 July 2017, the Department has been administering and collecting revenue on goods and services under the Madhya Pradesh Goods and Services Tax Act, 2017 (GST Act).

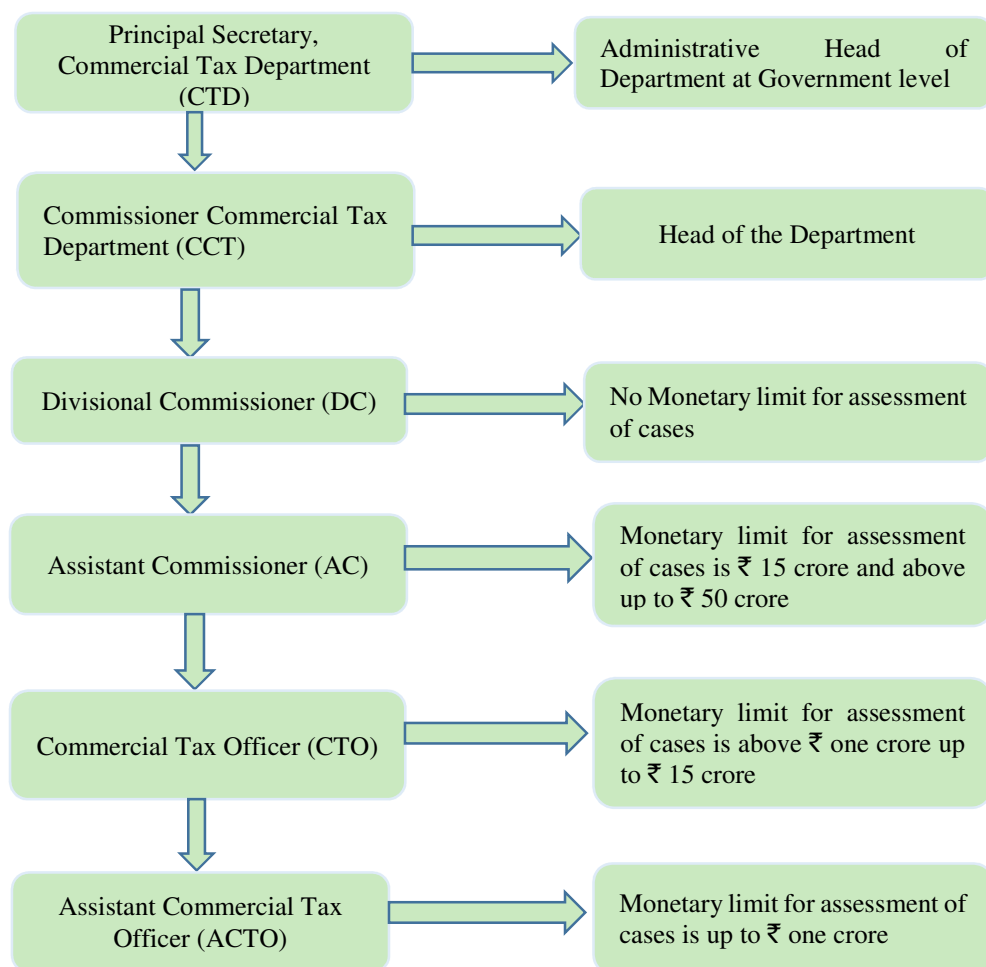
Commercial Tax Department is currently completing the assessment for the transactions that occurred during the previous regime of Value Added Tax, Entry Tax, Central Sales Tax, etc. and is also heading towards the new taxation system of GST. Accordingly, Audit was done for assessments under previous taxation system only, as assessment under GST regime is yet to be finalised by the Commercial Tax Department. Hence, issues relating to preparedness for transition to GST have been incorporated in this chapter.

## **2.2 Tax Administration**

The Principal Secretary, Commercial Tax Department is the Administrative Head of the Department at the Government level. The Commissioner of Commercial Tax is the Head of the Department and is assisted by Additional Commissioners of Commercial Tax, Deputy Commissioners, Assistant Commissioners, Commercial Tax Officers, Assistant Commercial Tax Officers and Inspectors of Commercial Tax in the performance of such functions as may be assigned to him under the Act.

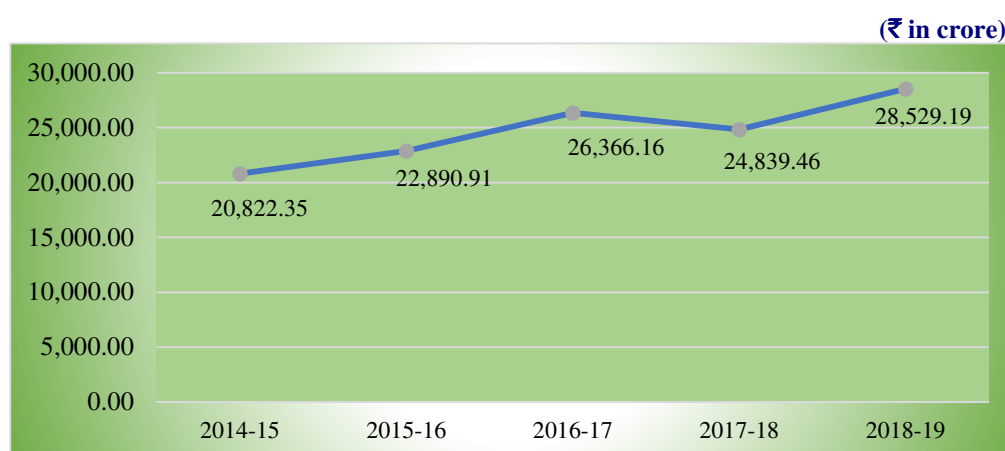
The Assistant Commercial Tax Officer (ACTO), Commercial Tax Officer (CTO), Assistant Commissioners (AC) and Deputy Commissioners (DC) have been vested with the powers of assessment of cases.

The hierarchy and responsibilities of the Department are shown in the organogram given below in **Chart 2.1**.

**Chart 2.1: Organisational set up**

### 2.3 Trend of Receipts

The trend of revenue receipts of Commercial Tax Department from taxes on sales, trades, etc., taxes on goods and passengers, and SGST is given below in **Chart 2.2**.

**Chart 2.2: Commercial Tax Receipt**

Source: Finance Accounts of Government of Madhya Pradesh

As can be seen from the chart given above, revenue contributed by the Commercial Tax Department to the total revenue of the State has been quite

substantial over the years. During the five-year period 2014-19, there has been an increase in revenue from commercial taxes from year-to-year except for a steep decline of 5.79 *per cent* during 2017-18 compared to the previous year before picking up pace and increasing by 14.85 *per cent* during 2018-19 over 2017-18. Further, except during the year 2016-17, the actual receipts from the Department have not matched the budgetary expectations in any of the years. In fact, despite the introduction of GST during 2017-18, which had the effect of increasing the overall commercial tax receipts during the year 2018-19, revenue receipts from the Department during 2018-19 have fallen short of budgetary expectations by 9.44 *per cent*.

## **2.4 Audit Approach**

Audit of Commercial Tax Department was carried out during June 2019 and March 2020 and covered the assessments for the three-year period 2016-17 to 2018-19. Audit was conducted through a test check of the assessments and other related records in 32<sup>12</sup> offices (three Divisional Offices, 18 Regional Offices and 11 Circle Offices) out of 115<sup>13</sup> offices selected on the basis of risk perception<sup>14</sup> and those that were due for audit in 2018-19, to gain assurance that the taxes were assessed, levied, collected and accounted for in accordance with the relevant Acts<sup>15</sup>, Codes and Manuals, and the interests of the Government are safeguarded (**Appendix I**). Besides, information was also collected from the office of the Commissioner, Commercial Tax Department. Assessing Authorities (AAs) in the selected offices provided 53,373 regular (assessed under section 20(4) of MPVAT Act) and deemed assessed cases<sup>16</sup> (assessed under section 20 A of MPVAT Act), assessed during the period 2016-17 to 2018-19 to Audit.

Audit findings were benchmarked against the criteria sourced from MPVAT Act, 2002, Entry Tax Act, 1976 (ET Act), and Central Sales Tax Act, 1956 (CST Act); and Rules and instructions, circulars/exemption notifications issued by the State Government and decisions of the Courts and Appellate Authority.

## **2.5 Results of Audit**

Test-check of 18,550 cases (34.75 *per cent*) out of the total 53,373 cases of the sampled units brought out instances of deviations/non-compliance with the relevant Acts/Codes/Manuals leading to short levy of tax and inadmissible/excess input tax rebate including penalty in 801 cases involving an amount of ₹ 42.65 crore, due to various reasons, as detailed in **Table 2.1**.

---

<sup>12</sup> DCCT Bhopal II, Indore II and Jabalpur II;  
ACCT Bhopal I, Bhopal V, Bhopal VI, Guna, Gwalior II, Indore I, Indore II, Indore III, Indore IX, Indore X, Jabalpur I, Jabalpur II, Katni, Khandwa, Morena, Pithampur, Sagar I and Satna I, and  
CTO Ashok Nagar, Betul, Damoh, Gwalior IV, Indore I, Indore VIII, Neemuch, Rewa, Sagar, Satna II and Sehore.

<sup>13</sup> 16 units were unrelated to the Audit Topic.

<sup>14</sup> Inherent Risk, reported cases of fraud/embezzlement/loss, internal assessment, revenue collection, etc.

<sup>15</sup> MPVAT Act, 2002, Entry Tax Act, 1976 (ET Act), and Central Sales Tax Act, 1956 (CST Act).

<sup>16</sup> Annual lists of these cases were not provided by the Department. Hence, the total number of these cases could not be ascertained.



**Table 2.1: Categories of Audit observations on revenue receipts**

(₹ in crore)			
Sl. No.	Categories	No. of audit observations	Amount
1	Incorrect determination of Turnover	96	10.42
2	Application of incorrect rate of tax	30	6.96
3	Grant of irregular concession under Central Sales Tax (CST) Act	13	1.83
4	Non-levy or short levy of Entry Tax	59	3.07
5	Allowance of Input Tax Rebate without proper verification	184	6.27
6	Allowance of excess Input Credit	50	2.61
7	Observations under Goods and Services Tax Act (Refunds and Transitional claims)	369	11.49
<b>Total</b>		<b>801</b>	<b>42.65</b>

There are seven broad categories of audit observations under VAT Act, Entry Tax Act or CST Act and one audit observation under GST Act on transitional credit besides status of registration which are detailed in succeeding paragraphs.

There may be similar irregularities, errors or omissions in other units under the Department but not covered in the test audit. The Department may, therefore, examine all the units to ensure that taxes are levied as per provisions of the Acts and Rules.

## **Audit Findings**

### **2.6 Incorrect determination of Turnover**

According to Section 2(z) of the Madhya Pradesh VAT Act (MPVAT Act), turnover in relation to any period means the aggregate of sale prices received or receivable by a dealer in respect of any sale or supply of goods made during that period, excluding the amount of sales returned within the prescribed period.

For the purpose of determining taxable turnover (TTO), the MPVAT Act provides for deduction from turnover, the sale price of tax paid goods, tax free goods and the amount of tax, if included in the aggregate of sale prices. As per provisions contained under Section 2(v) (iii), therein, discount at the time of sale, as evident from the invoice, shall be excluded from the sale price but any *ex-post facto* grant of discount or incentives or rebate or rewards and the likes, shall not be excluded. Further, as per Section 2 (x) (iii) therein, taxable turnover is determined after deducting amount of tax included in aggregate of sale price. It also provides that no deduction shall be allowed if the amount of tax is not included in the aggregate of sale price.

Test-check of assessment records in 8,256 cases revealed that in 96 cases (73 regular assessment and 23 deemed assessed) the AAs determined less taxable turnover amounting to ₹ 32.69 crore, due to the reasons given in **Table 2.2**.

**Table 2.2: Details of incorrect determination of turnover**

Sl. No.	Particular	No. of cases
1	AAs determined less turnover due to non/short account of sale value, profit and other receipts	46
2	Figures of audited accounts were not adopted while determining turnover	25
3	Excess/incorrect deductions were allowed	09
4	The AA determined turnover without considering purchase data	10
5	The dealer did not account for out of State purchase	04
6	The AA could not explain the reason for difference between the turnover of VAT returns and assessed turnover	01
7	The dealer determined less Gross Turn Over (GTO) due to manipulation in opening stock	01

In the above cases, the AAs concerned failed to determine the correct taxable turnover at the time of assessment. As a result, VAT aggregating ₹ 2.99 crore (₹ 2.46 crore in assessment of regular and ₹ 0.53 crore in deemed assessed cases) was short levied and minimum penalty of ₹ 7.43 crore under Section 21(2) of the MPVAT Act (₹ 5.87 crore in assessment of regular and ₹ 1.56 crore in deemed assessed cases) was not imposed.

After being pointed out in audit, in 80 cases the AAs stated that action would be taken after verification. In 15 cases, replies were submitted by the AAs and in one case, the AA accepted the observation. The details are given in **Appendix II**.

During the Exit Conference (August 2020), the Commissioner, CTD stated that all the cases pointed out in audit relating to incorrect determination of turnover, application of incorrect rate, short levy of tax/grant of irregular concession under Central Sales Tax, short levy/non-levy of Entry Tax and allowance of Input Tax Rebate, would be re-opened and action on these would be intimated to Audit in due course. However, as regards the issue of imposition of penalty, the Commissioner, CTD disagreed with the amount of penalty quantified in audit and stated that the penalty depends on the nature of omission.

While it is true that penalty will be based on the nature of omission, the Government will be able to comment on the amount of penalty only after re-opening the case and examining the non-compliance/deviation from the Act/Rules/Codes.

Final action is awaited (December 2020).

## **2.7 Application of incorrect rate of tax**

The MPVAT Act, read with the CST Act and notifications issued thereunder, specify the rates of VAT leviable on different commodities.

Test-check of 8,256 cases in one Divisional Office<sup>17</sup>, 11 Regional Offices<sup>18</sup> and eight Circle Offices<sup>19</sup> revealed that in 30 cases (25 assessment of regular and five deemed assessed), the AAs applied incorrect rate of tax on sale of PSCC Pole, Cement, Tyre, Wall Putty, Cosmetic, Chemical, Coolant, Petrol, Diesel, Vehicle, Rock Phosphate, Bone Cement Paver Block, *Murom*, Plant & Machinery DG set, Kota Stone and Sleeper, etc. which were taxable at higher rates.

As such, the AAs did not comply with the provisions of the Acts, Rules and Departmental circulars to classify the commodities correctly and apply the appropriate rate of tax. This resulted in short levy of VAT of ₹ 3.19 crore (₹ 2.70 crore in assessment of regular and ₹ 0.49 crore in deemed assessed cases) and probable minimum penalty of ₹ 3.77 crore under Section 21(2) of the MPVAT Act (₹ 2.28 crore in assessment of regular and ₹ 1.49 crore in deemed assessed cases) thereon.

The case wise details of audit observations, and replies of the AAs concerned, are given in **Appendix III**.

During the Exit Conference (August 2020), the Commissioner, CTD stated that all the cases pointed out in audit relating to incorrect determination of turnover, application of incorrect rate, short levy of tax/grant of irregular concession under Central Sales Tax, short levy/non-levy of Entry Tax and allowance of Input Tax Rebate, would be re-opened and action on these would be intimated to Audit in due course. However, as regards the issue of imposition of penalty, the Commissioner, CTD disagreed with the amount of penalty quantified in audit and stated that the penalty depends on the nature of omission.

While it is true that penalty will be based on the nature of omission, the Government will be able to comment on the amount of penalty only after re-opening the case and examining the non-compliance/deviation from the Act/Rules/Codes.

Final action is awaited (December 2020).

## **2.8 Short levy of tax/grant of irregular concession under Central Sales Tax Act**

The Central Sales Tax (CST) Act stipulates that if a dealer claiming tax on inter-State sales (entitling him to pay tax at two percent of turnover) fails to furnish the required declaration in Form 'C' signed by the purchasing dealer, he shall be liable to pay tax at the rate applicable to the sale or purchase of such goods inside the appropriate State, and in addition, pay penalty of the tax so assessed. While completing the assessment, the assessing authority is required to ensure that the concessional rate of tax is allowed only on the basis of genuine and valid statutory form issued by the respective authority of the issuing State during the course of inter-State trade. Otherwise, rate of tax applicable to the sale of such goods as prescribed in MPVAT Act shall be leviable.

<sup>17</sup> DCCT Indore II.

<sup>18</sup> ACCT Bhopal VI, Guna, Gwalior Division II, Indore III, Indore IX, Jabalpur I, Jabalpur II, Katni I, Morena, Pithampur and Sagar.

<sup>19</sup> CTO Ashok Nagar, Damoh, Indore I, Neemuch, Rewa, Sagar, Satna II and Sehere.

Further, under Section 6-A of the CST Act, consignment sale (branch transfer) shall be exempt from payment of tax on production of statutory Form 'F'. In the absence of the statutory forms and supporting documents, the tax on these goods is leviable at the rates prescribed in the Act.

Similarly, in respect of transit sale, Section 6(2), provides that where a sale of any goods in the course of inter-State trade or commerce has either occasioned the movement of such goods from one State to another or has been effected by a transfer of documents of title to such goods during their movement from one State to another, any subsequent sale during such movement effected by a transfer of documents of title to such goods to a registered dealer, shall be exempt from Tax under CST Act.

Moreover, selling dealers are required to furnish Form 'E-I', 'E-II' and Form 'C' in support of such sale for claiming exemption from payment of tax.

Test-check of 3,056 cases revealed that in 13 cases (12 assessment of regular and one deemed assessed) the AAs allowed incorrect deduction under CST Act, as per details given in **Table 2.3**:

**Table 2.3: Details of short levy of tax/grant of irregular concession**

Sl. No.	Audit observation	No. of cases
1	The AA allowed incorrect deduction on branch transfer without supported or incomplete declaration Form 'F'	03
2	The AA allowed incorrect deduction without supported declaration Form 'E-1'	01
3	The AA allowed incorrect deduction on Form 'E-1' and Form 'C' while concerned dealer sold goods against Form 'C'	02
4	The AA allowed irregular deduction of tax during assessment while tax was not included in GTO.	01
5	The AA did not impose penalty due to misuse of Form 'C' under section 10(d)	01
6	The AA allowed irregular deduction against the case of 2015-16 while transaction is related for the period 2016-17.	01
7	The AA applied incorrect rate of tax	03
8	The AA allowed deduction without supporting documents in respect of direct export	01

This resulted in short levy of VAT of ₹ 0.95 crore (₹ 0.20 crore in assessment of regular and ₹ 0.75 crore in deemed assessed cases) and non-levy of possible minimum penalty of ₹ 0.88 crore under Section 21(2) of the MPVAT Act in assessment of regular cases as detailed in **Appendix IV**.

During the Exit Conference (August 2020), the Commissioner, CTD stated that all the cases pointed out in audit relating to incorrect determination of turnover, application of incorrect rate, short levy of tax/grant of irregular concession under Central Sales Tax, short levy/non-levy of Entry Tax and allowance of Input Tax Rebate, would be re-opened and action on these would be intimated to Audit in due course. However, as regards the issue of imposition of penalty,

the Commissioner, CTD disagreed with the amount of penalty quantified in audit and stated that the penalty depends on the nature of omission.

While it is true that penalty will be based on the nature of omission, the Government will be able to comment on the amount of penalty only after re-opening the case and examining the non-compliance/deviation from the Act/Rules/Codes.

Final action is awaited (December 2020).

## 2.9 Entry Tax was not levied/short levied

Madhya Pradesh Entry Tax Act 1976, and Rules and notifications issued there-under, stipulate that Entry Tax is leviable at the specified rates on the goods entering into local area for consumption, use or sale therein.

Test-check of 7,238 assessment cases, and related records such as audited accounts, purchase list, etc. revealed that in 59 cases (55 assessment of regular and four deemed assessed), Entry Tax on goods like iron & steel, electrical item, packing material, transformer, pipe, chemical, plastic granules, cement sheet, light diesel oil, explosive, tiles, sanitary, *tendu patta*, *bidi*, sand, *gitti*, coal, bitumen, resin, winding wire and steel tube, etc. was either not levied or was levied at incorrect rates on their entry into local area, as per details given in **Table 2.4**.

**Table 2.4: Details of short levy/non-levy of Entry Tax**

Sl. No.	Audit observation	No. of cases
1	The AA applied lower rate of tax	23
2	The AA allowed excess and irregular deduction	18
3	The AA determined less gross turnover	23
4	The AA did not levy ET and penalty under Section 7	04
	<b>Total</b>	<b>68<sup>20</sup></b>

Therefore, the AAs concerned did not apply the correct rate of tax in all these cases. As a result, Entry Tax amounting to ₹ 1.01 crore (₹ 0.98 crore in assessment of regular and ₹ 0.03 crore in deemed assessed cases) was short levied and possible minimum penalty of ₹ 2.06 crore under Section 21(2) of the MPVAT Act (₹ 1.97 crore in assessment of regular and ₹ 0.09 crore in deemed assessed cases) also could not be imposed.

On these being pointed out, in 52 cases the AAs stated that action would be taken after verification and in remaining seven cases the replies were submitted to audit. The details of audit observation and replies of the AAs concerned are given in **Appendix V**.

During the Exit Conference (August 2020), the Commissioner, CTD stated that all the cases pointed out in audit relating to incorrect determination of turnover, application of incorrect rate, short levy of tax/grant of irregular concession under Central Sales Tax, short levy/non-levy of Entry Tax and allowance of

<sup>20</sup> Though 59 cases have been checked, nine cases contain multiple types of observations. Hence, the total here is different from 59.

Input Tax Rebate, would be re-opened and action on these would be intimated to Audit in due course. However, as regards the issue of imposition of penalty, the Commissioner, CTD disagreed with the amount of penalty quantified in audit and stated that the penalty depends on the nature of omission.

While it is true that penalty will be based on the nature of omission, the Government will be able to comment on the amount of penalty only after re-opening the case and examining the non-compliance/deviation from the Act/Rules/Codes.

Final action is awaited in Audit (December 2020).

### **2.10 Allowance of inadmissible Input Tax Rebate (ITR)**

As per Section 14 of MPVAT Act, where a registered dealer purchases any goods specified in Schedule II within the state of Madhya Pradesh from another such dealer after payment of input tax, other than those specified in Part III and Part IIIA of the said Schedule, he shall claim or be allowed in such manner and within such period as may be prescribed, input tax rebate (ITR) of the amount of such input tax.

Under Rule 9 of the MPVAT Act, no input tax rebate shall be claimed or be allowed if the bill, invoice or cash memorandum does not indicate separately the amount of tax collected by the selling registered dealer.

Further, Section 18 of the MPVAT Act, read with Rule 21(9), provided that notwithstanding anything to the contrary contained in these rules, no return shall be complete unless details of purchases and sales, as required in the prescribed Form, are furnished in return - Form 10, Form 10.1 or Form 10.2, as the case might be.

Section 14(6-A) of MPVAT Act stipulates that notwithstanding anything to the contrary contained in this Section, in no case the amount of input tax rebate on any purchase of goods shall exceed the amount of tax in respect of such purchase of goods actually paid under the Act, into the Government Treasury.

The Commissioner Commercial Tax had also issued instruction to all the Circle Officer vide circular no. 147/2014-15/30/fifteen/667 dated 21 August 2014 that amount of mismatch should be reconciled before allowing input tax rebate to purchasing dealer.

#### **2.10 (a) Allowance of Input Tax Rebate without proper verification**

Test check of 1,087 assessment cases and the related records, such as purchase list, report 75-76<sup>21</sup> of VATIS software, etc. revealed that in 184 (101 regular assessments and 83 deemed assessed) cases, the AAs allowed excess ITR of ₹ 6.27 crore (₹ 3.55 crore in regular assessment and ₹ 2.72 crore in deemed assessed cases) without taking into consideration the fact that the selling dealers concerned had short deposited output tax into the Government account.

The details of audit observations and replies of the AAs concerned are given in **Appendix VI**.

---

<sup>21</sup> Departmental application report which contains collected and analysed purchase and sale data from electronic returns submitted by the dealer along with sale and purchase list as provided under section 18 of the MPVAT Act.

The Department replied (August 2020) that ITR was allowed by the AAs after verification of purchase bills, separately charged VAT in purchase bills and complete verification of MIS mismatch reports No. 75 and 76. On various occasions, due to incorrect entry of TIN or name of the firm by dealers or non-production of selling details by selling dealers, situation of mismatch arose. In these cases the AA concerned had allowed ITR after micro examination of all purchasing documents. Many court decisions had been given in favor of purchasing dealer. Hence, the objection of disallowing of ITR only on the basis of MIS mismatch report No. 75 and 76 is not reasonable.

Reply of the Department is not acceptable because the AAs concerned had not followed the provision under section 14 (6-A) read with Rule 9-A and the instructions issued by the Commissioner Commercial Tax vide circular no. 147/2014-15/30/fifteen/667 dated 21 August 2014, and allowed ITR to dealer concerned without verifying the figures of mismatch with the concerned seller's AA.

### **2.10 (b) Allowance of excess input credit against provision**

Test-check of 8,256 cases revealed that in 50 assessed cases (43 regular and seven deemed assessed), the AAs allowed higher ITR, as per details given in **Table 2.5**.

**Table 2.5: Details of allowance of excess input credit**

Sl. No.	Audit observation	No. of cases
1	The AA allowed excess ITR without consideration of purchase list and audited accounts	16
2	The AA allowed ITR against the provision	16
3	The AA allowed excess ITR due to non/short reversal of the ITR and incorrect calculation of reversal amount	12
4	The AA allowed ITR on out of State purchase	01
5	The AA allowed ITR on irregular invoices	03
6	The AA allowed ITR on such purchases, which was from unregistered dealer	02

Therefore, in above cases, the AAs failed to determine correct ITR. As a result, inadmissible ITR of ₹ 1.11 crore (₹ 1.03 crore in assessment of regular and ₹ 0.08 crore in deemed assessed cases) was allowed and possible minimum penalty of ₹ 1.50 crore under Section 21(2) of the MPVAT Act (₹ 1.39 crore in assessment of regular and ₹ 0.11 crore in deemed assessed cases) was not imposed.

The details of audit observations, and replies of the AAs concerned and audit comments thereon, are given in **Appendix VII**.

During the Exit Conference (August 2020), the Commissioner, CTD stated that all the cases pointed out in audit relating to incorrect determination of turnover, application of incorrect rate, short levy of tax/grant of irregular concession under Central Sales Tax, short levy/non-levy of Entry Tax and allowance of Input Tax Rebate, would be re-opened and action on these would be intimated



to Audit in due course. However, as regards the issue of imposition of penalty, the Commissioner, CTD disagreed with the amount of penalty quantified in audit and stated that the penalty depends on the nature of omission.

While it is true that penalty will be based on the nature of omission, the Government will be able to comment on the amount of penalty only after re-opening the case and examining the non-compliance/deviation from the Act/Rules/Codes.

Final action is awaited in Audit (December 2020).

## 2.11 Preparedness for Transition to Goods and Services Tax

### Registration of new taxpayers

As per Rule 9 of Madhya Pradesh GST Rules, 2017, registration of new dealers under GST was to be completed within three working days of receipt of application. The status of new registrations of dealers under GST as on 31 March 2020 is given in **Table 2.6**.

**Table 2.6: Registration of new taxpayers**

No. of applications received up to 31 March 2020	No. of applications rejected	No. of applications approved	No. of applications pending registration
3,24,916	60,487	2,59,979	4,450

Source: Information furnished by the State Tax Department

The above table indicates that 18.62 *per cent* of applications were rejected. However, reasons for rejection of application have not been provided by the Department. Regarding pendency of applications, the Department replied (September 2020) that issue of registration, cancellation and revocation of registration is a continuous process. Reply of the Department is not acceptable as there was delay in registration of new dealers.

Further, it was intimated (October 2020) that after implementation of GST, the allocation of the new taxpayers between State and Center, was done automatically by the GSTN, in compliance with various circulars issued by CBIC.

## 2.12 Claim and admittance of Input Tax Credit

As per Section 140 of the MPGST Act, a registered person is entitled to carry forward the credit of Value Added Tax available to him as on 30 June 2017. Such tax credit can be claimed by the registered person by filing a declaration in Form TRAN-1 prescribed under Rule 117 of the MPGST Rules. The last date of filing this declaration was 27 December 2017, which was extended till March 2020. Thereafter, taxation authorities were required to verify the correctness of the amount of ITC as claimed in TRAN-1 filed by the taxpayer. As per information provided by the Department, 30,773 taxpayers had filed TRAN-1 and claimed transitional credit of ₹ 3,893.55 crore.

Audit test checked (between July 2019 and March 2020) 1,366 out of 3,969 cases in 15 offices<sup>22</sup>, where transitional credit was claimed and was carried

<sup>22</sup> **Regional Offices (Circle) (4)** Bhopal VI, Indore X, Morena and Rewa,



forward as SGST. Cross-verification of transitional credit (SGST) claimed, with the ITC carried forward as shown in VAT returns (Form-10) submitted for the period from April to June 2017, revealed that 369 taxpayers had irregularly carried forward transitional credit of ₹ 11.49 crore in TRAN-1 in excess of the ITC shown in the VAT returns (**Appendix VIII**).

During Exit Conference (August 2020), the Commissioner, CTD stated that, after the implementation of GST, the benefit of self-assessment and deemed tax assessment scheme issued by the Government were not given to those dealers who had submitted the TRAN-1, so that the ITC claimed by such dealers can be matched and verified at the time of assessment of VAT for the year 2017-18. Currently, the work of tax assessment for the first quarter of the year 2017-18 is in process. At the time of tax assessment, carry forward amount of TRAN-1 would be verified.

The Commissioner, CTD also stated that objection was taken by the Audit in 372 cases in which verification was being done by the Circles concerned and according to the information received from the Circles, verification work had been completed by the Department in 88 cases, in which no discrepancies were found; in other cases, information was being obtained from Circle Offices. However, the details of 88 cases were not provided by the Department.

Contrary to Commissioner's assertion, replies of the AAs were as under-

- i. CTO Circle Betul intimated (August 2020) recovery of ₹ 25.69 lakh in nine cases and stated that scrutiny of 12 cases where objected amount of ₹ 15.70 lakhs was involved, a credit of ₹ 7.13 lakh was found correctly allowed and action was under process for remaining amount.
- ii. ACCT Morena informed (August 2020) that out of 80 objected cases amounting to ₹ 1.68 crore, eight cases were scrutinized and Demand Notices of ₹ 5.98 lakh in two cases were issued. Assessment of 12 cases was under process. However, no documentary evidence was provided in support of the reply.
- iii. CTO Circle Sagar, Guna and Gwalior-IV intimated (August and September 2020) that tax assessment of objected cases is under progress/pending and examination of carry forward of ITR/credit would be done at the time of regular assessment.
- iv. ACCT Circle VI Bhopal and CTO Circle VIII Indore informed (August and September 2020) that no separate instructions were received for verifications of ITC amount claimed by the tax payers.
- v. ACCT Circle Rewa intimated (September 2020) that the cases were scrutinised and Demand Notices of ₹ 42.17 lakh in four cases were issued.

Further, the contention of Commissioner CTD, that verification work had been completed by the Department in 88 cases, in which no discrepancies were found, was also not correct in view of replies received from the AAs, and issue of Demand Notices for incorrect claim and acceptance of ITC as indicated *ibid*.

---

**Circle Office (11)** Ashok Nagar, Betul, Damoh, Guna, Gwalior IV, Indore I, Indore VIII, Neemuch, Sagar, Satna II and Sehore.

Further information is awaited for verification in Audit (December 2020).

### **2.13 Login IDs and Password not provided**

With automation of collection of Goods and Services Tax (GST) having taken place, it is essential for Audit to transition from sample checks to a comprehensive check of all transactions, to fulfill the CAG's Constitutional mandate of verification of records. The required access to data is yet to be provided. Not having access to data pertaining to all GST transactions has come in the way of comprehensively auditing the GST receipts. Hence, only issues relating to preparedness for transition to GST have been examined in audit.

**CHAPTER - III**  
**STAMP DUTY AND**  
**REGISTRATION FEES**



## Highlights

### Why CAG did this Audit

Receipts from Stamp Duty and Registration Fees in Madhya Pradesh are regulated under the Indian Stamp (IS) Act 1899, the Registration Act 1908, the MP Preparation and Revision of Market Value Guidelines Rules 2000 and notifications/orders issued by the State Government.

Stamp Duty other than duties or fees collected by means of non-judicial stamp is a subject included in the Concurrent List of the Seventh Schedule of the Constitution of India.

The Audit was conducted with a view to assess whether the stamp duty and registration fees were levied, collected and accounted for in accordance with the relevant Acts, Codes and Manuals, and the interests of the Government are safeguarded.

### What CAG found

***During a test check of records of IGR Office and 33 out of 234 Sub-Registrar Offices, Audit noticed the following:***

- *Short realisation of Stamp Duty and Registration Fees due to under-valuation of market value of land and building, and application of incorrect rate of Stamp Duty,*
- *Short realisation of Registration Fees on agreements relating to development of land,*
- *Inadequate controls in the SAMPADA software for determination of proper duties, resulting in short realisation of Municipality duty, and*
- *Non-consideration of whole amount of royalty payable or deliverable under mining lease resulting in short realisation of Stamp Duty and Registration Fees.*

***These shortcomings, in aggregate, involved an overall revenue impact of ₹9.94 crore.***

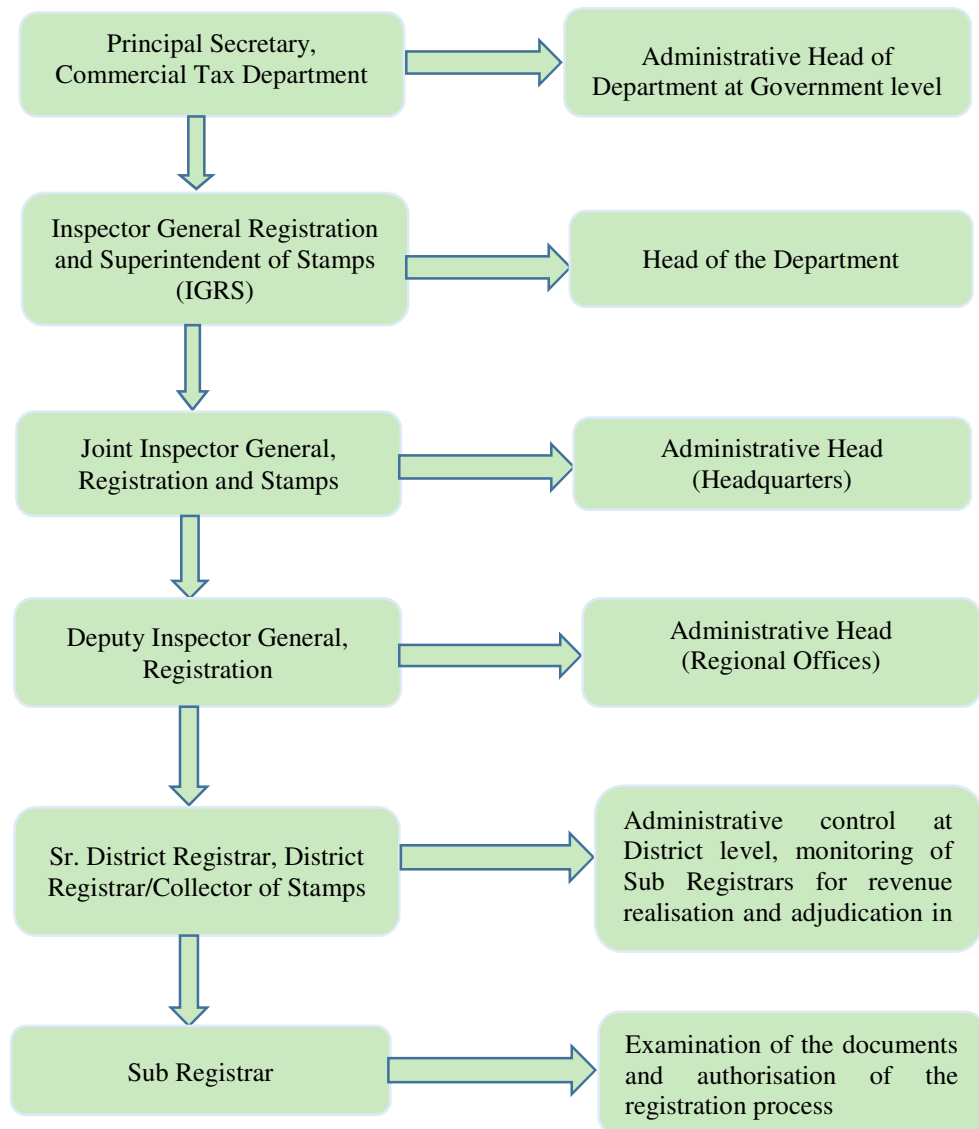
### 3.1 Introduction

The Department of Registration and Stamps is among the major revenue earning departments of the Government of Madhya Pradesh. It is tasked with registration of documents and is responsible for determining and collecting stamp duty and registration fees on registration of various documents/instruments by the general public. The Department also enforces administration of the Indian Stamp (IS) Act, 1899 and The Registration Act, 1908, as amended from time to time and rules framed thereunder.

### 3.2 Tax Administration

The Revenue Department is headed by the Principal Secretary at the Government level. The Inspector General Registration and Superintendent of Stamps (IGR) is the Head of the Department of Registration and Stamps and is assisted by a Joint IGR and Deputy IGRs. The Organogram of the Department, along with functions at different levels, is given in **Chart 3.1** below:

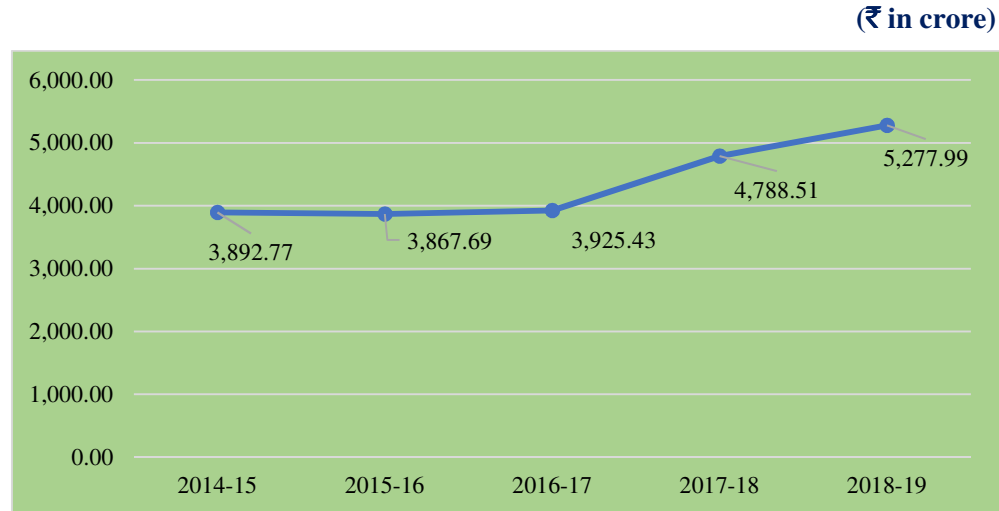
**Chart 3.1: Organisational set up**



### 3.3 Trend of Receipts

Actual receipts from Stamp Duty (SD) and Registration Fees (RF) during the period from 2015-16 to 2018-19, are given below in **Chart 3.2**.

**Chart 3.2: Stamp Duty and Registration Fee receipts**



Source: Finance Accounts of Government of Madhya Pradesh

As can be seen from the above Chart, revenue collection through stamp duty (SD) and registration fees (RF) has consistently increased year-on-year during the period 2015-16 to 2018-19, the increase being 36.46 *per cent* during the four-year period. However, the revenue collection of 2015-16 was nominally decreased (0.64 *per cent*) with compared to previous year. Despite the annual increase during 2014-19, except during 2017-18, the actual receipts during this period have not matched the budgetary expectations in any of the years. During 2017-18, the receipts from stamp duty and registration fees increased by ₹ 488.51 crore (₹ 4,788.51 crore) over the budgetary expectations (₹ 4,300 crore).

The Department attributed the 22 *per cent* increase in receipts during 2017-18 compared to the previous year to the recovery of revenue after identification of tax evasion cases and continuous monitoring of e-registration software, which had reduced the registration time and increase of municipality duty from two to three *per cent* in January 2018.

### 3.4 Audit Approach

Audit of the Department of Registration and Stamps was conducted during August – December 2019 through a test check of the relevant records and transactional data in 33<sup>23</sup> out of 234 (14.10 *per cent*) Sub-Registrar Offices (SROs) in the State, to gain assurance that the SD and RF were levied, collected and accounted for in accordance with the relevant Acts, Codes and Manuals, and the interests of the Government are safeguarded. These 33 units accounted for ₹ 5,349.96 crore (approximately 38.23 *per cent*) of the total revenue

<sup>23</sup> Badnawar (Dhar), Batiyagarh (Damoh), Betul, Bhind, Bhopal, Dewas, Dhar, Dharampuri (Dhar), Ganjbasoda (Vidisha), Gwalior I, Harda, Indore I, Indore II, Indore IV, Jabalpur II, Keolari (Seoni), Khandwa, Morena, Nagda, Niwari (Tikamgarh), Obedullaganj (Raisen), Raghurajnagar (Satna), Rajnagar (Chhatarpur), Ratlam, Sagar, Saunsar (Chhindwara), Shajapur, Shivpuri, Sidhi, Silwani (Raisen), Sohagpur (Shahdol), Sonkachh (Dewas) and Vijayaraghavgarh (Katni).

collection of ₹ 13,991.94 crore of the Department during the audit period. These units were selected based on risk perception, which included inherent risk, revenue collection, reported cases of loss/fraud/embezzlement cases and internal assessment etc. Besides, agreements for mining leases executed by 27 District Mining Officers<sup>24</sup> (DMOs) out of the total 52 DMOs under the Mineral Resources Department, were also test checked to gain assurance that mining agreements were duly registered and stamped by the SRs.

Audit covered the transactions of the Department during the three-year period 2016-2019. Audit findings were benchmarked against the criteria sourced from the Indian Stamp Act, 1899; the Registration Act, 1908; Market Value Guidelines issued by IGR; Madhya Pradesh Municipalities Act, 1961 and various circulars and orders issued by the State Government/IGRS from time to time.

### 3.5 Results of Audit

Registration and stamping of documents is being carried out online through a computerised system “SAMPADA” with effect from August 2015 onwards. SAMPADA provides facilities such as valuation of property situated anywhere in the State, calculation of SD and RF chargeable on various types of documents, and slot booking in the offices of Sub-Registrars (SRs).

Audit of registered documents was carried out through the SAMPADA software. However, basic records relating to manual collection of revenue, such as cash book, fees book, challan book, etc. were examined at the unit level. There were a total of 5,77,343 documents registered in the selected units, out of which, 24,307 were test-checked based on professional judgement.

At the conclusion of audit, the findings were forwarded to the Government (February 2020). While the Department provided reply in August 2020, exit meeting at Government level could not be held.

Audit brought out instances of short levy of SD and/ or RF, in 220 cases involving an amount of ₹ 9.94 crore, as detailed in **Table 3.1**.

**Table 3.1: Categories of Audit observations on Stamp Duty and Registration Fee receipts**

(₹ in crore)			
Sl. No.	Category of Audit observations	No. of deviations	Amount
1	Undervaluation of properties	113	3.93
2	Application of incorrect rate of stamp duty	3	0.12
3	Short levy of registration fee	35	0.51
4	Non- application of revised rate	44	0.17
5	Non-levy of duty/fee on entire amount of royalty payable or deliverable under lease agreement	25	5.21
	<b>Total</b>	<b>220</b>	<b>9.94</b>

<sup>24</sup> Alirajpur, Annuppur, Bhopal, Burhanpur, Chhatarpur, Chhindwara, Damoh, Dewas, Dindori, Gwalior, Harda, Hoshangabad, Indore, Katni, Khargone, Morena, Narsinghpur, Rajgarh, Ratlam, Rewa, Sagar, Satna, Shajapur, Shahdol, Shivpuri, Sidhi and Ujjain.



The five broad categories of audit observations under SD and RF which are listed above, are discussed in the succeeding paragraphs. There may be similar irregularities, errors/omissions in other units under the Department but not covered in the test audit. Department may, therefore, examine all the units to ensure that the taxes are levied as per provisions of the Act and Rules.

The Department in its reply has accepted short levy of duties/fees in 13 cases and effected recovery of ₹ 57.59 lakh.

### **Audit Findings**

#### **3.6 Short levy of Stamp Duty and Registration Fees due to under valuation of properties**

Under Section 47-A of Indian Stamp (IS) Act, 1899, if the registering officer, while registering any instrument, finds that the market value of any property set forth was less than the market value shown in the Market Value Guidelines (MVGs), before registering such instruments, he should refer the same to the Collector of Stamps for determining the correct market value of such property and duty leviable thereon.

Test-check of 21,958 registered instruments under 33 SROs revealed that in 113 registered instruments under 29 SROs, the market value as per MVG worked out to ₹ 142.21 crore. However, the SRs registered those instruments at market value of ₹ 98.13 crore only. This resulted in short levy of SD of ₹ 3.59 crore and RF of ₹ 0.34 crore aggregating ₹ 3.93 crore as detailed in **Appendix IX**.

The SRs did not consider the various factors mentioned in the instruments affecting valuation of property in all these cases and did not refer these instruments to the Collector of Stamps for determination of correct value of properties and duty leviable thereon.

The Department informed (August 2020) that recovery of ₹ 0.28 lakh in one case was effected and in the remaining cases, action for disposal was under progress.

#### **3.7 Application of incorrect rate of Stamp Duty**

As per Article 36 of Schedule 1A of IS Act, 1899, when property is gifted to family member, SD is leviable on the market value of the property at the rate of 2.5 *per cent* and in all other cases, at the rate of five *per cent*. For this purpose, family means “mother, father, wife, husband, son, daughter, brother, sister, grandfather and grandson”.

- Test check revealed that in four cases of gift deeds, under three SROs, the property was gifted to other than family member, but SD was incorrectly levied at 2.5 *per cent* instead of at five *per cent*. This resulted in short levy of SD of ₹ 0.03 crore.
- In another case due to misclassification of conveyance deed as power of attorney, SD was short levied by ₹ 0.09 crore.

The Department informed that (August 2020) that action for disposal was under progress in these cases.

### 3.8 Short realisation of Registration Fees on agreements relating to development of land

Article 6 (d) (i) of Schedule I-A to the IS (Madhya Pradesh) Amendment Act, 2014 issued on 07 January 2015 provided that, if an agreement relating to the development of land has the stipulation that after development, such developed property or part thereof shall be held/sold by the developer, either severally or jointly with the owner, duty shall be levied treating this transaction as the conveyance<sup>25</sup> at the rates given therein.

Further, as per Article-1 of the Registration Act, 1908, the RF shall be calculated at the rate of 0.8 *per cent*<sup>26</sup> of the amount on which the SD is chargeable.

Test-check of 2,349 developers' agreements revealed that in 35 agreements under six SROs<sup>27</sup>, the developer's share was equal to or less than 50 *per cent* of the entire land. The Department charged SD in these cases at the rate of 2.5 *per cent* of the market value of the land proposed to be developed. However, the RF was not charged at the rate of 0.8 *per cent* of the amount on which the SD was charged, i.e. on the market value of entire land proposed to be developed.

Audit observed that the market value of the entire land proposed to be developed under these agreements was ₹ 126.86 crore against which RF was leviable at the rate of 0.8 *per cent*. However, the SRs levied RF on fifty *per cent* of the value of the entire land only. This resulted in short levy of RF of ₹ 50.74 lakh (**Appendix X**).

Similar observation of "Incorrect levy of Registration Fees" by the SRs in the cases where the developer's share was equal to or less than 50 *per cent* of the entire land, was also pointed out in the C&AG's Audit Report No. 5 for the year ended 31 March 2016. Department had previously accepted (during exit conference in September 2016) the irregularities in the objected cases and assured to take appropriate action. However, the irregularities have been found to persist. Clearly, the Department has not acted on its assurances and appropriate mechanism was not put in place to ensure second level verification by SRs, as pointed out in the Audit Report for the year ended 31 March 2016.

The Department informed (August 2020) that recovery of ₹ 1.59 lakh in three cases was effected and in the remaining 32 cases, action for disposal was under progress. Final action is awaited in audit (December 2020).

### 3.9 Inadequate controls in software

The *Nagar Nigam/Nagar Palika shulk* (Municipality duty) was increased from two *per cent* to three *per cent* vide Gazette notification dated 19 January 2018 issued by the Govt. of Madhya Pradesh Registration Department and was effected from mid night of 18 and 19 January 2018 in SAMPADA software.

---

<sup>25</sup> The Stamp Duty shall be levied at the rate of five *per cent* on the market value of only that portion of the entire land, which is proposed to be developed, which is proportionate to the developed property to be held/sold by the developer jointly or severally, or at the rate of 2.5 *per cent* on the market value of the entire land proposed to be developed, whichever is higher.

<sup>26</sup> The Notification of the State Government came into force from 15 August 2014.

<sup>27</sup> Badnawar, Bhopal II, Indore I, Jabalpur II, Khandwa and Sonkachh.

Test check of 4,595 deeds pertaining to conveyance in 11 SROs<sup>28</sup> revealed that in 44 cases, deeds of immovable property situated within the limits of Municipality were executed on or after 19 January 2018. However, the municipality duty was calculated by the software at the old rate of two *per cent* on the value of the property instead of at three *per cent*. This resulted in short realisation of Municipality Duty amounting to ₹ 16.85 lakh (**Appendix XI**).

This observation was noticed in test-checked instruments only. The Department may therefore, like to internally examine all other instruments and evolve a suitable mechanism to ensure development of proper business logic and adequate application controls in SAMPADA software.

The Department in its reply stated (August 2020) that recovery of ₹ 6.62 lakh in six cases was effected, one case was found duly stamped and in the remaining 37 cases, action for disposal was under progress.

### **3.10 Non-levy of duty/fee on whole amount of royalty payable or deliverable under lease agreement**

Article 38(b) of Schedule I-A to the IS Act, 1899 (amended on 14 January 2016) provides for levy of SD on mining lease at the rate of 0.75 *per cent* of the whole amount payable or deliverable under such lease. Further, as per Article II of Registration Act, 1908, the RF shall be calculated at the rate of three-fourth of the value of the Stamp Duty on the lease.

Test-check of 502 (25.44 *per cent*) out of the total 1973 registered lease deeds in 10 District Mining Offices (DMOs)<sup>29</sup>, revealed that in 25 lease deeds registered between April 2016 and March 2019, 10 SRs did not levy SD and RF correctly.

Out of the 25 lease deeds, in 24 cases, the nine SRs<sup>30</sup> did not consider the whole amount of royalty payable or deliverable under the lease, as mentioned in the approved Mining Plan, for determination of SD and RF. In another case, SR, Khargone levied SD on market value of mining land instead of royalty payable during the entire lease period.

Audit observed that SD and RF of ₹ 10.40 crore was leviable in these 25 cases but the SRs levied ₹ 5.19 crore only. This resulted in short realisation of SD and RF of ₹ 5.21 crore (**Appendix XII**).

The Department stated (August 2020) that recovery of ₹ 49.10 lakh in three cases was effected, RRCs in three cases were issued and in the remaining cases, DRs concerned were instructed for early recovery and that, efforts were being made for quick disposal of cases.

### **3.11 Conclusion**

Audit of the Department of Registration and Stamps through a test check of selected SROs and DMOs brought out significant shortcomings relating to valuation of property, controls in the SAMPADA software, monitoring and

<sup>28</sup> Bhopal II, Dhar, Ganjbasoda, Gwalior I, Indore I, Indore II, Indore IV, Jabalpur II, Obedullaganj, Ratlam and Sagar I.

<sup>29</sup> Anuppur, Bhopal, Chhatarpur, Damoh, Indore, Khargone, Rewa, Sagar, Sidhi and Ujjain.

<sup>30</sup> Anuppur, Bhopal, Chhatarpur, Damoh, Indore, Rewa, Sagar, Sidhi and Ujjain.

calculation of correct royalty as per approved Mining Plan, as summarised below:

- Valuation of property was not done in accordance with the facts/information mentioned in the instruments, resulting in short levy of SD and RF due to undervaluation of property;
- The Department did not ensure provision of adequate controls in the SAMPADA software for correct application and calculation of rate of duty/fee and manual interventions were required at different levels, which resulted in short levy of duty/fee;
- The registration authorities did not consider the whole amount of royalty payable or deliverable under the lease, as mentioned in the approved Mining Plan, for determination of SD and RF, resulting in short levy of the same.

# **CHAPTER - IV**

## **LAND REVENUE**



## ***Highlights***

### **Why CAG did this Audit**

In terms of the MP Land Revenue Code, 1959 (MPLRC), land revenue includes all moneys payable to the State Government for holding land, and includes premium, rent or lease money, quit rent or any other cognate variation of these expressions.

When agricultural land is diverted for residential/ commercial purposes, land revenue and premium for diverted use of land are assessed by the Sub-Divisional Officers (SDO). Ground rent, premium and interest are levied on the *Nazul* Government land allotted on permanent and temporary lease in the State. Fines, penalties, processing fee and interest are also levied under MPLRC 1959, Revenue Book Circular (RBC) and executive instructions issued from time to time.

Moreover, *Panchayat Upkar* (Cess) is also levied on land revenue in respect of land situated in *Panchayat* area.

This Audit was conducted to assess whether cases relating to diversion of land were being assessed, and premium rent and *Panchayat Upkar* were being collected in accordance with the MPLRC, 1959.

### **What CAG Found**

***During a test check of records of the Office of Principal Revenue Commissioner (PRC) and 28 out of 47 Collectorates, Audit found system deficiencies and non-compliance with various provisions of the Act/Rules, as discussed below:***

- *Non-compliance with the provisions of the Upbandh and Government Notifications, resulted in Under-assessment of Diversion Rent, Premium and Panchayat Upkar,*
- *Issuance of diversion orders without recovering the land revenue, Premium, Panchayat Upkar and penalty resulted in non-realisation of land revenue*

***These shortcomings, in aggregate, have an overall revenue impact of ₹4.85 crore.***

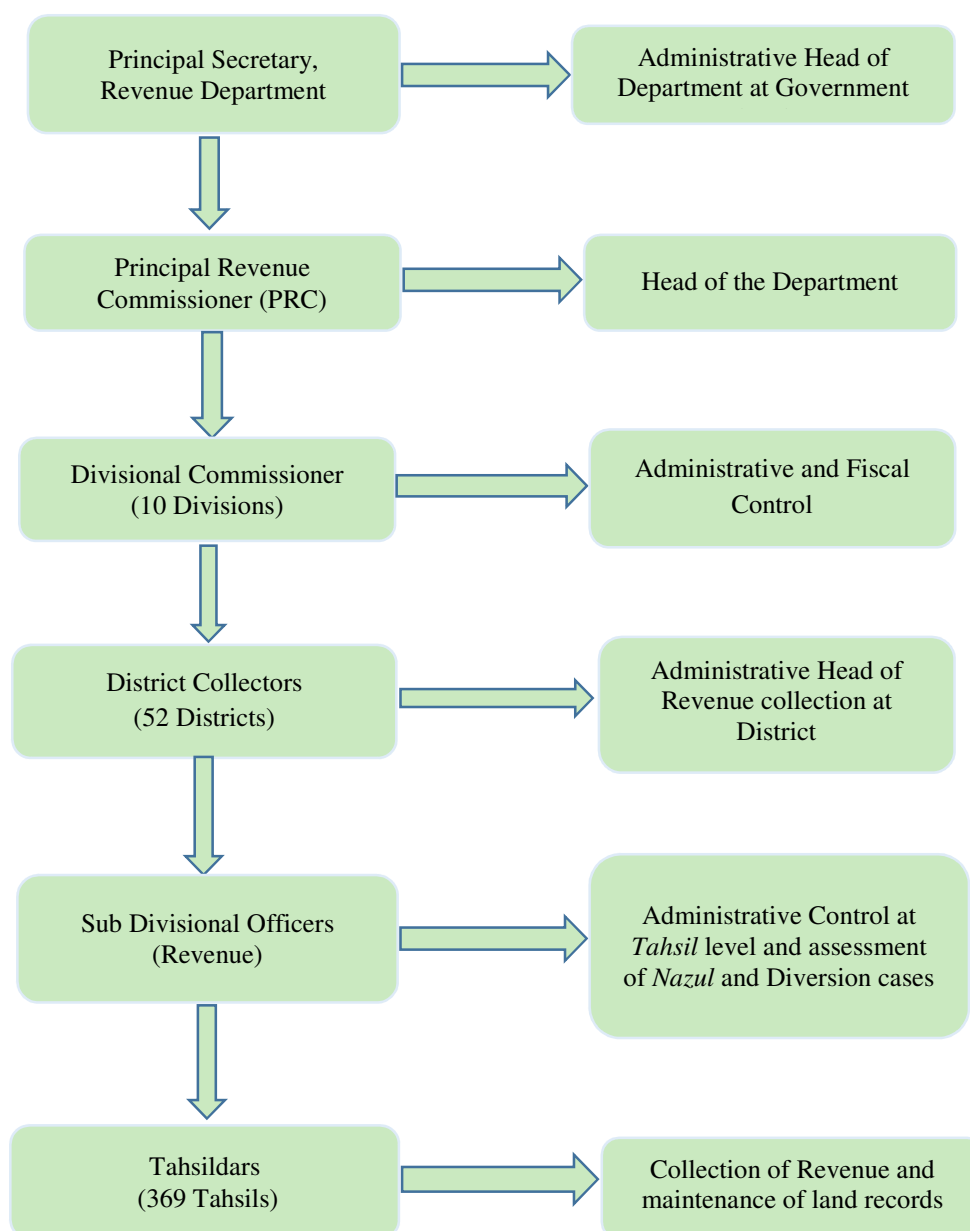
## **4.1 Introduction**

Revenue Department functions as the custodian of Government lands and ensures proper maintenance of land records of the State. It also implements various provisions of Madhya Pradesh Land Revenue Code (MPLRC), 1959 relating to assessment and realisation of land revenue with reference to the use of land.

Revenue Department is headed by the Principal Secretary at the Government level. The Principal Revenue Commissioner (PRC) is the Head of the Department and is assisted by the Commissioner, Settlement and Land Records (CSLR). Commissioners of Divisions exercise administrative and fiscal control over the Districts included in the Division. In each District, the Collector administers the activities of the Department and is assisted by one or more SDOs in the rank of Assistant Collectors/Deputy Collectors/Joint Collectors as the case may be. Superintendent/Assistant Superintendent, Land Records (SLR/ASLR) are posted in the Collectorates for maintenance of revenue records and settlement. *Tahsildars*/Additional *Tahsildars* are deployed in the *Tahsils* as representatives of the Revenue Department. There are 10 Revenue Divisions (each headed by a Commissioner), 52 Districts (each headed by a Collector) and 369 *Tahsils* in the State. The organogram of the Department is given below in **Chart 4.1**.



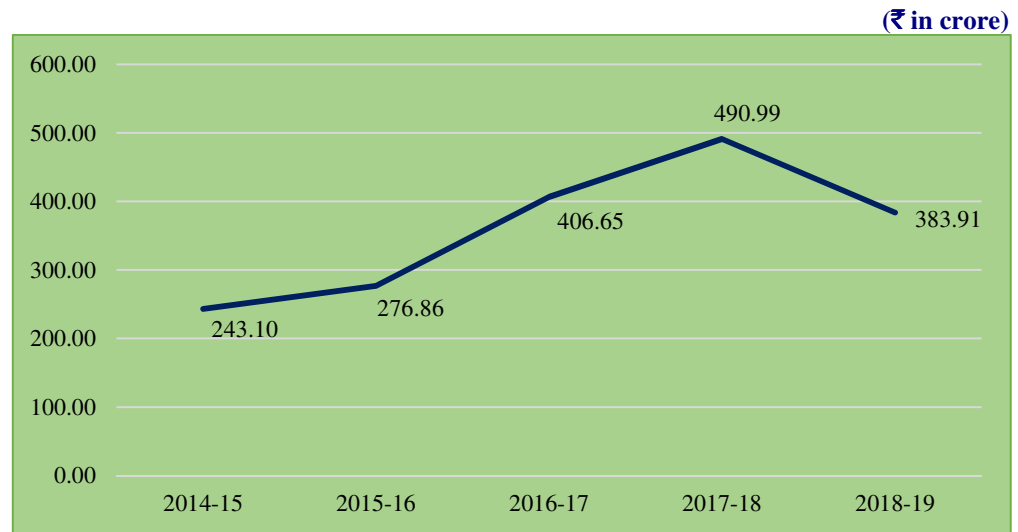
Chart 4.1: Organogram



## 4.2 Trend of receipts

The trend of receipts of land revenue during the five-year period 2014-2019 is given below in **Chart 4.2**.

**Chart 4.2: Land revenue receipts**



Source: Finance Accounts of Government of Madhya Pradesh

As can be seen from the chart given above, there has been an increase in land revenue from year-to-year during the period 2014-2018. However, there was a steep decline of 21.81 *per cent* in land revenue receipts during 2018-19. Further, despite the annual increase during 2014-18, the actual receipts during this period have not matched the budgetary expectations in any of the years. In fact, at ₹ 383.91 crore, land revenue receipts during 2018-19 have fallen short of budgetary expectations by 68 *per cent*.

The Department attributed the significant increase of land revenue in 2016-17 to recovery of arrears by targeting large defaulters. While stating that the targets for 2017-18 were set high in the Budget, the Department stated that revenue receipts for 2017-18 were 20.74 *per cent* more compared to the receipts of 2016-17. As regards the decrease in receipts during 2018-19, the Department attributed (November 2019) it to shortage of officers and staff at District level and engagement in other Government works.

### **4.3 Results of Audit**

Audit of land revenue receipts was conducted through a test check of records relating to assessment and collection of land revenue and premium in diversion cases in 28 Collectorates (out of 47) and 28 SDO offices (selected on the basis of highest amount of Diversion rent receipts) for the three-year period 2016-17 to 2018-19 to gain assurance that the taxes were levied, collected and accounted for in accordance with the relevant Acts, Codes and Manuals, and the interests of the Government are safeguarded. Besides, information was also collected from PRC's Office and 10 Divisional Commissioners' offices<sup>31</sup>.

At the conclusion of audit, the findings were forwarded to the Department (January 2020) for comments/responses; despite repeated requests (between June to August 2020), exit meeting could not be held.

Audit brought out instances of deviations/non-compliance with the provisions of the Acts and Rules and non-recovery of land revenue receipts in 640 cases involving an amount of ₹ 4.85 crore, due to various reasons,

<sup>31</sup> In respect of Departmental Inspections.

as detailed in **Table 4.1**.

**Table 4.1: Category of Audit Observations on Revenue Receipts**

				(₹ in crore)
Sl. No.	Category of Audit observations	No. of Audit deviations		Amount
1	Short levy of diversion rent, premium and <i>Panchayat Upkar</i> due to (i) adoption of incorrect market value of land for assessment; (ii) incorrect application of rates and, (iii) non-levy of <i>Panchayat Upkar</i> etc.	527		2.94
2	Non-realisation of Land Revenue in diverted cases	113		1.91
	<b>Total</b>	<b>640</b>		<b>4.85</b>

The broad categories of audit findings under land revenue are discussed in detail in the succeeding paragraphs. Similar irregularities, errors/omissions may also exist in other units not covered in the test audit. The Department may, therefore, examine all the units to ensure that land revenue are assessed, levied and collected as per provisions of the Acts and Rules.

### **Audit findings**

As per the provisions of MPLRC, Revenue Book Circular and executive instructions issued from time to time, when agricultural land is diverted for residential/commercial purposes, rent and premium for diverted purpose of land are assessed by the SDO. Ground rent, premium and interest are levied on the *Nazul*<sup>32</sup>/Government land allotted on permanent and temporary lease in the State. Moreover, *Panchayat Upkar* (Cess) is also levied on land revenue in respect of land situated in *Panchayat* area.

#### **4.4 Short levy of Land Revenue and Premium**

As per Section 59 of the MPLRC, 1959, if land assessed for one purpose is diverted for any other purpose, the land revenue and premium payable on such land shall be revised and assessed, in accordance with the purpose for which it was diverted. The rates of land revenue and premium for diverted use shall be payable at the rates prescribed in the Rules<sup>33</sup> on the basis of market value of land. Further, the market value of land is assessed under the *Upbandh* (provision) of Market Value Guidelines issued by the Chairman, Central Valuation Board and Inspector General, Registration (April 2015).

Test-check (between June 2019 to December 2019) of 8,313 (19.60 *per cent*) out of 42,408 diversion cases assessed between April 2015 and March 2019 by the SDOs in 28 selected Collectorates revealed non-compliance/deviations in assessment of market value of land for levy of land revenue and premium in 527 cases in 26 units. This resulted in short levy of land revenue and premium of

<sup>32</sup> *Nazul* land is Government land which is used for construction or public utility purpose, *viz. bazar* or entertainment places.

<sup>33</sup> Rules made under section 258 and section 59 of the MPLRC, 1959.

₹ 2.89 crore, besides non levy of *Panchayat Upkar* of ₹ 0.05 crore, aggregating ₹ 2.94 crore (**Appendix XIII**).

The Department intimated (September 2020) that compliance was being sought from Districts.

The details of Audit observations regarding these 527 cases are as follows:

#### **4.4.1 Adoption of incorrect market value of land**

(a) As per para 4 of *Upbandh of MVG 2015*, lands situated either within *Nagar Nigam limits of Bhopal, Indore, Gwalior and Jabalpur, Nagar Nigam and Nagar Palika limit of other cities* and *Nagar Parishad/Vishisht Gram* limits or in the specified investment areas, were to be assessed at the rates prescribed for developed land for first 1,000 square metre (m<sup>2</sup>), 500 m<sup>2</sup> and 300 m<sup>2</sup> respectively as specified in *ibid Upbandh* and then rest of the land was to be assessed at the rates prescribed for agricultural land.

In 436 cases (24 Collectors<sup>34</sup>), specified area of land was not assessed as developed land as per the *Upbandh*. The SDOs assessed the entire land at the rates applicable to agricultural land only, which resulted in short levy of rent, premium and *Panchayat Upkar* on rent amounting to ₹ 2.58 crore.

(b) As per para 1 of *Upbandh*, in the villages/ area, where separate rates are not provided for land situated near roads<sup>35</sup>, land shall be valued at 100 per cent, 50 per cent and 20 per cent higher than the market value of land for national highways and its bypass, state highways and its bypass and district roads respectively.

In 24 cases (six Collectors<sup>36</sup>), higher rates as per para 1 of *Upbandh* was not applied although the land was situated near the road. This resulted in short levy of rent, premium and *Panchayat Upkar* amounting to ₹ 6.08 lakh.

#### **4.4.2 Application of incorrect rates for assessing Land Revenue**

Government vide notification dated 28 September 2018 (applicable from 25 September 2018), revised the method for assessing the land revenue and premium. Under the new method, land revenue was to be calculated on the basis of per sq. mtrs rates prescribed for different purposes of use of land. Earlier, market value of land was first assessed as per Market Value Guidelines and thereafter, rate of diversion rent and premium were applied on the assessed market value.

Audit found that in 22 cases (eight Collectors<sup>37</sup>), correct rates as prescribed in the Government notification dated 28 September 2018 were not applied for calculation of land revenue and premium. This resulted in short levy of land revenue, premium and *Panchayat Upkar* amounting to ₹ 23.47 lakh.

---

<sup>34</sup> Agar Malwa (35), Alirajpur (01), Chattarpur (01), Damoh (05), Dewas (02), Guna (02), Gwalior (51), Indore (36), Katni (20), Khargone (05), Mandla (02), Mandsaur (31), Morena (05), Panna (05), Ratlam (30), Rewa (10), Sagar (14), Satna (28), Sehore (18), Shahdol (57), Sheopur (58), Ujjain (10), Umariya (08) and Vidisha (02).

<sup>35</sup> Within the range of 20 metres from the road.

<sup>36</sup> Agar Malwa (15), Alirajpur (02), Chhindwara (02), Mandsaur (02), Sagar (02) and Ujjain (01).

<sup>37</sup> Bhopal (02), Damoh (04), Guna (01), Mandsaur (06), Morena (02), Panna (02), Ratlam (03) and Sheopur (02).

### 4.4.3 Panchayat Upkar not levied

As per Section 74(1) of *Panchayat Raj Avam Gram Swaraj Adhiniyam*, 1993, every tenure holder and Government lessee shall be liable to pay for each revenue year for the purpose of this Act, a cess (*Panchayat Upkar*) in respect of land held by him within the Gram Sabha area at the rate of 50 per cent of the land revenue or rent assessed on such land.

Audit found that in 45 cases (six Collectors<sup>38</sup>), *Panchayat Upkar* was not levied although the land was situated in *Gram Sabha* area. This resulted in short levy of cess amounting to ₹ 2.72 lakh. Further, in 16 out of these 45 cases, instances of short levy of rent and premium amount of ₹ 3.77 lakh were also noticed.

### 4.5 Non-realisation of Land Revenue in diverted cases

According to Section 59, read along with Section 172 of MPLRC 1959, where a land which has been assessed for a purpose has been diverted for another purpose, premium and rent on that land will be re-assessed by the SDO. Premium is a one-time payment and rent is an annual charge for land diverted for other purposes. The MPLRC does not clearly specify the advance remittances of rent and premium assessed, before issue of diversion orders to the land holder. Consequently, huge amount of rent and premium were outstanding. The Department had made the required changes in the procedural rules in June 2019 for prior payment of dues.

Audit scrutiny (June 2019 to December 2019) of records<sup>39</sup> revealed that four Collectors<sup>40</sup> issued diversion orders in 7,768 cases during the period from December 2014 to March 2019. Out of 1,255 cases test-checked in Audit, in 113 cases, order for diverted use of land were issued without recovering the diversion rent of ₹ 22.54 lakh, premium of ₹ 35.91 lakh, *Panchayat Upkar* of ₹ 1.86 lakh and penalty of ₹ 130.83 lakh. It was observed in Audit that action for recovery was also not taken by the Collectors in the cases of non-compliance/deviations pointed out in audit. As a result, an amount of ₹ 1.91 crore was still pending for recovery in these Collectorates as per details shown in **Appendix XIV**.

On this being pointed out in Audit, the Department replied that the *Tahsildars* would be instructed to recover the outstanding revenue.

Government replied (August 2020) that presently Section 172 of MPLRC of diversion had been quashed and assessment rule of land revenue under sections 59 and 60 of MPLRC 1959, had been published in the Gazette on 28 September 2018 and procedural rules for advance remittance of rent and Premium assessed had been issued on 07 June 2019.

Although the Department had amended the relevant rules and procedure w.e.f. June 2019, appropriate action is required for ensuring recovery of assessed rent and premium in old cases where diversion order has already been passed.

<sup>38</sup> Alirajpur (03), Mandla (01), Mandasaur (15), Panna (01), Shahdol (10) and Sheopur (15).

<sup>39</sup> Periodical returns sent by *Tahsildars* to the Collectors regarding pending amount of recovery and records of Revenue Inspectors and SDO.

<sup>40</sup> Guna, Sagar, Satna and Vidisha.

#### 4.6 Departmental Inspections

As per provisions of para 34 of Section II (1) of the Revenue Book Circular (RBC), the DC should conduct detailed inspection of each District under his administrative control once a year. However, if the number of districts is more than five, inspection should be so planned that all the Collectorates are inspected within a period of two years. The DCs should conduct inspection of *Tahsils* also in such a manner that each *Tahsil* is inspected at least once in a period of three years. Test-check of the records of 10 DC Offices revealed that there was a shortfall in inspections during 2016-17 to 2018-19. Details are given in **Table 4.2**.

**Table 4.2: Details of Inspections planned and conducted by DCs**

Year	Inspections required as per RBC norms		Inspections planned as per Roster		Actual Inspections conducted	
	Collectorate	<i>Tahsil</i>	Collectorate	<i>Tahsil</i>	Collectorate	<i>Tahsil</i>
2016-17	43	369	19	171	7 (63.16)	49 (71.34)
2017-18	43		22	103	8 (63.64)	35 (66.02)
2018-19	43		28	155	12 (57.14)	74 (52.25)
<b>Total</b>	<b>129</b>	<b>369</b>	<b>69</b>	<b>429</b>	<b>27 (60.86)</b>	<b>158 (63.17)</b>

Source: Data provided by Divisional Commissioner Offices

Note: Figures in parenthesis are percentage of shortfall vis-à-vis planned audits

As can be seen from the above table, there was a shortfall of 79 per cent (average) and 57 per cent (average) in inspection of Collectorates and *Tahsil* Offices respectively vis-à-vis norms prescribed for inspection in RBC and 61 per cent (average) and 63 per cent (average) in inspection of Collectorates and *Tahsil* respectively, even with regard to the planned inspections.

Thus, not only were the targets of inspection of Collectors' and *Tahsil* Offices required as per RBC not achieved by the DCs, they could not even achieve the inspections planned as per Roster which were much lower than the targets as per RBC indicating inadequate internal controls in monitoring compliance of Collectorates and *Tahsils* with prescribed procedures.

Further, IRs in respect of only 25 Collectorates and 147 inspections of *Tahsil* Offices were found to have been issued and compliance in respect of five IRs relating to only two Collectorates and 28 IRs of *Tahsil* Offices<sup>41</sup> were received by the DC Offices.

Government replied (August 2020) that PRC office was established in the year 2011 and the work of inspection is not included in the office setup. Offices of District Collector and Divisional Commissioner were established prior to independence and the responsibility of inspection of SDO and *Tahsil* Offices has been entrusted to the Divisional Offices. Government further stated that a letter was being issued to all the Divisional Commissioners and Collectors w.r.t. *ibid* para.


<sup>41</sup> Two *Tahsil* offices of Shahdol and 26 *Tahsil* offices of Ujjain.

## 4.7 Conclusion

As brought out in the foregoing paragraphs, audit of land revenue receipts through a test check of the relevant records in 28 Collectorates revealed that the SDOs had not complied with the provisions of the *Upbandh* and Government notifications regarding valuation of market value of land, resulting in under-assessment of market value of land in 527 cases, with short levy of premium of ₹ 2.43 crore, diversion rent of ₹ 0.46 crore, besides short/non-levy of *Panchayat Upkar* of ₹ 0.05 crore.

Further, action was not initiated by four Collectors in 113 cases for recovery of ₹ 1.91 crore relating to premium, diversion rent and *Panchayat Upkar*, before issuing diversion orders. Moreover, internal oversight over the functioning of the Collectorates and *Tahsil* and their compliance with established codes/Acts/Rules etc. was not adequate.

Bhopal  
The 05 March 2021

  
(BIJIT KUMAR MUKHERJEE)  
Accountant General  
(Audit II)  
Madhya Pradesh

Countersigned

New Delhi  
The 09 March 2021

  
(GIRISH CHANDRA MURMU)  
Comptroller and Auditor General of India





# APPENDICES



## Appendix I

(Referred to in paragraph 2.4)

### Details of Units and Period for which assessed cases were provided

Sl. No.	Units	Cases assessed during these year(s) were provided	Total Years
1	DCCT Bhopal I	2018-19	1
2	ACCT Bhopal I	2018-19	1
3	ACCT Bhopal V	2018-19	1
4	ACCT Bhopal VI	2018-19	1
5	ACCT Indore Division I	2018-19	1
6	ACCT Guna	2018-19	1
7	ACCT Indore III	2018-19	1
8	ACCT Gwalior II	2018-19	1
9	ACCT Indore IX	2018-19	1
10	ACCT Indore X	2018-19	1
11	CTO Indore I	2018-19	1
12	ACCT Indore Division II	2018-19	1
13	ACCT Jabalpur I	2018-19	1
14	ACCT Jabalpur II	2018-19	1
15	ACCT Morena	2018-19	1
16	ACCT Sagar I	2018-19	1
17	ACCT Satna I	2018-19	1
18	ACCT Pithampur	2018-19	1
19	CTO Betul	2018-19	1
20	CTO Damoh	2018-19	1
21	CTO Gwalior IV	2018-19	1
22	CTO Indore VIII	2018-19	1

23	CTO Neemuch	2018-19	1
24	CTO Rewa	2018-19	1
25	CTO Satna II	2018-19	1
26	DCCT Indore II	2017-19	2
27	ACCT Khandwa	2017-19	2
28	CTO Ashok Nagar	2017-19	2
29	CTO Sehore	2017-19	2
30	DCCT Jabalpur II	2016-19	3
31	ACCT Katni I	2016-19	3
32	CTO Sagar	2016-19	3

2016-19	03 Units
2017-19	04 Units
2018-19	25 Units

**Appendix II**  
(Referred to in paragraph 2.6)  
**Incorrect Determination of Turnover**

(Amount in ₹)

Appendix II (A) Incorrect Determination of Turnover in Regular Assessed Cases									
Sl. No.	Name of auditee unit Dealer	Period of assessment	GTO/ Quantity as per books/ records	GTO/ Quantity determined by the AA	Under determination of taxable turnover/ Quantity	Rate of tax applicable (% or per cum)	Amount of short realisation	Audit Observations	Reply of Assessing Authority
1	<u>ACCT Bhopal V</u> M/s Jaycee Tele Services TIN - 23594005935 Case No. CS0000000975839	2015-16	11,22,99,820	11,12,74,753	10,25,073	5	48,813 Penalty 1,46,439 <b>1,95,252</b>	The AA determined less GTO against the sale certified in audited accounts.	The AA stated that action would be taken after verification.
2	<u>ACCT Bhopal V</u> M/s Sameer Music Center TIN – 23894001211 Case No. CS0000000975106	2015-16	4,34,68,211	4,31,98,211	2,70,000	1.5	4,050 Penalty 12,150 <b>16,200</b>	The AA determined less GTO due to non-inclusion of sale value of old car ₹ 2,70,000 in GTO.	The AA accepted audit observation.
3	<u>ACCT Bhopal V</u> M/s Mohit Health Care Products TIN – 23174007233 Case No. CS0000000971382	2015-16	3,59,99,888	3,25,84,887	34,15,001	5	1,62,620 Penalty 4,87,860 <b>6,50,480</b>	The AA determined GTO ₹ 3,25,84,887 against the turnover of ₹ 3,58,37,268 as certified in the return of the dealer.	The AA replied that GTO was determined as per books of accounts. Reply is not acceptable because as per detail of the returns submitted, The dealer collected tax amounting to ₹ 18,69,144, however, the AA

									assessed less tax of ₹ 17,06,524, without valid reasons and the difference was also not reconciled.
4	<u>ACCT Bhopal V</u> M/s GTL Infrastructure Ltd. TIN – 23631204068 Case No. 417/2016	2015-16	2,06,71,498	64,50,676	1,42,20,822	14	19,90,915 Penalty 59,72,745 <b>79,63,660</b>	Audited accounts were not submitted and purchases were more than sales. The AA determined GTO in VAT case ₹ 64,45,676 but it was actually worked out to ₹ 2,06,71,498 as per purchase records.	The AA did not provide any specific reply.
5	<u>ACCT Bhopal VI</u> M/s Metro Builders and Developers TIN – 23649065745 Case No. 448/2016	2015-16	1,63,26,117	1,49,11,744	14,14,373	5 (10,38,822) and 14 (3,75,551)	1,04,518 Penalty 3,13,554 <b>4,18,072</b>	The AA added eight <i>per cent</i> profit in purchase value instead of 21 <i>per cent</i> as per audited accounts, hence less Taxable Turn Over (TTO) was determined.	The AA stated that action would be taken after verification.
6	<u>ACCT Bhopal VI</u> M/s Virasha Infrastructure TIN – 23149003909 Case No. 306/2016	2015-16	3,23,64,203	3,09,06,266	14,57,937	5 (7,52,780) and 14 (7,05,157)	1,36,361 Penalty 4,09,083 <b>5,45,444</b>	The AA added 10 <i>per cent</i> profit in purchase value instead of 16.99 <i>per cent</i> as per audited accounts, hence less TTO was determined.	The AA stated that action would be taken after verification.

7	<u>ACCT Bhopal VI</u> M/s Krishna Infrastructure TIN – 23889077749 Case No. 657/2016	2015-16	1,27,32,397	1,20,39,859	6,92,538	5 (4,81,647) and 14 (2,10,891)	53,607 Penalty 1,60,821 <b>2,14,428</b>	The AA added eight <i>per cent</i> profit in purchase value instead of 15.85 <i>per cent</i> as per audited accounts, hence less TTO determined.	The AA stated that action would be taken after verification.
8	<u>ACCT Bhopal VI</u> M/s Chawla Associates TIN – 23889154864 Case No. CS00000001101201	2015-16	1,61,86,317	1,23,09,163	38,77,154	5 (26,91,013) and 14 (11,86,141)	3,00,610 Penalty 9,01,830 <b>12,02,440</b>	The AA assessed less sale value of material transferred in execution of work contract against the material purchase value certified in case file.	The AA stated that action would be taken after verification.
9	<u>ACCT Bhopal VI</u> M/s Ashok Kumar Raiyzada TIN – 23843803989 Case No. 80/2016	2015-16	2,84,63,034	2,59,85,811	24,77,223	5	1,23,861 Penalty 3,71,583 <b>4,95,444</b>	The AA determined less TTO after more deduction was allowed on account of transportation expenses against the expenses certified in audited accounts.	The AA stated that action would be taken after verification.
10	<u>ACCT Indore IX</u> M/s Alliance Enterprises TIN – 23610904834 Case No. CS0000000977773	2015-16	14,32,26,584	10,68,32,041	3,63,94,543	5	18,19,727	As per VATIS report, the dealer purchased goods from out of state amounting to ₹ 13,93,52,660 but purchase amount was found to be	The AA stated that action would be taken after verification.

								₹ 10,43,30,967 in the audited accounts. Therefore, after adding 3.92 per cent profit, the GTO should be ₹ 14,32,26,584.	
11	<u>ACCT Indore IX</u> M/s R.V. Infrastructure Engineer Pvt. Ltd. TIN – 23530904199 Case No. CS000000090702	2015-16	2,35,79,611	2,17,52,839	18,26,772	5	91,339	The AA assessed less sale value of material transferred in execution of work contract against the material value certified in the audited accounts.	The AA stated that action would be taken after verification.
			2400 cum	874 cum	1560 cum	₹ 35 per cum	53,410	The AA assessed less quantity of <i>Gitti</i> against the royalty certified in the audited accounts.	
12	<u>ACCT Indore IX</u> M/s Bansal Pipe Industries TIN – 23179011181 Case No. CS0000000912969	2015-16	3,95,95,022	3,82,20,749	13,74,273	14	1,92,398 Penalty 5,77,194 <b>7,69,592</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery in the GTO.	The AA stated that action would be taken after verification.
13	<u>DCCT Indore II</u> M/s Rajratan Global Wire Ltd. TIN – 23571001468 Case No. 123/2016	2015-16	2,37,00,89,331	2,36,47,14,090	53,75,241	14	7,52,533	The AA determined less GTO due to non – inclusion of sale value of Plant and Machinery of ₹ 53,75,241 in the GTO.	The AA stated that action would be taken after verification.



14	<u>DCCT Indore II</u> M/s Life star pharma Pvt. Ltd. TIN – 23981103917 Case No. CS0000000813810	2015-16	2,63,52,24,400	2,63,46,21,109	6,03,291	5	30,165 Penalty 90,495 <b>1,20,660</b>	The AA deducted excess amount of sales return.	The AA replied that amount of sales return was also included in the sales of 2015-16 which was returned in next year 2016-17, within 6 months. The reply was not acceptable because no documentary evidence was provided to audit regarding sales returns and excess deductions which were considered against the facts and figures shown in the audited accounts.
15	<u>DCCT Indore II</u> M/s Devidayal Harikishan TIN – 23870501753 Case No. CS00000001067031	2016-17	1,28,00,64,452	1,27,99,88,669	75,783	1.5	1,137 Penalty 3,411 <b>4,548</b>	The AA determined less GTO due to non-inclusion of sale value of old motor car in GTO.	The AA stated that action would be taken after verification.
16	<u>DCCT Indore II</u> M/s Avantika Gas Ltd. TIN – 23661104190 Case No. CS0000000813869	2015-16	1,41,98,79,663	1,41,61,28,628	37,51,035	5	1,87,551 Penalty 5,62,653 <b>7,50,204</b>	The AA determined less GTO due to non-inclusion of value of tender fees, extra pipe charges and liquidated damage.	The AA stated that action would be taken after verification.
17	<u>ACCT Jabalpur I</u> M/s Simplex Engineering Corporation TIN – 23395800933	2015-16	2,73,40,579	2,51,56,929	21,83,650	5	1,09,183 Penalty 3,27,549 <b>4,36,732</b>	The AA determined less GTO due to excess deduction of labour expenses.	The AA replied that 40 per cent deduction in respect of labour expenses was allowed as per law

	Case No. CS00000001023216								and after verification of record of assessee.  The reply of AA was not acceptable because as per the audited accounts, labour expenditure was certified as ₹ 53,17,525 (₹ 8,89,684 + 44,27,841) and the AA also did not provide the details of labour expenditure along with reply.
18	<u>ACCT Katni I</u> M/s K3 Automobiles TIN – 23759074852 Case No. CS0000000806358	2015-16	13,53,82,768	13,40,94,149	12,88,619	15	1,93,293 Penalty 5,79,879 <b>7,73,172</b>	The AA determined less GTO due to non-inclusion of extended warranty/AMC sale of ₹ 12,88,619 in the GTO.	The AA stated that action would be taken after verification.
19	<u>ACCT Katni I</u> M/s Electro Minerals India TIN – 23696207198 Case No. CS0000000806375	2015-16	10,49,50,855	10,43,50,855	6,00,000	1.5	9,000 Penalty 27,000 <b>36,000</b>	The AA determined less GTO due to non-inclusion of sale value of old car ₹ 6,00,000 in the GTO.	The AA stated that action would be taken after verification.

20	<u>ACCT Satna I</u> M/s Atul Kurliya Contractor TIN – 23437004778 Case No. CS0000000855213	2015-16	4,70,03,248	4,51,05,645	18,97,603	14 (7,78,972) and 5 (11,18,631)	1,64,988	The AA determined less GTO due to non-incorporation of sale value of fixed assets (Generator, Machine, Mixture-Machine, Shutting plates and Welding Machine) of ₹ 18,97,603 in the GTO.	The AA replied that the audit worked out the GTO on the basis of gross receipts, while sale value of materials and labour were both included in gross receipts. The dealer incorporated gross profit in deemed sale price on the basis of consumption of material.
			1,19,73,583	1,11,36,107	8,37,476	14 (6,14,656) and 5 (2,22,820)	86,094	The AA added 7.99 per cent gross profit in purchase value instead of 16.12 per cent as per audited accounts.	The reply of AA was not acceptable because the ratio of gross profit of material and labour was not mentioned separately in the audited accounts.
21	<u>CTO Satna II</u> M/s Gaurav Hosiery TIN – 23519142000 Case No. CS0000000949661	2015-16	1,46,86,358	1,20,28,861	26,57,497	5	1,32,875 Penalty 3,98,625 <b>5,31,500</b>	The AA determined less GTO due to improper consideration of opening stock in audited accounts for the year 2015-16 where ₹ 26,02,510 should also to be included in GTO.	The AA stated that action would be taken after verification.
22	<u>CTO Satna II</u> M/s S.N.B. 2000 TIN – 23757102378	2015-16	6,80,60,592	6,45,31,543	35,29,049	5 (30,58,537) and	2,18,799	The AA allowed irregular deduction under section 2(x)(iii).	The AA stated that action would be taken after verification.

	Case No. CS0000000949293					14 (4,70,512)			
23	<u>CTO Satna II</u> M/s Yogendra Shukla Contractor TIN – 23037103938 Case No. CS0000000953499	2015-16	5,14,76,352	4,82,85,534	31,90,818	5	1,59,541 Penalty 4,78,623 <b>6,38,164</b>	The AA allowed irregular deduction in respect of sub-contract to un-registered dealer.	The AA stated that action would be taken after verification.
24	<u>ACCT Pithampur</u> M/s Sharad Constructions Sez Pvt. Ltd. TIN – 23911604621 Case No. CS00000001136462	2016-17	2,33,09,240	2,10,28,994	22,80,246	5	1,14,012 Penalty 3,42,036 <b>4,56,048</b>	The AA did not work out GTO as per the requisite of purchase plus gross profit.	The AA stated that action would be taken after verification.
25	<u>ACCT Pithampur</u> M/s Neeta Builders TIN – 23391603840 Case No. CS0000000872258	2015-16	3,95,90,879	3,36,91,278	58,99,601	5	2,94,980 Penalty 8,84,940 <b>11,79,920</b>	The AA did not work out GTO as per record of the dealer submitted with returns.	The AA replied that value of opening stock had not been included in sale value and there was not any calculation mistake in determination of sale value.  The reply of AA was not acceptable because sale value was not determined properly.
26	<u>ACCT Pithampur</u> M/s Ranol Lubricants Pvt. Ltd. TIN – 23899092104 Case No. CS0000000892445	2015-16	74,44,628	65,15,689	9,28,939	14	1,30,051 Penalty 3,90,153 <b>5,20,204</b>	The AA allowed irregular deduction under section 2(x)(iii).	The AA stated that action would be taken after verification.

27	<u>ACCT Pithampur</u> M/s Revol Tech Auto Engineering Pvt. Ltd. TIN – 23751604709 Case No. CS0000000879898	2015-16	42,62,34,285	42,50,49,090	11,85,195	14	1,65,927 Penalty 4,97,781 <b>6,63,708</b>	The AA determined less GTO due to non-inclusion of sale value of fixed assets of ₹ 11,85,195 in the GTO.	The AA stated that action would be taken after verification.
28	<u>ACCT Pithampur</u> M/s Krupanidhi Construction Dhamnod TIN – 23111704680 Case No. CS00000095120999	2015-16	13,627.84	0	13,627.84	₹ 35 per cum	4,76,974 Penalty 14,30,922 <b>19,07,896</b>	The AA allowed irregular deduction in respect of tax paid sale value of metal.	The AA stated that action would be taken after verification.
			10,25,75,993	10,24,53,493	1,22,500	5	6,125 Penalty 18,375 <b>24,500</b>	The AA did not incorporate the sale value of empty cement bags in GTO.	
29	<u>CTO Gwalior IV</u> M/s N.S. Fuel Station TIN – 23385405130 Case No. CS00000001038131	2015-16	6,12,98,711	6,09,46,581	3,52,130	27 (1,70,227) and 31 (1,81,904)	1,02,351 Penalty 3,07,053 <b>4,09,404</b>	The AA did not work out GTO as per audited accounts.	The AA stated that action would be taken after verification.
30	<u>CTO Ashok Nagar</u> M/s Vardhman Agencies TIN – 23105004286 Case No. CS00000001100204	2016-17	1,32,36,655	1,14,55,695	17,80,960	5 (32,936 ) and 14 (17,48,024)	2,16,238	The AA levied tax of ₹ 13,93,983 instead of leviable ₹ 16,10,221.	The AA stated that action would be taken after verification.
31	<u>CTO Ashok Nagar</u> M/s Lalchand Ashok Kumar TIN – 23915000688 Case No. CS00000001126816	2016-17	3,50,42,879	3,44,45,211	5,97,668	14 (2,08,492) and 5 (3,89,176 + ₹ 39,999)	84,135 2,52,405 <b>3,36,540</b>	The AA allowed irregular deduction of ₹ 44,136 under section 2(x)(iii) and tax of ₹ 39,999 due to	The AA stated that action would be taken after verification.

								mistake in calculation of assessment order.	
32	<u>CTO Ashok Nagar</u> M/s Seth Tractors TIN – 23585003440 Case No. CS0000000919007	2015-16	7,87,81,557	7,78,48,953	9,32,604	5	46,630 Penalty 1,39,890 <b>1,86,520</b>	The AA did not include warranty claim in GTO as depicted in audited accounts.	The AA stated that action would be taken after verification.
33	<u>CTO Ashok Nagar</u> M/s Kartik Trading Co. TIN – 23879105298 Case No. CS0000000918344	2015-16	1,18,88,547	1,15,84,654	3,03,893	1.5	4,558 Penalty 13,674 <b>18,232</b>	The AA did not include sale value of old vehicle in GTO.	The AA stated that action would be taken after verification.
34	<u>CTO Neemuch</u> M/s Rajendra Singh Chandrawat TIN – 23833302068 Case No. CS00000001111715	2015-16	6,790 Cum	447 Cum	6,343 Cum	₹ 35 per cum	2,22,013 Penalty 6,66,039 <b>8,88,052</b>	The AA allowed irregular deduction in respect of tax paid purchase value of metal while the selling dealer did not show sale to the purchasing dealer as per Report No. 75.	The AA stated that action would be taken after verification.
35	<u>CTO Neemuch</u> M/s Piorotek Work Space TIN – 23909074837 Case No. CS0000000993154	2016-17	92,95,770	29,07,915	63,87,855	05	3,19,392 Penalty 9,58,178 <b>12,77,570</b>	The AA determined GTO as ₹ 94,30,617 while GTO should be ₹ 1,54,92,950 on the basis of two per cent TDS amounting to ₹ 3,09,859 and after deducting 40 per cent labour expenses, the taxable turnover	The AA stated that action would be taken after verification.

								should be ₹ 92,95,770.	
36	<u>CTO Neemuch</u> M/s Vardhman India TIN – 23709083005 Case No. CS0000000993159	2016-17	1,89,75,280	1,84,00,000	5,75,280	1.5	8,629 Penalty 25,887 <b>34,516</b>	The AA determined less GTO due to non-inclusion of sale value of furniture in the GTO.	The AA stated that action would be taken after verification.
37	<u>CTO Rewa</u> M/s Pankaj Singh and Company TIN – 23356904912 Case No. CS0000000847893	2015-16	2,38,45,303	1,41,22,275	97,23,028	14	13,61,224	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery in the GTO.	The AA stated that action would be taken after verification.
38	<u>CTO Rewa</u> M/s K.D.S. Construction Company TIN – 23646905771 Case No. CS00000001007655	2015-16	2,61,98,264	2,00,00,000	61,98,264	-----	2,42,863	The AA determined less GTO due to non-submission of the audited accounts by the dealer and gross receipt was ₹ 2,61,98,264 as per receipt statement, hence GTO should be ₹ 2,61,98,264 and VAT will workout to ₹ 9,56,863 instead of ₹ 7,14,000.	The AA stated that action would be taken after verification.
39	<u>CTO Rewa</u> M/s Sneh Homes TIN – 23829072905 Case No. CS00000001068849	2015-16	47,53,120	32,31,451	15,21,669 (2,263)	₹ 35 Per cum	79,205	The AA determined less GTO due to non-inclusion of sale value of Sand/Metal as per proposal.	The AA replied that base of audit observation is found incorrect.  Reply of the AA is not acceptable

										because as per proposal/working sheet the AA did not incorporate sale value of Sand/Metal in GTO.
40	<u>CTO Betul</u> M/s Vinod Kumar Sahu TIN – 23184702087 Case No. CS00000001106885	2015-16	1,14,29,407	91,79,407	22,50,000	5	1,12,500 Penalty 3,37,500 <b>4,50,000</b>	The AA determined less GTO due to non-inclusion of sale value of Hydraulic Excavator in the GTO.	The AA stated that action would be taken after verification.	
			9,376 Cum	2,535 Cum	6,841 Cum	₹ 35 per cum	2,39,435 Penalty 7,18,305 <b>9,57,740</b>	The AA determined less quantity of Sand and Metal against payment of royalty amounting to ₹ 9,37,582 @ ₹ 100 per cum.	The AA replied that amount of royalty according to audited accounts was deducted by the Government Department in advance against the road side earth which was used by the dealer during construction. After completion of the contract work, amount of royalty was refunded by the Department.  The reply of AA was not acceptable because amount of royalty had been deducted by the Department against quantity of Sand and Metal which was	



									used in construction works.
41	<u>CTO Betul</u> M/s L.P. Nayak Medical Agency TIN – 23264705535 Case No. CS00000001106879	2015-16	2,99,20,723	2,86,98,264	12,22,459	5	58,212 Penalty 1,74,636 <b>2,32,848</b>	The AA allowed irregular deduction under section 2(x)(iii).	The AA stated that action would be taken after verification.
42	<u>CTO Betul</u> M/s Nathuram Agrawal TIN – 23454701696 Case No. CS0000000986729	2015-16	1,55,56,790	1,49,91,790	5,65,000	14	79,100 Penalty 2,37,300 <b>3,16,400</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery in the GTO.	The AA stated that action would be taken after verification.
43	<u>CTO Betul</u> M/s Lalit Kumar Agrawal TIN – 23184703542 Case No. CS0000000988078	2015-16	4,526 Cum	346 Cum	4,180 Cum	₹ 35 per cum	1,46,300 Penalty 4,38,900 <b>5,85,200</b>	The AA determined less quantity of Sand and Metal against payment of royalty amounting to ₹ 4,52,607 @ ₹ 100 per cum.	The AA replied that amount of royalty according to audited account was deducted by the Government Department in advance against the road side earth which was used by the dealer during construction. After completion of the contract work, amount of royalty was refunded by the department.  The reply of AA was not acceptable because amount of royalty had been deducted by the

									department against quantity of Sand and Metal which was used in construction works.
44	<u>CTO Betul</u> M/s Ashok Kumar Agrawal TIN – 23104702131 Case No. CS0000000987672	2015-16	4,349 Cum	1,890 Cum	2,459 Cum	₹ 35 Per cum	86,065 Penalty 2,58,195 <b>3,44,260</b>	The AA determined less quantity of Sand and Metal against payment of royalty amounting to ₹ 4,34,991 @ ₹ 100 per cum.	The AA replied that amount of royalty according to audited account was deducted by the Government Department in advance against the road side earth which was used by the dealer during construction. After completion of the contract work amount of royalty was refunded by the department.  The reply of AA was not acceptable because amount of royalty had been deducted by the department against quantity of Sand and Metal which was used in construction works.
45	<u>CTO Betul</u> M/s Vishal Enterprises TIN – 23534704077 Case No. CS0000000110559	2015-16	3,03,31,689	3,01,44,841	1,86,848	14	22,946 Penalty 68,838 <b>91,784</b>	The AA determined less GTO against turnover certified in the audited accounts.	The AA stated that action would be taken after verification.

46	<u>CTO Sagar</u> M/s Upkar Polymers TIN – 23779049339 Case No. CS0000000722382	2014-15	1,13,96,093	1,09,58,353	4,37,740	13	56,906 Penalty 1,70,718 <b>2,27,624</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery in the GTO.	The AA stated that action would be taken after verification.
47	<u>CTO Sagar</u> M/s Upkar Polymers TIN – 23779049339 Case No. CS00000001045314	2015-16	2,05,50,712	1,96,30,656	9,20,056	14	1,28,808 Penalty 3,86,424 <b>5,15,232</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery in the GTO.	The AA stated that action would be taken after verification.
48	<u>ACCT Gwalior II</u> M/s VVC Real Infra Pvt. Ltd. TIN – 23825006412 Case No. CS0000000839761	2015-16	47,08,91,090	46,02,53,510	1,06,37,580	14 (90,40,911) and 1.5 (15,96,669)	12,89,677 Penalty 38,69,031 <b>51,58,708</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery and Vehicle in the GTO.	The AA stated that action would be taken after verification.
49	<u>ACCT Gwalior II</u> M/s Fairdeal Transformers and Switchgears Pvt. Ltd. TIN – 23545002783 Case No. CS0000000838738	2015-16	11,91,51,412	11,88,39,400	3,12,012	1.5	4,680 Penalty 14,040 <b>18,720</b>	The AA determined less GTO due to non-inclusion of sale value of Vehicle in the GTO.	The AA stated that action would be taken after verification.
50	<u>CTO Damoh</u> M/s Om Samridhi Filling Station TIN – 23569018805 Case No. 311/2016	2015-16	3,70,33,357	3,46,97,363	23,35,994	5	1,16,800 Penalty 3,50,400 <b>4,67,200</b>	The AA determined less GTO due to non-inclusion of sale value of JCB in the GTO.	The AA stated that action would be taken after verification.

51	<u>CTO Damoh</u> M/s Amit Traders TIN – 23507603860 Case No. CS00000001003214	2015-16	7,66,56,363	7,61,56,363	5,00,000	1.5	7,500 Penalty 22,500 <b>30,000</b>	The AA determined less GTO due to non-inclusion of sale value of Vehicle in the GTO.	The AA stated that action would be taken after verification.
52	<u>ACCT Indore III</u> M/s Malwa Infracon Pvt. Ltd. TIN – 23659158670 Case No. CS00000001037532	2015-16	3,80,76,822	3,13,68,531	67,08,291	5	3,35,414 Penalty 10,06,242 <b>13,41,656</b>	The AA determined less GTO against the turnover certified in audited accounts.	The AA stated that action would be taken after verification.
53	<u>ACCT Indore III</u> M/s Swastik Traders TIN – 23370601453 Case No. CS000000096139	2015-16	9,53,00,316	9,34,93,046	18,07,270	15 (14,108) 14 (7,61,363) and 5 (10,31,799)	1,60,297 Penalty 4,80,891 <b>6,41,188</b>	The AA added 10 per cent profit in purchase value instead of 12.90 per cent as per audited account, hence less TTO was determined.	The AA stated that action would be taken after verification.
			48,444 Cum	15,919 Cum (14,303 tax paid+1,616 URD)	32,525 Cum	₹ 35 per cum	11,38,375 Penalty 34,15,125 <b>45,53,500</b>	The AA assessed less GTO due to short quantity of Gitti against the royalty certified in the audited accounts.	The AA stated that action would be taken after verification.
54	<u>ACCT Indore III</u> M/s Govardhan Traders TIN – 23470203795 Case No. CS00000001089893	2015-16	1,38,02,119	1,12,13,519	25,88,600	5	1,29,430 Penalty 3,88,290 <b>5,17,720</b>	The AA determined less GTO against the turnover certified in audited accounts.	The AA stated that action would be taken after verification.
55	<u>ACCT Indore III</u> M/s D.R. Agrawal Infrastructure Pvt. Ltd. TIN – 23159009825	2015-16	7,21,49,837	7,10,23,117	11,26,720	5	56,336 Penalty 1,69,008 <b>2,25,344</b>	The AA allowed excess deduction in respect of tax paid sale as per	The AA stated that action would be taken after verification.

	Case No. CS0000000782662							dealer calculation sheet.	
56	<u>ACCT Indore III</u> M/s Deep Jyoti Traders TIN – 23941104715 Case No. CS00000001093006	2015-16	1,28,82,055	1,21,54,405	7,27,650	5	34,650 Penalty 1,03,950 <b>1,38,600</b>	The AA determined less GTO against the turnover certified in audited accounts.	The AA stated that action would be taken after verification.
57	<u>ACCT Indore III</u> M/s Shubham Real Infra. Pvt. Ltd. TIN – 23179078790 Case No. CS00000001024208	2015-16	2,68,19,807	2,60,60,500	7,59,307	5	37,965 Penalty 1,13,895 <b>1,51,860</b>	The AA determined less GTO due to non-inclusion of amount of extra work in the GTO.	The AA stated that action would be taken after verification.
58	<u>ACCT Indore III</u> M/s Pawan Infra and Sai Mega INC TIN – 23169037178 Case No. CS00000001076456	2015-16	1,63,01,251	1,44,03,806	18,97,445	1.5	28,461 Penalty 85,383 <b>1,13,844</b>	The AA determined less GTO due to non-inclusion of sale value of Tipper in the GTO.	The AA stated that action would be taken after verification.
59	<u>ACCT Indore III</u> M/s Mahalaxmi Traders TIN – 23679131411 Case No. CS00000001093438	2015-16	1,36,52,496	1,35,16,036	1,36,460	14	19,104 Penalty 57,312 <b>76,416</b>	The AA determined less GTO due to 14 per cent VAT charged on ₹ 1,18,56,172 instead of ₹ 1,19,92,632.	The AA stated that action would be taken after verification.
60	<u>ACCT Indore III</u> M/s Welkin Builders Infrastructure Limited TIN – 23719065447 Case No. CS00000001026732	2015-16	23,870 Cum	19,412 Cum	4,458 Cum	₹ 35 per cum	1,56,030 Penalty 4,68,090 <b>6,24,120</b>	The AA assessed less quantity of Gitti and sand against the royalty certified in the audited accounts.	The AA replied that amount of royalty in respect of Gitti was included in the purchase bill and the authority of MPRRDA should refund the amount of royalty after production of no objection certificate

									<p>which was issued by the Mineral Resources Department. Further, the amount of royalty had been refunded by the MPRRDA in next year. As the royalty was already included in purchase bill, hence further levy of tax was against the provision.</p> <p>The reply of AA was not acceptable because the details of purchase, royalty payment and amount of refund was not produced to audit.</p>
61	<p><u>ACCT Sagar</u> M/s Rajendra Singh Bagga TIN – 23487603095 Case No. CS00000001063435</p>	2016-17	25,032 Cum	6,301 Cum	18,731 Cum	₹ 35 per cum	<p>6,55,585 Penalty 19,66,755 <b>26,22,340</b></p>	<p>The AA assessed less quantity of <i>Gitti</i> and sand against the royalty certified by the authority of concerning Department.</p>	<p>The AA replied that deferent types of deduction were made by the concerning Department during payment of civil and labour contract works. Many Court decisions are available in respect of royalty- as per judgment of the Supreme Court in the case of State of Haryana V/s Gujarat Ambuja (2005) 6 SCC 499/142 STC 1, SC held that entry tax</p>

									<p>paid is to be included in the cost price while royalty which is not a part of purchase price, cannot be included. Further, royalty is an expenditure like other expenditure which was shown in the profit and loss account for adjustment purpose and the royalty is not directly related with purchase and sale.</p> <p>The reply was not acceptable because the Audit Observation is not related with the amount of royalty which was included in the cost of purchase price. The Audit Observation is based on Section 9 (a) of MPVAT act, in respect of consumption of Sand and <i>Gitti</i> which were used in construction works and which was taxable.</p>
62	<p><u>ACCT Sagar</u> M/s Rajendra Singh Bagga TIN – 23487603095</p>	04/2017-06/2017	4,078 Cum	0 Cum	4,078 Cum	₹ 35 per cum	<p>1,42,730 Penalty 4,28,190 <b>5,70,920</b></p>	<p>The AA assessed less quantity of <i>Gitti</i> and sand against the royalty</p>	<p>The AA replied that deferent types of deduction as were made by the</p>

	<p>Case No. CS00000001063435</p>							<p>certified by the authority of concerning department. The AA allowed irregular deduction in respect of tax paid sale value of Sand and Metal while as per Report 75 and 76, the dealer purchased Sand and Metal from the un-registered dealer.</p>	<p>concerning Department during payment of civil and labour contract works. Many Court decisions are available in respect of royalty- as per judgment of the Supreme Court in the case of State of Haryana V/s Gujarat Ambuja (2005) 6 SCC 499/142 STC 1, SC held the entry tax paid is to be included in the cost price while royalty which is not a part of purchase price, cannot be included. Further, royalty is an expenditure like other expenditure which was shown in the profit and loss account for adjustment purpose and the royalty is not directly related with purchase and sale.</p> <p>The reply was not acceptable because the Audit Observation is not related with the amount of royalty which was included</p>
--	--------------------------------------	--	--	--	--	--	--	--	--



									in the cost of purchase price. The Audit Observation is based on Section 9 (a) of MPVAT act, in respect of consumption of Sand and <i>Gitti</i> which were used in construction works and which was taxable.
63	<u>ACCT Sagar</u> M/s Global Engineering and Construction TIN – 23617602199 Case No. 200/2016	2015-16	71,793 Cum	14,762 Cum	57,031 Cum	₹ 35 per cum	19,96,085 Penalty 59,88,255 <b>79,84,340</b>	The AA assessed less quantity of <i>Gitti</i> and sand during assessment against the royalty shown as certified by the assessing authority of concerning department.	The AA replied that different types of deduction were made by the concerning Department during payment of civil and labour contract works. Many Court decisions are available in respect of royalty- as per the judgment of the Supreme Court in the case of State of Haryana V/s Gujarat Ambuja (2005) 6 SCC 499/142 STC 1, SC held the entry tax paid is to be included in the cost price while royalty which is not a part of purchase price, cannot be included. Further, royalty is an expenditure like other expenditure which was shown in

									the profit and loss account to adjustment purpose and the royalty is not directly related with purchase and sale. The reply was not acceptable because the Audit Observation is not related with the amount of royalty which was included in the cost of purchase price. The audit observation is based on Section 9 (a) of MPVAT act, in respect of consumption of Sand and <i>Gitti</i> which were used in construction works and which was taxable.
64	ACCT Sagar M/s K.L.D. Creation Infrastructure TIN – 23439141717 Case No. 74/2016	2015-16	20,76,97,035	15,62,06,976	3,44,98,339	5	17,24,916 Penalty 51,74,748 <b>68,99,664</b>	The AA determined less GTO due to irregular deduction allowed in respect of next year's transaction. Hence, after 33 <i>per cent</i> deduction allowed in respect of labour as per assessment order and five <i>per cent</i> VAT levied.	The AA replied that tax levied in next year 2016-17 on the basis of T.D.S and certificate of the Chartered Accountant concerned. The reply of the AA was not acceptable because The AA deduction allowed 33 <i>per cent</i> in respect of labour on the basis of gross receipt as per audited accounts.

65	<u>ACCT Sagar</u> M/s Shree Krishna Sons TIN – 23159050565 Case No. CS00000001063223	2016-17	7,19,59,054	7,15,65,418	3,93,636	27	83,686 Penalty 2,51,058 <b>3,34,744</b>	The AA determined less GTO due to non-inclusion of purchase price of three purchase bills in the total purchase as per audited accounts. Hence, after addition of the amount of ET and profit in the cost price of the above three purchase bills, GTO had been determined by the audit.	The AA stated that action would be taken after verification.
66	<u>ACCT Guna</u> M/s Sudarshan Goyal TIN – 23355003130 Case No. CS0000000873745	2015-16	3,06,62,862	1,75,91,786	1,30,71,076	5	6,53,554 Penalty 19,60,661 <b>26,14,215</b>	The AA determined GTO on the basis of purchase amount plus profit but AA determined less GTO due to non-submission of evidence in respect of Sub-contract expenditure of ₹ 2,17,85,127 as per audited accounts. Hence, after deduction of 40 per cent in respect of labour expense, five per cent VAT should be levied.	The AA stated that action would be taken after verification.

67	<u>ACCT Guna</u> M/s R.K. Enterprises TIN – 23675004509 Case No. CS0000000728795	2014-15	61,12,053	58,07,643	3,04,410	13	39,573 Penalty 1,18,719 <b>1,58,292</b>	The AA determined less GTO due to less taxable amount shown in the assessment order. Hence, after addition of gross profit in the purchase price, 13 per cent VAT should be levied.	The AA stated that action would be taken after verification.
68	<u>ACCT Guna</u> M/s Devendra Singh Raghuvanshi TIN – 23355004197 Case No. CS0000000868781	2015-16	1,98,39,887	1,86,17,621	12,22,266	14 (3,40,035) and 5 (8,82,231)	91,717 Penalty 2,75,151 <b>3,66,868</b>	The AA added 10 per cent profit in purchase value instead of 27.82 per cent as per audited account, hence, less TTO was determined.	The AA stated that action would be taken after verification.
69	<u>ACCT Morena</u> M/s Akrati Technimont Ltd TIN – 23619018897 Case No. CS00000001009562	2015-16	16,71,55,042	15,26,64,149	1,44,90,893	5	7,24,544 Penalty 21,73,632 <b>28,98,176</b>	The AA determined less GTO due to less amount in respect of out of state purchase, as per the account of Form 49, being included in the GTO.	The AA stated that action would be taken after verification.
70	<u>ACCT Morena</u> M/s Yadav Construction Company TIN – 23185604381 Case No. CS00000001095567	2015-16	69,81,771	46,73,427	23,08,344	14 (6,43,835) and 5 (16,64,509)	1,73,362 Penalty 5,20,086 <b>6,93,448</b>	The AA determined less GTO due to non-inclusion of sale value against out of state purchase amount of Bitumen and also because of less	The AA stated that action would be taken after verification.

								sale value of Cement included in the GTO.	
71	<u>ACCT Indore I</u> M/s C.K. Asati TIN – 23741401645 Case No. CS00000001072588	2016-17	15,29,36,807	14,87,96,630	41,40,177	5 (24,39,296) 14 (17,00,001) and 15 (880)	3,60,096 Penalty 10,80,288 <b>14,40,384</b>	The AA added 10 <i>per cent</i> profit in purchase value instead of 13.25 <i>per cent</i> as per audited accounts, hence less TTO was determined.	The AA replied that amount of labour charges included in contract receipt and gross profit ratio in respect of labour was more than materials, Further, 10 <i>per cent</i> gross profit should be included in the purchase amount as per decision of the court. The reply of the AA was not acceptable because gross profit as per the audited accounts should be included in the purchase amount.
72	<u>ACCT Indore I</u> M/s C.K. Asati TIN – 23741401645 Case No. CS0000000941511	2015-16	10,51,72,501	10,35,06,766	16,65,735	5 (10,65,123) and 14 (6,00,612)	1,37,342 Penalty 4,12,026 <b>5,49,368</b>	The AA added 10 <i>per cent</i> profit in purchase value instead of 11.84 <i>per cent</i> as per audited accounts, hence less TTO was determined.	The AA replied that amount of labour charges included in contract receipt and gross profit ratio in respect of labour was more than materials, Further, 10 <i>per cent</i> gross profit should be included in the purchase amount as per decision of the court. The reply of the AA was not acceptable because gross profit

									as per the audited accounts should be included in the purchase amount.
73	<u>ACCT Jabalpur II</u> M/s South Eastern Coal Field Ltd. TIN – 23827200940 Case No. CS0000000604050	2014-15	12,60,70,81,613	12,58,84,27,640	1,86,53,973	13	24,25,016 Penalty 72,75,048 <b>97,00,064</b>	The AA determined less GTO due to less amount of sale value of Plant and Machinery included in the GTO.	The AA stated that action would be taken after verification.
<b>Total</b>					<b>26,18,50,944 and 1,54,096.80 Cum</b>	<b>Tax Penalty Total</b>	<b>2,46,55,884 5,87,08,417 8,33,64,301</b>		

**Appendix II (B)**  
**Incorrect Determination of Turnover in Deemed Assessed Cases**

1	<u>ACCT Bhopal I</u> M/s Hari Om Agencies TIN - 23023903768 Case No. Deemed	2016-17	3,32,61,898	2,73,79,124	58,82,774	14	7,22,446 Penalty 21,67,338 <b>28,89,784</b>	The AA determined less Gross Turn Over (GTO) against the turnover certified in audited accounts.	The AA stated that action would be taken after verification.
2	<u>ACCT Bhopal I</u> M/s Bharat Associate TIN - 23379142693 Case No. Deemed	2016-17	1,92,16,126	1,42,99,185	49,16,941	5	2,34,140 Penalty 7,02,420 <b>9,36,560</b>	The AA determined less GTO against the turnover certified in audited accounts.	The AA stated that action would be taken after verification.
3	<u>ACCT Bhopal I</u> M/s Market Man TIN - 23589037524 Case No. Deemed	2016-17	4,53,54,861	4,12,42,281	41,12,580	5	1,95,837 Penalty 5,87,511 <b>7,83,348</b>	The AA determined less GTO against the turnover certified in audited accounts.	The AA stated that action would be taken after verification.

4	<u>ACCT Bhopal I</u> M/s D.K. Insulation Industries TIN - 23093600168 Case No. Deemed	2016-17	3,41,26,937	3,28,19,775	13,07,162	14	1,83,003 Penalty 5,49,009 <b>7,32,012</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery.	The AA stated that action would be taken after verification.
5	<u>ACCT Bhopal V</u> M/s Tanishka Electricals TIN - 23639170700 Case No. Deemed	2016-17	4,85,53,564	3,25,30,893	1,60,22,671	14	19,67,696 Penalty 59,03,088 <b>78,70,784</b>	The AA determined less GTO against the turnover certified in audited accounts.	The AA stated that action would be taken after verification.
6	<u>CTO Sehore</u> M/s Balaji Motors Tin – 23244502816 Case No. Deemed	2015-16	5,47,34,730	5,17,00,777	30,33,953	1.5	45,509 Penalty 1,36,527 <b>1,82,036</b>	The AA determined less GTO due to non-inclusion of sale of old motor car in GTO.	The AA stated that action would be taken after verification.
7	<u>ACCT Indore IX</u> M/s Spot Graphics TIN – 23180905701 Case No. Deemed	2016-17	1,62,53,611	1,37,42,371	25,11,240	5	1,25,562 Penalty 3,76,686 <b>5,02,248</b>	The sale of job work not included in turnover and less tax assessed by the AA against collection of tax amount as certified in the audited accounts.	The AA stated that action would be taken after verification.
8	<u>CTO Indore VIII</u> M/s Krishna Bearing House TIN – 23890802927 Case No. Deemed	2016-17	3,55,34,625	3,45,32,833	10,01,792	5	47,704 Penalty 1,47,112 <b>1,94,816</b>	The AA determined less GTO against turnover certified in the audited accounts.	The AA stated that action would be taken after verification.
9	<u>CTO Indore VIII</u> M/s Chemila Sales TIN – 23810801031 Case No. Deemed	2016-17	1,54,00,666	1,48,19,666	5,81,000	1.5	8,715 Penalty 26,145 <b>34,860</b>	The AA determined less GTO due to non-inclusion of sale	The AA stated that action would be taken after verification.

								value of old car of ₹ 5,81,000 in the GTO.	
10	<u>CTO Indore VIII</u> M/s Indore Electric Company TIN – 23300800196 Case No. Deemed	2016-17	7,39,44,038	7,35,51,235	3,92,803	1.5	5,892 Penalty 17,676 <b>23,568</b>	The AA determined less GTO due to non-inclusion of sale value of old car ₹ 3,92,803 in the GTO.	The AA stated that action would be taken after verification.
11	<u>CTO Ashok Nagar</u> M/s Vardhman Agencies TIN – 23105004286 Case No. Deemed	2015-16	1,12,01,826	1,07,65,273	4,36,553	14 (5,45,997) and 5 (- 1,09,444)	61,840	The AA levied tax of ₹ 12,42,680 instead of leviable ₹ 13,04,520.	The AA stated that action would be taken after verification.
12	<u>CTO Ashok Nagar</u> M/s Rohit Traders TIN – 23705002986 Case No. Deemed	2015-16	10,23,81,822	10,21,71,549	2,10,273	1.5	3,154 Penalty 9,462 <b>12,616</b>	The AA did not include sale value of old vehicle in GTO.	The AA stated that action would be taken after verification.
13	<u>CTO Ashok Nagar</u> M/s Shiv Traders TIN – 23515005661 Case No. Deemed	2016-17	2,21,63,662	2,19,48,662	2,15,000	1.5	3,225 Penalty 9,675 <b>12,900</b>	The AA did not include sale value of old vehicle in GTO.	The AA stated that action would be taken after verification.
14	<u>CTO Neemuch</u> M/s Kanhaiya Hajarimal TIN – 23953300159 Case No. Deemed	2016-17	4,84,52,320	4,54,52,640	29,99,680	05	1,49,984 Penalty 4,49,952 <b>5,99,936</b>	The AA allowed irregular deduction under section 2(x)(iii).	The AA stated that action would be taken after verification.
15	<u>CTO Neemuch</u> M/s Hariom Agencies TIN – 23413302008 Case No. Deemed	2016-17	2,98,68,534	2,86,12,797	12,55,737	05	62,786 Penalty 1,88,358 <b>2,51,144</b>	The AA determined less GTO against the turnover certified in the audited accounts	The AA stated that action would be taken after verification.
16	<u>CTO Neemuch</u> M/s Manglam Agreegek TIN – 23513303408	2016-17	20,826 Cum	20,154 Cum	672 Cum	₹ 35 Per cum	23,520 Penalty 70,560 <b>94,080</b>	The AA determined less GTO due to determination of	The AA stated that action would be taken after verification.



	Case No. Deemed							less quantity of sold metal as per audited accounts.	
17	<u>CTO Betul</u> M/s Balaji Super Bajar TIN – 23819173398 Case No. Deemed	2016-17	2,50,60,205	2,45,50,205	5,10,000	5 (25,000) and 14 (4,85,000)	69,150 Penalty 2,07,450 <b>2,76,600</b>	The AA levied tax of ₹ 12,34,034 instead of leviable ₹ 13,03,184.	The AA stated that action would be taken after verification.
18	<u>CTO Betul</u> M/s Malwa Hardware TIN – 23944700117 Case No. Deemed	2016-17	4,86,07,675	3,69,17,338	1,16,90,337	5	5,84,516 Penalty 17,53,548 <b>23,38,064</b>	The AA determined less GTO against turnover certified in the audited accounts.	The AA stated that action would be taken after verification.
19	<u>CTO Sagar</u> M/s Om Stone Crasher TIN – 23927505562 Case No. Deemed	2014-15	2,69,92,838	2,58,92,838	11,00,000	13	1,43,000 Penalty 4,29,000 <b>5,72,000</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery in the GTO.	The AA stated that action would be taken after verification.
20	<u>CTO Sagar</u> M/s Shree Dev Gopalji Trading Company TIN – 23167502779 Case No. Deemed	2014-15	2,57,52,608	2,42,70,880	14,81,728	13	1,92,625 Penalty 5,77,875 <b>7,70,500</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery in the GTO.	The AA stated that action would be taken after verification.
21	<u>ACCT Guna</u> M/s Dev Industries TIN – 23735006510 Case No. Deemed	2016-17	2,00,00,000	1,83,45,143	16,84,358	14	2,35,810 Penalty 7,07,431 <b>9,43,241</b>	The AA determined less GTO due to non-inclusion of sale value of Plant and Machinery ₹ 16,84,358 in GTO.	The AA stated that action would be taken after verification.

22	<u>ACCT Guna</u> M/s Siddharth Tractors and Motors TIN – 23609046834 Case No. Deemed	2016-17	13,47,45,122	13,18,00,399	29,44,723	5	1,47,236 Penalty 4,41,708 <b>5,88,944</b>	The AA determined less GTO due to less purchase amount shown in the audited accounts against the amount of Form-49. Hence, after addition of gross profit in the purchase price, five <i>per cent</i> VAT should be levied.	The AA stated that action would be taken after verification.
23	<u>CTO Ashok Nagar</u> M/s Vikas Agro Industries TIN – 23975004050 Case No. Deemed	2016-17	2,78,34,155	2,70,39,585	7,94,570	5	37,837 Penalty 1,13,511 <b>1,51,348</b>	The AA determined less GTO against the turnover certified in audited accounts.	The AA stated that action would be taken after verification.
				<b>Total</b>	<b>6,50,85,875 and 672 Cum</b>	<b>Tax Penalty Total</b>	<b>52,51,195 1,55,72,042 2,08,23,237</b>		
				<b>Grand Total (A)+(B)</b>	<b>32,69,36,819 and 1,54,768.80 Cum</b>	<b>Tax Penalty Total</b>	<b>2,99,07,079 7,42,80,459 10,41,87,530</b>		

**Appendix III**  
(Referred to in paragraph 2.7)  
**Application of incorrect rate of tax**

(Amount in ₹)

Appendix III (A) Application of incorrect rate of tax in Regular Assessed Cases							
Sl. No.	Name of the Auditee Unit Dealer	Period of assessment	Commodity/ Taxable Turnover on which incorrect rate applied (₹)	Rate of tax applicable/ Applied Rate (%)	Amount of Short levy of tax/Penalty	Audit Observations	Reply of the Department
1	<u>ACCT Bhopal VI</u> M/s Manchukonda Prakasham Industries India Pvt. Ltd. TIN – 23289041337 Case No. 395/2016	2015-16	PACC Poles/ 3,84,17,687	$\frac{14}{5}$	34,57,592 Pen. 1,03,72,776 <b>1,38,30,368</b>	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
2	<u>ACCT Bhopal VI</u> M/s Anvar Khan, Contractor TIN – 23643706420 Case No. CS0000000865271	2015-16	Wall Putty/ 3,36,490	$\frac{14}{13}$	3,365 Pen. 10,095 <b>13,460</b>	The AA levied tax at the rate of 13 <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
3	<u>ACCT Indore IX</u> M/s Ratan Ayurvedic Sansthan Pvt. Ltd. TIN – 23710904391 Case No. 368/2016	2015-16	Cosmetics/ 1,02,26,461	$\frac{14}{0}$	14,31,705 Pen. 42,95,115 <b>57,26,820</b>	The AA allowed excess deduction of stock transfer and central sales.	The AA stated that action would be taken after verification.
4	<u>DCCT Indore II</u> M/s Simtrad Overseas Pvt. Ltd. TIN – 23121004383 Case No. 175/2016	2015-16	Chemicals/ 2,35,000	$\frac{14}{5}$	21,150	The AA levied tax at the rate of five <i>per cent</i> , however, the dealer collected tax at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.

5	<u>ACCT Jabalpur I</u> M/s Triumph Devcon and Trading Pvt. Ltd. TIN – 23499156746 Case No. CS00000001308037	2016-17	Plant and Machinery/ 44,12,281	<u>14</u> 1.5	5,51,535 Pen. 16,54,605 <b>22,06,140</b>	The AA levied tax at the rate of 1.5 per cent on Plant and Machinery, while it was leviable at the rate of 14 per cent.	The AA stated that action would be taken after verification.
6	<u>ACCT Katni I</u> M/s R.K. Motors TIN – 23179052115 Case No. CS0000000806938	2015-16	Three Wheelers/ 49,30,044	<u>15</u> 14	49,300 Pen. 1,47,900 <b>1,97,200</b>	The AA levied tax at the rate of 14 per cent, while it was leviable at the rate of 15 per cent.	The AA stated that action would be taken after verification.
7	<u>ACCT Pithampur</u> M/s Premium Plast Pvt. Ltd. TIN – 23819053506 Case No. CS000000088092	2015-16	Auto Parts/ 22,18,480	<u>14</u> 13	22,185 Pen. 66,555 <b>88,740</b>	The AA levied tax at the rate of 13 per cent, while it was leviable at the rate of 14 per cent.	The AA stated that action would be taken after verification.
8	<u>ACCT Pithampur</u> M/s Ranol Lubricants Pvt. Ltd. TIN – 23899092104 Case No. CS000000089245	2015-16	Coolants/ 17,79,676	<u>14</u> 5	1,60,171	The AA levied tax at the rate of five per cent, while it was leviable at the rate of 14 per cent.	The AA stated that action would be taken after verification.
9	<u>CTO Ashok Nagar</u> M/s Deep Om Builders TIN – 23089026710 Case No. 418/2016	2014-15	<u>Muram</u> 28,39,306	<u>5</u> 20 Cum	1,23,793 Pen. 3,71,379 <b>4,95,172</b>	The AA levied tax at the rate of ₹ 20 per cubic meter, while it was leviable at the rate of five per cent.	The AA stated that action would be taken after verification.
10	<u>CTO Ashok Nagar</u> M/s Rajesh Kumar Jain TIN – 23525007062 Case No. CS0000000918162	2015-16	Cement, Paver block/ 25,02,221	<u>14</u> 5	2,25,200	The AA levied tax at the rate of five per cent, while it was leviable at the rate of 14 per cent.	The AA stated that action would be taken after verification.
11	<u>ACCT Jabalpur II</u> M/s Jayshree Automobiles	2015-16	Petrol, Diesel/ -	-	71,691	The AA levied tax of ₹ 13,02,392 instead of leviable ₹ 13,74,083.	The AA stated that action would be taken after verification.

	TIN – 23737201426 Case No. CS00000001077785						
12	<u>CTO Neemuch</u> M/s Jitendra Goyal and Co. TIN – 23393203079 Case No. CS0000000983952	2015-16	22,00,000	$\frac{14}{05}$	1,98,000 Pen. 5,94,000 <b>7,92,000</b>	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
13	<u>CTO Rewa</u> M/s Anmol Auto Agencies TIN – 23646904510 Case No. CS0000000847601	2015-16	Two Wheelers/ 1,14,88,429	$\frac{15}{14}$	1,14,884 Pen. 3,44,652 <b>4,59,536</b>	The AA levied tax at the rate of 14 <i>per cent</i> , while it was leviable at the rate of 15 <i>per cent</i> .	The AA stated that action would be taken after verification.
14	<u>CTO Rewa</u> M/s Satnam Commercial Pvt. Ltd. TIN – 23759001132 Case No. CS0000000225003	2015-16	Three Wheelers/ 25,49,148	$\frac{15}{14}$	25,491 Pen. 76,473 <b>1,01,964</b>	The AA levied tax at the rate of 14 <i>per cent</i> , while it was leviable at the rate of 15 <i>per cent</i> .	The AA stated that action would be taken after verification.
15	<u>CTO Rewa</u> M/s Tharmex Chemical TIN – 23306901205 Case No. CS0000000844451	2015-16	Water Tanker/ 21,69,720	$\frac{14}{05}$	1,95,275	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
16	<u>CTO Sagar</u> M/s Sagar Bone Mills TIN – 23167500160 Case No. CS0000000733625	2014-15	Bone/ 12,56,669	$\frac{13}{05}$	1,00,534 Pen. 3,01,602 <b>4,02,136</b>	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 13 <i>per cent</i> .	The AA stated that action would be taken after verification.
17	<u>CTO Sagar</u> M/s Diamond Agro Industries TIN – 23787504766 Case No. CS00000001093179	2015-16	Rock Phosphate/ 2,70,000	$\frac{14}{05}$	24,300 Pen. 72,900 <b>97,200</b>	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.

18	<u>ACCT Gwalior II</u> M/s VVC Real Infra Pvt. Ltd. TIN – 23825006412 Case No. CS0000000839761	2015-16	Cement/ 46,77,758	<u>14</u> 05	4,20,998 Pen. 12,62,994 <b>16,83,992</b>	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
19	<u>CTO Damoh</u> M/s Sing Construction Company TIN – 23479002033 Case No. 295/2016	2015-16	Cement/ 6,94,341	<u>14</u> 05	62,491 Pen. 1,87,473 <b>2,49,964</b>	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
20	<u>ACCT Indore III</u> M/s Malwa Construction Company TIN – 23089079478 Case No. CS00000001076699	2015-16	66,06,177	<u>14</u> 05	5,94,556 Pen. 17,83,668 <b>23,78,224</b>	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
21	<u>ACCT Sagar</u> M/s Har Govind Gupta TIN – 23087702352 Case No. CS00000001045662	2016-17	45,45,29,398	<u>5</u> 1	1,81,81,176	As per provision under section 11(A) sub-section (2) read with rule 8-A(4) of MPVAT act, “the amount to be paid in lump sum by way of composition shall be determined with specified rates.” As per audited accounts, the dealer consumed material amounting to ₹ 22,93,27,935 in construction works while as per the statement of Form 4B the dealer showed nil purchases within state. Hence, VAT should be levied at five <i>per cent</i> as per provision.	The AA stated that action would be taken after verification.
22	<u>ACCT Guna</u> M/s Anurag Enterprises TIN – 23799063402 Case No. CS0000000742739	2014-15	DG Sets Kota Stone and Glass/ 48,70,587	<u>13</u> 5	3,89,647 Pen. 11,68,941 <b>15,58,588</b>	The AA levied tax at the rate of five <i>per cent</i> on DG Sets, Kota Stone and Glass while it was taxable at the rate of 13 <i>per cent</i> .	The AA stated that action would be taken after verification.

23	<u>ACCT Guna</u> M/s Lodha Spun Pipe TIN – 23059110618 Case No. CS00000001038380	2015-16	RCC Poles/ 2,17,800	$\frac{14}{5}$	19,602 Pen. 58,806 <b>78,408</b>	The AA levied tax at the rate of five <i>per cent</i> on RCC Poles while it was taxable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
24	<u>ACCT Morena</u> M/s Engipress Industries Ltd. TIN – 23475501159 Case No. CS0000000834038	2015-16	<u>Sleeper</u> 29,15,703	$\frac{14}{13}$	29,158 Pen. 87,474 <b>1,16,632</b>	The AA levied tax at the rate of 13 <i>per cent</i> on Sleeper while it was taxable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
25	<u>CTO Indore I</u> M/s Chashmita Engineer Pvt. Ltd. TIN – 23449152871 Case No. CS0000000807562	2015-16	Electrical Panel, Distribution Board/ 55,12,980	$\frac{14}{5}$	4,96,168	The AA levied tax at the rate of five <i>per cent</i> on Electrical Panel and Distribution Board while it was taxable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
			<b>Total</b>	<b>Tax Penalty Total</b>	<b>2,69,69,966 2,28,57,407 4,98,27,373</b>		

**Appendix III (B)**

**Application of incorrect rate of tax in Deemed Assessed Cases**

1	<u>CTO Sehore</u> M/s Mahindra Tyres TIN – 23749090761 Case No. Deemed	2015-16	Tyres/ 42,03,008	$\frac{15}{5}$	3,48,075 Pen. 10,44,225 <b>13,92,300</b>	The AA calculated tax at the rate of five <i>per cent</i> , but material was taxable at the rate of 15 <i>per cent</i> .	The AA stated that action would be taken after verification.
2	<u>CTO Sehore</u> M/s Mukesh Kumar Verma, Contractor TIN – 23864503251 Case No. Deemed	2016-17	Cement/ 1,03,11,316	$\frac{14}{5}$	9,28,018 Pen. 27,84,054 <b>37,12,072</b>	The AA levied tax at the rate of five <i>per cent</i> , while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.

3	<u>ACCT Jabalpur I</u> M/s Dheeraj Electric Company TIN – 23389020181 Case No. Deemed	2016-17	PSCC Pole/ 1,47,24,470	<u>14</u> 5	13,25,202 Pen. 39,75,607 <b>53,00,809</b>	The AA levied tax at the rate of five <i>per cent</i> on PSCC Poles, while it was leviable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
4	<u>ACCT Guna</u> M/s Shri Bajrang Pole Manufacturing Company TIN – 23129022244 Case No. Deemed	2016-17	RCC Poles/ 1,35,08,820	<u>14</u> 5	12,15,794 Pen. 36,47,382 <b>48,63,176</b>	The AA levied tax at the rate of five <i>per cent</i> on RCC Poles while it was taxable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
5	<u>ACCT Guna</u> M/s Balaji Pole Factory TIN – 23405006255Case No. Deemed	2016-17	RCC Poles/ 1,26,41,231	<u>14</u> 5	11,37,711 Pen. 34,13,133 <b>45,50,844</b>	The AA levied tax at the rate of five <i>per cent</i> on RCC Poles while it was taxable at the rate of 14 <i>per cent</i> .	The AA stated that action would be taken after verification.
			<b>Total</b>	<b>Tax Penalty Total</b>	<b>49,54,800 1,48,64,401 1,98,19,201</b>		
			<b>Grand Total (A)+(B)</b>	<b>Tax Penalty Total</b>	<b>3,19,24,766 3,77,21,808 6,96,46,574</b>		



**Appendix IV**  
(Referred to in paragraph 2.8)  
**Short levy of tax/grant of irregular concession under Central Sales Tax Act**

(Amount in ₹)

<b>Appendix IV (A)</b>							
<b>Short levy of tax/grant of irregular concession under Central Sales Tax Act in Regular Assessed cases</b>							
Sl. No.	<u>Name of the Auditee Unit Dealer</u>	Period of assessment	<u>Name of Commodity Turnover (₹)</u>	<u>Rate of tax applicable</u> Rate of tax applied (per cent)	Amount of short levy of tax/Penalty/ Total	Audit Observation	Reply of the Assessing Authority(AA)/ Audit Comments
1	<u>ACCT Jabalpur I</u> M/s Commercial Motor Sales Pvt. Ltd. TIN – 23109005368 Case No. CS00000001096458	2015-16	<u>Motor Vehicles</u> 66,13,374	<u>14 &amp; 15</u> 0	9,32,559 Pen. 27,97,677 <b>37,30,236</b>	The AA accepted blank Form 'F' and allowed deduction of stock transfer of ₹ 66,13,374. This resulted in non-levy of tax on ₹ 59,44,690 at the rate of 14 per cent and on ₹ 6,68,684 at the rate of 15 per cent.	The AA replied that due to non-availability of sufficient space for requisite information on the face of form, required information was filled up by the concerned dealer at back side of the form.  Reply was not acceptable as under the provisions of section 8 of CST act, read with rule 12 of CST(R&T),the concerned dealer was required to sign at Form 'F' and also at the annexures of the forms.
2	<u>DCCT Indore II</u> M/s State Trading Cooperation of India Ltd. TIN – 23211001763 Case No. CS00000001046376	2016-17	<u>Brass</u> 7,60,104	<u>2</u> 0	15,202 Pen. 45,606 <b>60,808</b>	The AA allowed irregular deduction of tax during the calculation of tax, which was not included in sale value.	The AA stated that action will be taken after verification.

3	<u>ACCT Indore IX</u> M/s Lalit Enterprises TIN – 23210904084 Case No. CS0000000926156	2015-16	Electrical Goods/ 33,22,140	<u>2</u> 0	66,443 Pen. 1,99,329 <b>2,65,772</b>	The AA allowed deduction in respect of Form 'E1' and 'C' sale under section 6(2) of CST act. However, dealer collected central tax on such sale.	The AA stated that action will be taken after verification.
4	<u>ACCT Indore IX</u> M/s Rachna Textile India Ltd. TIN – 23980900023 Case No. CS0000000919445	2015-16	Yarn/ 33,14,364	<u>2</u> 0	66,287 Pen. 1,98,861 <b>2,65,148</b>	The AA allowed excess deduction in respect of Form 'E1' and 'C' sale.	The AA stated that action will be taken after verification.
5	<u>CTOSatna II</u> M/s Pateriya Explosive TIN – 23749068160 Case No. CS0000000973573	2015-16	Explosive/ 1,27,09,157	<u>14</u> 0	26,68,923	The AA did not impose penalty at the rate of one and half times of tax amount against isuse of Form 'C' under section 10 (d).	The AA stated that action would be taken after verification.
6	<u>ACCT Pithampur</u> M/s Torrent Pharmaceuticals Ltd. TIN – 23081603671 Case No. CS0000000879856	2015-16	Medicine and Skin Cream/ 49,47,921	<u>5</u> 0	2,47,396 Pen. 7,42,188 <b>9,89,584</b>	The AA allowed deduction in respect of transit sale during 2015-16, while transaction was relating to the period 2016-17.	The AA stated that action would be taken after verification.
7	<u>CTO Sagar</u> M/s Sharda Enterprises TIN – 23907400425 Case No. CS00000001041014	2015-16	Tendupatta/ 17,99,615	<u>2</u> 0	35,992 Pen. 1,07,976 <b>1,43,968</b>	The AA allowed deduction in respect of Form 'E1' and 'C' sale under section 6(2) of CST act. However, dealer collected central tax on such sale.	The AA stated that action would be taken after verification.

8	<u>CTO Sagar</u> M/s Sagar Bone Mills TIN – 23167500160 Case No. CS0000000733626	2014-15	Bone/ 2,75,491	<u>13</u> 5	22,039 Pen. 66,117 <b>88,156</b>	The AA levied CST @ five <i>per cent</i> instead of leviable 13 <i>per cent</i> against interstate sale without supporting declaration in Form 'C'.	The AA stated that action would be taken after verification.
9	<u>CTO Sagar</u> M/s Diamond Agro Industries TIN – 23787504766 Case No. CS00000001093180	2015-16	Rock Phosphate/ 26,17,381	<u>14</u> 5	2,35,564 Pen. 7,06,692 <b>9,42,256</b>	The AA levied CST @ five <i>per cent</i> instead of leviable 14 <i>per cent</i> against interstate sale without supporting declaration in Form 'C'.	The AA stated that action would be taken after verification.
10	<u>ACCT Morena</u> M/s Rakhi Traders TIN – 23765604062 Case No. CS00000001014945	2015-16	Cereals, Oil Seeds and Pulses/ 24,53,275	<u>5</u> 0	1,22,664 Pen. 3,67,991 <b>4,90,655</b>	The AA allowed deduction in respect of export without proof (Form 'H', bill of landing, supply order, invoice and shipping bill etc.).	The AA stated that action will be taken after verification.
11	<u>ACCT Indore I</u> M/s Jaina Marketing TIN – 23430104489 Case No. CS00000001054868	2015-16	Mobile Handset, Accessories and Software/ 16,50,318	<u>14</u> 0	2,31,045 Pen. 6,93,135 <b>9,24,180</b>	The AA allowed deduction of stock transfer, which were not supported by declaration in Form 'F'.	The AA stated that action will be taken after verification.
12	<u>ACCT Indore I</u> M/s Nilesh Kumar Suresh Chandra TIN – 3471401066 Case No. CS0000000882338	2015-16	Bardana/ 21,12,394	<u>5</u> 2	63,372 Pen. 1,90,116 <b>2,53,488</b>	The AA levied CST at two <i>per cent</i> instead of leviable five <i>per cent</i> against interstate sale without supporting declaration Form 'C'.	The AA stated that action will be taken after verification.
			<b>Total</b>	<b>Tax Penalty Total</b>	<b>20,38,563 87,84,611 1,08,23,174</b>		

Appendix IV (B)							
Short levy of tax/grant of irregular concession under Central Sales Tax Act in Deemed Cases.							
1	<u>CTO Sehore</u> M/s Hoshiyar Singh Veer Singh TIN – 23374500853 Case No. Deemed	2016-17	Oil & Chemicals/ 14,95,42,833	<u>5</u> 0	74,77,142	The AA allowed deduction of stock transfer, which were not supported by declaration in Form 'F'.	The AA stated that action will be taken after verification.
			<b>Total</b>	<b>Tax</b>	<b>74,77,142</b>		
				<b>Total</b>	<b>74,77,142</b>		
			<b>Grand Total (A)+(B)</b>	<b>Tax</b>	<b>95,15,705</b>		
				<b>Penalty</b>	<b>87,84,611</b>		
				<b>Total</b>	<b>1,83,00,316</b>		

**Appendix V**  
(Referred to in paragraph 2.9)  
**Entry tax (ET) was not levied/short levied**

(Amount in ₹)

<b>Appendix V(A)</b>							
<b>Entry tax (ET) was not levied/short levied in Regular Assessed Cases</b>							
Sl. No.	Name of the Auditee Unit Dealer	Period of assessment	Commodity /TTO (₹)	Rate of tax applicable Applied Rate (per cent)	Amount of non/short levy of tax Penalty/Total	Audit Observation	Reply of the AA/ Audit Comments
1	ACCT Bhopal M/s Andeep Steel TIN – 23963600805 Case No. CS0000000898764	2015-16	Iron and Steel/ 2,16,73,740	<u>2</u> 1	2,16,737 Penalty 6,50,211 <b>8,66,948</b>	The AA levied ET at the rate of one <i>per cent</i> on purchase of Iron and Steel instead of leviable two <i>per cent</i> .	The AA stated that action would be taken after verification.
2	ACCT Bhopal M/s Rohit Steel & Profile Industries TIN – 23033602626 Case No.35/2016	2015-16	Iron and Steel/ 3,40,360	<u>2</u> 0	6,807 Penalty 20,421 <b>27,228</b>	The AA did not levy ET on Iron and Steel.	The AA stated that action would be taken after verification.
3	ACCT Bhopal V M/s GTL Infrastructure Ltd. TIN – 23631204068 Case No. 417/2016	2015-16	Electrical Goods/ 10,04,139	<u>2</u> 0	20,083 Penalty 60,249 <b>80,332</b>	The AA determined short turnover against the out of state purchase certified as per VATIS data.	The AA replied that the dealer cancelled form 49 amounting to ₹ 2,37,43,540.  The reply of the AA was not acceptable as out of state purchase, as mentioned in Audit Observation, was based on current VATIS data.

4	<p><u>ACCT Bhopal VI</u> M/s PK Global Power Pvt. Ltd. TIN – 23603602749 Case No. CS0000000941229</p>	2015-16	Transformer / 19,25,22,94 9	<u>1</u> 0	19,25,229 Penalty 38,50,458 <b>57,75,687</b>	<p>As per section 7 of the ET act, every registered dealer who manufactures any goods in a local area shall, on sale of such local goods to any other registered dealer, issue to him a bill after recording the statement - “Local goods for Bhopal, entry tax not paid”. As per section 7 (5) of ET Act, if registered dealer failed to make the above statement, it shall be presumed that he has facilitated the evasion of ET and unless the contrary is proved by him, he shall be liable to pay penalty which shall not be less than two times of ET payable It was noticed that the dealer was a manufacturer of transformer and he was issued sale invoice without mentioning the above statement, therefore, facilitating the evasion of entry tax on the local goods so sold. The AA levied entry tax without verification of above facts.</p>	The AA stated that action would be taken after verification.
5	<p><u>ACCT Indore IX</u> M/s Supremo Tubes Pvt. Ltd. TIN – 23190905647 Case No. CS0000000798510 &amp; CS0000001065669</p>	2015-16 2016-17	Pipe/ 15,25,00,14 0 & 11,42,10,60 7	<u>1</u> 0	26,67,107 Penalty 53,34,214 <b>80,01,321</b>	<p>As per section 7 of the ET act, every registered dealer who manufactures any goods in a local area shall, on sale of such local goods to any other registered dealer, issue to him a bill after recording the statement- “Local goods for Indore, entry tax not paid”. As per section 7 (5) of ET Act, if registered dealer failed to make</p>	The AA stated that action would be taken after verification.

						the above statement, it shall be presumed that he has facilitated the evasion of ET and unless the contrary is proved by him, he shall be liable to pay penalty which shall not be less than two times of ET payable. It was noticed that the dealer was a manufacturer of pipe and he was issued sale invoice without mentioning the above statement, therefore, facilitating the evasion of entry tax on the local goods so sold. The AA levied entry tax without verification of above facts.	
6	<u>DCCT Indore II</u> M/s Simtrade Overseas Pvt. Ltd. TIN – 23121004383 Case No. CS00000001023479	2015-16	Chemicals, acid and Plastic Granules/ 55,21,725	<u>1</u> 0	55,217 Penalty 1,65,651 <b>2,20,868</b>	The AA determined less turnover due to non-inclusion of expenditure in respect of dock and duty charges, which were certified as per audited accounts.	The AA stated that action would be taken after verification.
7	<u>DCCT Indore II</u> M/s Devidayal Harikishan TIN – 23870501753 Case No. CS00000001067035	2016-17	Iron and Steel/ 22,60,601	<u>2</u> 0	45,212 Penalty 1,35,636 <b>1,80,848</b>	The AA determined less turnover due to non-inclusion of expenses in respect of <i>hammali</i> , transportation and unloading charges, as certified in audited accounts.	The AA replied that the dealer purchased all goods from selling dealer on <i>godown</i> delivery, therefore direct expenditure is not part of purchase value. Reply of the AA was not acceptable as all the above expenditure were certified by the Auditor as direct expenses, and these were also a part of purchase. Moreover, the AA concerned did not provide any supporting documents i.e. bill, bilti, etc.in support of the reply.

8	<u>CTO Sehore</u> M/s Teknic India TIN – 23384503612 Case No. CS0000000944584	2015-16	Electronic goods/ 1,12,83,295	<u>2</u> 1	1,12,853 Penalty 2,25,706 <b>3,38,559</b>	The AA levied ET at the rate of one <i>per cent</i> on purchase of Electronic Goods instead of leviable two <i>per cent</i> .	The AA stated that action would be taken after verification.
9	<u>ACCT Katni I</u> M/s Alloyed Minerals Industries Pvt. Ltd. TIN – 23856203812 Case No. CS0000000621703	2014-15	Coal/ 6,79,61,104	<u>3</u> 2	6,79,611	The AA levied ET at the rate of two <i>per cent</i> on purchase of coal instead of leviable three <i>per cent</i> .	The AA stated that action would be taken after verification.
10	<u>ACCT Katni I</u> M/s Alloyed Minerals Industries Pvt. Ltd. TIN – 23856203812 Case No. CS0000000830966	2015-16	Coal/ 2,94,66,953	<u>3</u> 2	2,94,670	The AA levied ET at the rate of two <i>per cent</i> on purchase of coal instead of leviable three <i>per cent</i> .	The AA stated that action would be taken after verification.
11	<u>ACCT Katni I</u> M/s Shri Kamal Lime Industries Pvt. Ltd. TIN – 23716204277 Case No. CS0000000806311	2015-16	Limestone/ 82,08,922	<u>2.5</u> 1	1,23,134 Penalty 3,69,402 <b>4,92,536</b>	The AA levied ET at the rate of one <i>per cent</i> instead of leviable two and half <i>per cent</i> on purchase of lime stone, which was used in production of lime and taxable purchase was also under determined.	The AA stated that action would be taken after verification.
			Limestone/ 8,16,014	<u>2.5</u> 0	20,400 Penalty 61,200 <b>81,600</b>		
12	<u>ACCT Katni I</u> M/s Shri Kamal Lime Industries Pvt. Ltd. TIN – 23716204277 Case No. CS0000000597257	2014-15	Limestone/ 36,68,695	<u>2.5</u> 1	55,031 Penalty 1,65,093 <b>2,20,124</b>	The AA levied ET at the rate of one <i>per cent</i> instead of leviable two & half <i>per cent</i> on purchase of lime stone which was used in production of lime.	The AA stated that action would be taken after verification.



13	<u>ACCT Katni I</u> M/s Dabar India Ltd. TIN – 23306203678 Case No. CS0000000621686	2014-15	Fire Fighting/ 7,60,557	<u>2</u> 0	15,211 Penalty 45,633 <b>60,844</b>	The AA did not include out of state purchase amount in gross purchase amount.	The AA stated that action would be taken after verification.
			Membrane, Water walls/ 5,30,400	<u>2</u> 0	10,608 Penalty 31,824 <b>42,432</b>		
			Limestone/ 1,42,626	<u>10</u> 0	14,263 Penalty 42,789 <b>57,052</b>		
			Woven Sack/ 2,17,023	<u>5</u> 0	10,851 Penalty 32,553 <b>43,404</b>		
14	<u>ACCT Satna I</u> M/s Arun Singh TIN – 23097002540 Case No. CS0000000898462	2015-16	Plant and Machinery/ 37,83,436	<u>2</u> 0	75,669 Penalty 2,27,007 <b>3,02,676</b>	The AA did not include out of state purchase amount of Plant and Machinery in the gross purchase amount.	The AA stated that action would be taken after verification.
15	<u>ACCT Satna I</u> M/s Agrawal Trading Company TIN –23057005181 Case No. CS00000001247774	2016-17	PVC Pipe/ 56,94,854	<u>1</u> 0	56,949 Penalty 1,70,847 <b>2,27,796</b>	The AA allowed deduction in respect of ET paid while as per purchase invoices, the purchase was taxable.	The AA stated that action would be taken after verification.
16	<u>ACCT Satna I</u> M/s S.R.B.H. Engineering	2015-16	Elevator/ 30,30,034	<u>2</u> 1	30,300 Penalty 90,900 <b>1,21,200</b>	The AA levied ET at the rate of one <i>per cent</i> instead of leviable two <i>per cent</i> on purchase of Elevator.	The AA stated that action would be taken after verification

	TIN – 81909000115 Case No. 1534/2016		Transformer / 21,57,535	<u>1</u> 0	21,575 Penalty 64,725 <b>86,300</b>	The AA allowed deduction in respect of ET paid, while as per purchase invoices, the purchase was taxable.	The AA stated that action would be taken after verification.
17	<u>ACCT Satna I</u> M/s Rojer Power Technologies Pvt. Ltd. TIN – 23039034572 Case No. CS0000000907416	2015-16	PP Bags/ 52,45,689	<u>1</u> 0	52,456	The AA allowed excess deduction in respect of raw material.	The AA replied that the dealer received raw material from his head office and he sold bags after production. He was entitled for exemption against raw materials. The reply of AA was not acceptable because he received PP bags instead of raw materials.
18	<u>CTO Satna II</u> M/s Vankalya Engineering Associates TIN – 23839118300 Case No. CS0000000967864	2015-16	Plant and Machinery/ 15,03,786	<u>2</u> 1	15,038 Penalty 45,114 <b>60,152</b>	The AA levied ET at the rate of one <i>per cent</i> on purchase of Plant and Machinery instead of leviable two <i>per cent</i> .	The AA stated that action would be taken after verification
			Plant and Machinery/ 7,27,260	<u>2</u> 0	14,545 Penalty 43,635 <b>58,180</b>	The AA did not include out of state purchase amount in the gross purchase amount.	The AA stated that action would be taken after verification.
19	<u>CTO Ashok Nagar</u> M/s Girraj Construction TIN – 23915005441 Case No. 462/2016	2015-16	Iron and Steel/ 80,00,000	<u>2</u> 0	1,60,000 Penalty 4,80,000 <b>6,40,000</b>	The AA allowed irregular deduction in respect of ET paid Purchase.	The AA stated that action would be taken after verification.
20	<u>CTO Ashok Nagar</u> M/s Bagulya Sortex TIN – 23509087681 Case No.433/2016	2015-16	Sortex Machine/ 91,15,768	<u>2</u> 1	91,157 Penalty 27,471 <b>3,64,628</b>	The AA levied ET at the rate of one <i>per cent</i> on purchase of Sortex Machine instead of leviable two <i>per cent</i> .	The AA stated that action would be taken after verification.
21	<u>CTO Neemuch</u>	2015-16	Cement/	<u>2</u>	1,09,571	The AA allowed deduction in respect of tax paid purchase	The AA stated that action would be taken after verification.

	M/s Jitendra Goyal and Co. TIN – 23393203079 Case No.915/2016		54,78,561	0	Penalty 3,28,713 <b>4,38,284</b>	while as per invoice purchase was taxable.	
22	<u>CTO Neemuch</u> M/s Rajendras Singh Chandrawat TIN – 23833302068 Case No. CS00000001111715	2015-16	Gitti/ 58,49,695	<u>1</u> 0	58,497 Penalty 1,75,491 <b>2,33,988</b>	The AA allowed irregular deduction in respect of tax paid purchase value of metal while the selling dealer did not show sale to the purchasing dealer as per Report No. 75.	The AA stated that action would be taken after verification.
23	<u>CTO Neemuch</u> M/s Piorotek Work Space TIN – 23909074837 Case No. CS0000000993154	2015-16	Electricals goods/ 63,87,853	<u>1</u> 0	63,878 Penalty 1,91,634 <b>2,55,512</b>	The AA determined GTO of ₹ 17,00,000 while GTO should be ₹ 63,87,855 as per Tax Deduction at Source (TDS) certificate.	The AA stated that action would be taken after verification.
24	<u>CTO Neemuch</u> M/s Durga Oil Mill TIN – 23253300350 Case No. 1388/2016	2015-16	<u>Edible oil</u> 2,04,12,990	<u>1</u> 0	2,04,129 Penalty 6,12,387 <b>8,16,516</b>	The AA allowed deduction in respect of tax paid purchase of ₹ 2,45,93,000 while as per Report No. 75, the dealer had purchased only ₹ 41,80,018 from the registered dealer of Madhya Pradesh.	The AA replied that deduction had been allowed after verification of the list of tax paid purchase, invoices and books of account.  The reply of the AA was not acceptable because as per Report No. 75, the dealer had purchased only ₹ 41,80,018 from the registered dealer.
25	<u>CTO Neemuch</u> M/s Chetak Crasher TIN – 23053203363 Case No. CS0000000993124	2015-16	Gitti/ 1,16,12,807	<u>1</u> 0	1,16,128 Penalty 2,32,256 <b>3,48,384</b>	As per section 7 of the ET act, every registered dealer who manufactures any goods in a local area shall, on sale of such local goods to any other registered dealer, issue to him a bill after recording the statement- “Local goods for Neemuch, entry tax not paid”.	The AA stated that action would be taken after verification.

						As per section 7 (5) of ET Act, if registered dealer failed to make the above statement it shall be presumed that he has facilitated the evasion of ET and unless the contrary is proved by him, he shall be liable to pay penalty which shall not less than two times of ET payable. It was noticed that the dealer was a manufacturer of Metal and he was issued sale invoice without mentioning the above statement, therefore, facilitating the evasion of entry tax on the local goods so sold. The AA levied entry tax without verification of above facts.	
26	<u>CTO Neemuch</u> M/s Vinayak Traders TIN – 23979094133 Case No. CS0000000941615	2015-16	Lignite Coal/ 2,46,63,451	<u>3</u> 1	4,95,711 Penalty 14,87,133 <b>19,82,844</b>	The AA levied ET at the rate of one <i>per cent</i> instead of leviable three <i>per cent</i> on purchase of Coal and the AA also determined less GTO due to non-including of amounting ₹ 2,44,193 in respect of direct expenditure.	The AA stated that purchased material was Lignite which was taxable @ one <i>per cent</i> . The reply of the AA was not acceptable because the purchased material was Coal which was certified from the enclosed form 49 with the assessment case file.
27	<u>CTO Neemuch</u> M/s Raj and Company TIN –23933300946 Case No. CS00000001103510	2015-16	<i>Tilhan and Jadi Butil</i> 12,28,000	<u>1</u> 0	12,280 Penalty 36,840 <b>49,120</b>	The AA allowed deduction amounting to ₹ 1,12,28,000 in respect of out of state sale while it was certified that out of state sale was only ₹ 1,00,00,000 as per VAT and Central case file.	The AA stated that action would be taken after verification.

28	<u>CTO Rewa</u> M/s Pankaj Singh and Company TIN – 23356904912 Case No. CS0000000847894	2015-16	Explosive/ 23,45,878	<u>2</u> 1	23,459	The AA levied ET at the rate of one <i>per cent</i> instead of two <i>per cent</i> on purchase and use of explosive and the AA also determined less GTO due to non-inclusion of purchase amount of machinery.	The AA stated that action would be taken after verification.
			Machinery/ 1,04,75,508	<u>1</u> 0	1,04,755	The AA determined less GTO due to non-inclusion of purchase value of the Plant and Machinery in the GTO.	The AA stated that action would be taken after verification.
29	<u>CTO Betul</u> M/s Y Shri Niwas Rao TIN – 23024705667 Case No. CS00000001106665	2015-16	Bitumen, Sand and Metal/ 20,13,616	<u>1</u> 0	20,136 Penalty 60,408 <b>80,544</b>	The AA determined less GTO due to non-inclusion of purchase value of the Bitumen, Sand and Metal in the GTO.	The AA stated that action would be taken after verification.
30	<u>CTO Sagar</u> M/s Diamond Agro Industries TIN – 23787504766 Case No. CS00000001093181	2015-16	Rock Phosphate/ 24,28,284	<u>1</u> 0	24,283 Penalty 72,849 <b>97,132</b>	The AA allowed deduction against inter-State sale of raw material while dealer had sold finish goods after production.	The AA stated that action would be taken after verification.
31	<u>ACCT Gwalior II</u> M/s VVC Real Infra Pvt. Ltd. TIN – 23825006412 Case No. CS0000000839761	2015-16	Sand and Aggregate/ 92,49,306	<u>1</u> 0	92,493 2,77,479 <b>3,69,972</b>	The AA determined less GTO due to non-inclusion of purchase value of the Emulsion, Sand and Aggregate in the GTO.	The AA stated that action would be taken after verification.
32	<u>ACCT Gwalior II</u> M/s Gagan Motors	2015-16	Two Wheelers and Auto Parts/	<u>2</u> 0	91,774 Penalty 2,75,322 <b>3,67,096</b>	The AA determined less GTO due to non-inclusion of direct expenditure in respect of purchase in the GTO	The AA replied that material had been purchased on the - for supply basis. The reply of AA was not acceptable because transportation

	TIN – 23795003179 Case No. CS0000000839735		45,88,696				charges and insurance charges shown in the trading accounts as direct expenditure.
33	<u>ACCT Gwalior II</u> M/s Mahendra Traders TIN – 23694802056 Case No. 168/2017	2016-17	Steel Tube/ 7,79,379	<u>2</u> 1	77,937	The AA levied ET at one <i>per cent</i> instead of leviable two <i>per cent</i> on the purchase of Steel Tube.	The AA stated that action would be taken after verification.
34	<u>ACCT Gwalior II</u> M/s Shahayadra Industries Ltd. TIN – 23021101729 Case No. CS0000000961587	2015-16	Cement sheet/ 2,01,80,911	<u>2</u> 1	2,01,809 Penalty 6,05,427 <b>8,07,236</b>	The AA levied ET at the rate of one <i>per cent</i> on purchase of Cement sheet instead of leviable two <i>per cent</i> .	The AA stated that action would be taken after verification.
35	<u>ACCT Indore III</u> M/s Rachna Infrastructure TIN – 23709019276 Case No. CS00000001026750	2015-16	LDO/ 15,14,100	<u>10</u> 2	1,21,128 Penalty 3,63,384 <b>4,84,512</b>	The AA levied ET at the rate of two <i>per cent</i> on purchase of LDO instead of 10 <i>per cent</i> .	The AA stated that action would be taken after verification.
		2015-16	Explosive/ 10,01,246	<u>2</u> 0	20,025 Penalty 60,075 <b>80,100</b>	The AA allowed deduction in respect of tax paid purchase of explosive which was against the provision because as per provision, final consumer was liable to pay ET.	The AA stated that action would be taken after verification.
36	<u>ACCT Indore III</u> M/s Govardhan Traders TIN – 23470203795 Case No. CS00000001089893	2015-16	Tiles and Sanitary/ 16,43,300	<u>1</u> 0	16,433 Penalty 49,299 <b>65,732</b>	The AA determined less gross purchase against the certified audited accounts.	The AA stated that action would be taken after verification.

37	<u>ACCT Indore III</u> M/s Prabhakar Earth Moving TIN – 23719038093 Case No. CS0000000961601	2015-16	...../ 42,04,027	<u>1</u> 0	42,040 Penalty 1,26,120 <b>1,68,160</b>	The AA determined less gross purchase against the certified audited accounts.	The AA stated that action would be taken after verification.
38	<u>ACCT Indore III</u> M/s Atriwal Construction TIN – 23469077306 Case No. CS00000001028828	2015-16	Loading and Unloading expenditure/ 3,14,800	<u>1</u> 0	3,148 Penalty 9,444 <b>12,592</b>	The AA determined less gross purchase due to non-inclusion of loading and unloading expenditure in the gross purchase.	The AA stated that action would be taken after verification.
39	<u>ACCT Indore II</u> M/s Satguru Cement TIN – 23690602247 Case No. CS00000001040116	2016-17	HDPP Bags/ 1,16,85,041	<u>2</u> 1	1,16,850	The AA levied ET at the rate of one <i>per cent</i> on purchase of packing material HDPE/ PP Bags instead of two <i>per cent</i> .	The AA stated that action would be taken after verification.
40	<u>ACCT Indore II</u> M/s Accurator Sales Agency TIN – 23280400664 Case No. CS0000000853733	2015-16	Cardboard and Paper/ 55,27,873	<u>1</u> 0	55,278 Penalty 1,65,834 <b>2,21,112</b>	The AA allowed irregular deduction in respect of local goods while purchased material entered in local area from out of District.	The AA stated that action would be taken after verification.
41	<u>ACCT Sagar</u> M/s Rajendra Singh Bagga TIN – 23487603095 Case No. CS00000001052018	04/2017-06/2017	<i>Gitti</i> / 28,54,600	<u>1</u> 0	28,546 Penalty 85,638 <b>1,14,184</b>	The AA did not levy ET on unregistered purchase of Sand and <i>Gitti</i> .	The AA was not offered any specific reply.

42	<u>ACCT Guna</u> M/s R.K. Enterprises TIN – 23675004506 Case No. CS0000000728796	2014-15	-/ 5,31,655	<u>2</u> 0	10,633 Penalty 31,899 <b>42,532</b>	The AA determined less gross purchase against the amount shown in account of Form-49.	The AA stated that action would be taken after verification.
43	<u>ACCT Guna</u> M/s Tilak Marketing TIN – 23775005615 Case No. CS0000000732381	2014-15	<i>Tendupatta/</i> 11,55,625	<u>2</u> 0	23,113 Penalty 69,339 <b>92,452</b>	The AA allowed irregular deduction in respect of tax paid purchase of <i>Tendupatta</i> .	The AA stated that action would be taken after verification.
			<i>Bidi/</i> 9,39,432	<u>2.5</u> 0	23,486 Penalty 70,458 <b>93,944</b>	The AA determined less gross purchase of tax paid sale of <i>Bidi</i> as per accounts.	
44	<u>ACCT Guna</u> M/s Lodha Steel Pipe TIN – 23059110618 Case No. CS00000001038381	2015-16	Plant & Machinery/ 4,87,000	<u>1</u> 0	4,870 Penalty 14,610 <b>19,480</b>	The AA determined less gross purchase due to non- inclusion of out of state purchase amount of Plant & Machinery.	The AA stated that action would be taken after verification.
45	<u>ACCT Guna</u> M/s Akрати Technimont Ltd. TIN – 23619018897 Case No. CS00000001009563	2014-15	-/ 1,22,19,322	<u>1</u> 0	1,22,193 Penalty 3,66,579 <b>4,88,772</b>	The AA determined less gross purchase due to less out of state purchase amount included in the gross purchase against the amount shown in Form 49.	The AA stated that action would be taken after verification.
46	<u>ACCT Morena</u> M/s R.S.K Constracts TIN – 2339028819	2015-16	Plant & Machinery/ 36,62,100	<u>2</u> 0	73,242 Penalty 2,19,726 <b>2,92,968</b>	The AA determined less gross purchase due to non- inclusion of out of State transferred Plant and Machinery.	The AA stated that action would be taken after verification.



	Case No. CS00000001009543		Cement/ 2,90,160	$\frac{1}{0}$	2,902 Penalty 8,706 <b>11,602</b>	The AA did not levy ET at one <i>per cent</i> on Cement instead of two <i>per cent</i> .	
47	<u>ACCT Morena</u> M/s Siddhivinayak Polypack Pvt. Ltd. TIN – 23309058213 Case No. CS00000001109067	2016-17	Resin/ 2,49,59,665	$\frac{1}{0}$	2,49,597 Penalty 7,48,791 <b>9,98,388</b>	The AA allowed deduction on the basis of exemption certificate while the dealer purchased such material which was not eligible for exemption.	The AA stated that action would be taken after verification.
48	<u>ACCT Morena</u> M/s Magnum Steel Ltd. TIN – 23335501721 Case No. CS0000000834067	2015-16	Coal/ 6,49,780	$\frac{3}{1}$	12,996 Penalty 38988 <b>51,984</b>	The AA levied ET at one <i>per cent</i> on Coal instead of leviable three <i>per cent</i> .	The AA stated that action would be taken after verification.
49	<u>ACCT Morena</u> M/s Yadav Construction Company TIN – 23185604381 Case No. CS00000001095574	2015-16	Bitumen/ 15,13,190	$\frac{1}{0}$	15,132 Penalty 45,396 <b>60,528</b>	The AA determined less gross purchase due to non-inclusion of out of State purchased amount of Bitumen in the gross purchase.	The AA stated that action would be taken after verification.
50	<u>ACCT Indore X</u> M/s Omega Manufacturing Company Pvt. Ltd. TIN – 23941003738 Case No. CS00000001145369	2016-17	Winding Wire and Steel Tube/ 50,75,180	$\frac{2}{0}$	1,01,504	The AA allowed deduction in respect of ET paid while as per purchase invoices, the purchase was taxable.	The AA stated that action would be taken after verification.

51	<u>ACCT Indore X</u> M/s Mahalaxmi Electricals TIN – 23031303435 Case No. CS0000000840652	2015-16	Electricals Goods/ 77,67,471	<u>1</u> 0	77,675	The AA allowed deduction in respect of ET paid while as per purchase invoices, the purchase was taxable.	The AA stated that action would be taken after verification.
52	<u>CTO Indore I</u> M/s Chasmita Engineering Pvt. Ltd. TIN – 23449152871 Case No. CS0000000807562	2015-16	Electricals Goods/ 47,75,711	<u>2</u> 1	47,757	The AA levied ET at one <i>per cent</i> on Electricals Goods (Flame proof/weather proof electrical fittings, public addressing system) instead of leviable two <i>per cent</i> .	The AA stated that action would be taken after verification.
53	<u>CTO Indore I</u> M/s Willium Industries Pvt. Ltd. TIN – 23570105285 Case No. CS00000001043070	2015-16	PP Bags/ 20,67,443	<u>5</u> 1	82,698 Penalty 2,48,094 <b>3,30,792</b>	The AA levied ET at one <i>per cent</i> on PP Bags instead of leviable five <i>per cent</i> .	The AA stated that action would be taken after verification.
54	<u>CTO Indore I</u> M/s Lloyd Insulations India Pvt. Ltd. TIN – 23050101400 Case No. CS00000001038200	2015-16	HDPE Bags/ 11,41,299	<u>5</u> 1	45,652 Penalty 1,36,956 <b>1,82,608</b>	The AA levied ET at one <i>per cent</i> on HDPE Bags instead of leviable five <i>per cent</i> .	The AA stated that action would be taken after verification.
55	<u>CTO Indore I</u> M/s M.P. Bombay Petro Point TIN – 23839151280 Case No. CS00000001038760	2015-16	Generator and Tanker/ 19,20,000	<u>2</u> 0	38,400 Penalty 1,15,200 <b>1,53,600</b>	The AA determined less gross purchase due to non-inclusion of purchase amount of Generator and Tanker in the gross purchase.	The AA stated that action would be taken after verification.
			<b>Total</b>	<b>Tax Penalty Total</b>	<b>98,22,851 1,96,71,214 2,94,94,065</b>		

Appendix V (B)							
Entry tax (ET) was not levied/short levied in Deemed Assessed Cases							
1	<u>ACCT Bhopal V</u> M/s Green Surfer Pvt. Ltd. TIN – 23989159995 Case No. Deemed	2016-17	Electrical item and packing material/ 2,08,26,036	<u>1</u> 0	2,08,260 Penalty 6,24,780 <b>8,33,040</b>	The AA allowed exemption on the purchase of electrical item and packing material which was used in manufacturing on the basis of irregular exemption certificate.	The AA stated that action would be taken after verification.
2	<u>CTO Satna II</u> M/s Sun Enterprises TIN – 230277101963 Case No. Deemed	2016-17	Electronics Goods/ 16,54,505	<u>2</u> 1	16,545 Penalty 49,362 <b>65,816</b>	The AA levied ET at the rate of one <i>per cent</i> on purchase of electronics goods instead of leviable two <i>per cent</i> .	The AA stated that action would be taken after verification.
3	<u>ACCT Khandwa</u> M/s Nayan Agro Ltd. TIN – 23812004607 Case No. Deemed	2016-17	HDPP Bags/ 11,35,818	<u>5</u> 1	45,433 Penalty 1,36,299 <b>1,81,732</b>	The AA levied ET at the rate of one <i>per cent</i> on out of state purchase of packing material HDPE/PP Bags instead of five <i>per cent</i> .	The AA stated that action would be taken after verification.
4	<u>ACCT Khandwa</u> M/s Nayan Agro Ltd. TIN – 23812004607 Case No. Deemed	2014-15	HDPP Bags/ 13,76,527	<u>5</u> 2	41,295 Penalty 1,23,885 <b>1,65,180</b>	The AA levied ET at the rate of two <i>per cent</i> on out of state purchase of packing material HDPE/ PP Bags instead of five <i>per cent</i> .	The AA stated that action would be taken after verification.
			<b>Total</b>	<b>Tax Penalty Total</b>	<b>3,11,533 9,34,326 12,45,759</b>		
			<b>Grand Total (A)+(B)</b>	<b>Tax Penalty Total</b>	<b>1,01,34,384 2,06,05,540 3,07,39,924</b>		

**Appendix VI**  
(Referred to in paragraph 2.10 (a))  
**Allowance of Input Tax Rebate without proper verification**

(Amount in ₹)

<b>Appendix VI (A)</b>					
<b>Allowance of Input Tax Rebate without proper verification in Regular assessed cases</b>					
Sl. No.	Name of the Auditee Unit Dealer	Period of assessment	ITR allowed by the AA Amount of ITR as per Report 75	Amount of excess grant of ITR	Reply of the Assessing Authority(AA)/ Audit Comments
1	ACCT Bhopal I M/s Maruti Sales and Services TIN – 23503602513 Case No. 33/2015-16	2015-16	<u>3,95,572</u> 2,77,088	1,18,484	The AA replied that the VAT cases were disposed off under deemed scheme notification dated 02-08-2018 and there was no condition & restriction specified in the scheme to reject the deemed application on the basis of any shortfall or mismatch of ITR according to Report No. 75-76 and the AA also replied that according to the decision of the Honorable High Court, Delhi in case of M/s Arise India Ltd. V/s the Commissioner of Trade and Tax, Delhi WP (C) 21062/2015 dated 26.10.2017, if any irregularity is found on the side of seller, then the tax should be recovered from the concerned seller and on the basis of irregularity of seller, the credit to purchasing dealer should not be disallowed.  Reply of the AA was not acceptable because the dealer has claimed excess ITR against the provision under section 14 (6-A) read with Rule 9-A and the AA concerned allowed ITR without verification and did not initiate any action to recover amount of tax against selling dealer as per the decision of the Honorable High Court, Delhi.
2	ACCT Bhopal I M/s Krishna Engineering Co. TIN – 23353602256 Case No. CS0000000917569	2015-16	<u>20,25,350</u> 19,39,559	85,791	The AA stated that action would be taken after verification.

3	<u>ACCT Indore IX</u> M/s Omala Infrastructure TIN – 23749088045 Case No. CS0000000931304	2015-16	<u>12,35,722</u> 2,42,648	9,93,074	Out of 14 cases, in 12 cases the AA stated that action would be taken after verification and in remaining two cases no specific reply has been given.	
4	<u>ACCT Indore IX</u> M/s Vijay Agencies TIN – 23300900494 Case No. CS0000000904397	2015-16	<u>14,44,115</u> 14,34,570	9,545		
5	<u>ACCT Indore IX</u> M/s R.V. Infrastructure Engineers Pvt. Ltd. TIN – 23530904199 Case No. CS0000000907052	2015-16	<u>9,30,904</u> 4,47,110	4,83,794		
6	<u>ACCT Indore IX</u> M/s Unique Drugs House TIN – 23890900412 Case No. CS0000000916122	2015-16	<u>2,73,850</u> 2,26,676	47,174		
7	<u>ACCT Indore IX</u> M/s Indian Traders TIN – 23080902264 Case No. CS0000000916128	2015-16	<u>46,33,267</u> 45,29,347	1,03,920		
8	<u>ACCT Indore IX</u> M/s M. P. Pharma TIN – 23770901739 Case No. CS0000000914958	2015-16	<u>2,54,239</u> 2,16,580	37,659		
9	<u>DCCT Indore II</u> M/s Punjab Jewelers TIN – 23740400023 Case No. CS0000000808896	2015-16	<u>88,58,014</u> 47,52,090	41,05,924		The AA replied that ITR was allowed after verification of purchase ledger, bill and payment to seller.
10	<u>DCCT Indore II</u> M/s Silver Gold Point TIN – 23650400994 Case No. 178/2017	2016-17	<u>6,14,94,382</u> 6,13,12,084	1,82,298		Reply of the AA was not acceptable as the dealer had claimed excess ITR against the provision under section 14 (6-A) read with the Rule 9-A and as per circular no. 147/2014-15/30/fifteen/667 dated 21 August 2014, the concerning AAs allowed ITR without proper action.
11	<u>DCCT Indore II</u> M/s M.M Patanwala TIN – 23980500577 Case No. 177/2017	2016-17	<u>2,41,24,963</u> 2,38,24,359	3,00,604		

12	<u>DCCT Indore II</u> M/s Superton Electronics TIN – 23211004091 Case No. 198/2016	2016-17	<u>76,65,409</u> 60,81,356	15,84,053	
13	<u>DCCT Indore II</u> M/s V.H.D. Distributors TIN – 23579075743 Case No. 177/2016	2016-17	<u>2,53,86,615</u> 2,50,10,872	3,75,743	
14	<u>DCCT Indore II</u> M/s N.R.K. Iron and Steel TIN – 23720203706 Case No. CS0000000808449	2015-16	<u>2,92,41,040</u> 2,89,38,335	3,02,705	
15	<u>DCCT Indore II</u> M/s Somya Vehicles Pvt. Ltd. TIN – 23899196185 Case No. CS00000001058762	2016-17	<u>9,88,88,439</u> 9,74,08,637	14,79,802	
16	<u>DCCT Indore II</u> M/s Ad Menam Packaging TIN – 23411001459 Case No. 126/2016	2015-16	<u>88,60,604</u> 87,54,829	1,05,775	
17	<u>ACCT Bhopal V</u> M/s Perfect Power System TIN – 23464002369 Case No. 249/2016	2015-16	<u>18,73,063</u> 15,42,593	3,30,470	The AA stated that action would be taken after verification.
18	<u>ACCT Bhopal VI</u> M/s Metro Builders and Developers TIN – 23649065745 Case No. 448/2016	2015-16	<u>7,83,691</u> 5,32,386	2,51,305	The AA stated that action would be taken after verification.
19	<u>ACCT Bhopal VI</u> M/s Sadhana Steel TIN – 23883704154 Case No. 17/2017	2016-17	<u>84,92,736</u> 80,56,123	4,36,613	The AA stated that action would be taken after verification.
20	<u>ACCT Bhopal VI</u> M/s Virasha Infrastructure TIN – 23149003909 Case No. 306/2016	2015-16	<u>16,76,253</u> 12,50,900	4,25,353	The AA stated that action would be taken after verification.

21	<u>ACCT Bhopal VI</u> M/s Shree Krishna Infrastructure TIN – 23889077749 Case No. 657/2016	2015-16	<u>5,53,783</u> 3,02,371	2,51,412	The AA stated that action would be taken after verification.
22	<u>ACCT Bhopal VI</u> M/s N C R Corporations India Pvt. Ltd. TIN – 23544005623 Case No. 239/2016	2015-16	<u>21,60,336</u> 9,96,338	11,63,998	The AA stated that action would be taken after verification.
23	<u>ACCT Bhopal VI</u> M/s Sami Traders TIN – 23233705627 Case No. 51/2016	2015-16	<u>67,24,842</u> 67,00,408	24,434	The AA stated that action would be taken after verification.
24	<u>ACCT Bhopal VI</u> M/s Kirti Constructions TIN – 23129024378 Case No. 249/2016	2015-16	<u>2,69,500</u> 2,36,735	32,765	The AA stated that action would be taken after verification.
25	<u>ACCT Bhopal VI</u> M/s Vinod Kumar Gupta TIN – 23843601938 Case No. CS00000009774434	2015-16	<u>2,64,303</u> 1,51,620	1,12,683	The AA stated that action would be taken after verification.
26	<u>ACCT Bhopal VI</u> M/s Ashok Kumar Rayzada TIN – 23843803989 Case No. 80/2016	2015-16	<u>16,87,827</u> 12,69,507	4,18,320	The AA stated that action would be taken after verification.
27	<u>ACCT Bhopal VI</u> M/s Udeniya Metal and Construction TIN – 23829067570 Case No. CS00000001005140	2015-16	<u>4,55,887</u> 2,30,926	2,24,961	The AA stated that action would be taken after verification.
28	<u>ACCT Bhopal VI</u> M/s New Tech Infrastructure TIN – 23949070759 Case No. 480/2016	2015-16	<u>99,395</u> 9,960	89,435	The AA stated that action would be taken after verification.

29	<u>ACCT Jabalpur I</u> M/s R Pateriya TIN – 23665804034 Case No. CS00000001025126	2015-16	<u>21,24,866</u> 20,44,553	80,313	The AA replied that ITR allowed after verification of purchase ledger, bill and payment to seller.
30	<u>ACCT Jabalpur I</u> M/s Simplex Engineering Corporation TIN – 23395800933 Case No. CS00000001023216	2015-16	<u>7,91,894</u> 6,74,730	1,17,164	Reply of the AA was not acceptable because the dealer had claimed excess ITR against the provision under section 14 (6-A) read with Rule 9-A and the AA concerned allowed ITR without verification.
31	<u>ACCT Jabalpur I</u> M/s Abhishek Agency TIN – 23469115233 Case No. CS00000001025869	2015-16	<u>5,93,226</u> 5,28,361	64,865	The AA stated that action would be taken after verification.
32	<u>ACCT Katni I</u> M/s J.M.D. Minerals TIN – 23206206934 Case No. CS0000000406395	2013-14	<u>4,38,623</u> 1,22,186	3,16,437	The AA stated that action would be taken after verification.
33	<u>ACCT Katni I</u> M/s Electro Minerals India TIN – 23696207198 Case No. CS0000000806375	2015-16	<u>5,74,177</u> 3,44,817	2,29,360	The AA stated that action would be taken after verification.
34	<u>ACCT Katni I</u> M/s Generation M TIN – 23737005486 Case No. CS0000000907193	2015-16	<u>64,96,371</u> 49,42,029	15,54,342	The AA replied that Report No. 75-76 mismatched because selling dealers did not show details of sale in VAT returns.  Reply of the AA was not acceptable because the dealer had claimed excess ITR against the provision under section 14 (6-A) read with Rule 9-A and the AA concerned allowed ITR without verification.
35	<u>ACCT Satna I</u> M/s Loya Enterprises TIN – 23847003825 Case No. CS00000001309882	2016-17	<u>27,97,618</u> 25,97,447	2,00,171	The AA stated that action would be taken after verification.
36	<u>ACCT Satna I</u> M/s Om Medical Hall TIN – 23497004551 Case No. CS00000001302514	2016-17	<u>4,89,915</u> 3,06,797	1,83,118	The AA stated that action would be taken after verification.



37	<u>ACCT Pithampur</u> M/s Bhagyesh Agrawal Infrastructure TIN – 23049091219 Case No. CS0000000904045	2015-16	<u>4,36,294</u> 1,85,736	2,50,558	The AA replied that according to the judicial decision in the case of M/s Pooja Textile, Indore V/s the Commissioner of Commercial Tax, MP (2014) 2450157 MP, ITR should be allowed after verification of bill, cash memo, invoice etc. Reply of the AA was not acceptable because the dealer had claimed excess ITR against the provision under section 14 (6-A) read with Rule 9-A and the AA concerned allowed ITR without verification.
38	<u>CTO Gwalior IV</u> M/s Prem Medical Agency TIN – 23395404106 Case No. CS00000001024735	2015-16	<u>8,41,745</u> 7,16,679	1,25,066	The AA stated that action would be taken after verification.
39	<u>CTO Ashok Nagar</u> M/s Deep Om Builders TIN – 23089026710 Case No. 418/2016	2014-15	<u>15,38,770</u> 13,35,121	2,03,649	The AA stated that action would be taken after verification.
40	<u>CTO Ashok Nagar</u> M/s Deep Om Builders Partner Shiv Ram Singh Raghuwanshi TIN – 23039078998 Case No. CS0000000918311	2015-16	<u>1,65,616</u> 67,575	98,041	The AA stated that action would be taken after verification.
41	<u>CTO Ashok Nagar</u> M/s Teetu Hardware TIN – 23095004340 Case No. CS0000000918596	2015-16	<u>8,70,322</u> 7,59,632	1,10,690	The AA stated that action would be taken after verification.
42	<u>CTO Ashok Nagar</u> M/s Anya Enterprises TIN – 23839065241 Case No. CS00000001128480	2016-17	<u>13,35,059</u> 12,31,079	1,03,980	The AA stated that action would be taken after verification.
43	<u>CTO Ashok Nagar</u> M/s Anil and Company TIN – 23135003348 Case No. CS0000000918990	2015-16	<u>20,01,513</u> 18,87,094	1,14,419	The AA stated that action would be taken after verification.
44	<u>CTO Ashok Nagar</u> M/s Ashok Gautam Contractor TIN – 23979040104 Case No. CS0000000960414	2015-16	<u>1,47,371</u> 24,014	1,23,357	The AA stated that action would be taken after verification.

45	CTO Ashok Nagar M/s R.R Goyal Auto Mobiles Prop. Ramesh Chand Goyal (Jain) TIN – 23935007273 Case No. CS00000001241124	2016-17	<u>14,93,820</u> 12,46,192	2,47,628	The AA stated that action would be taken after verification.
46	CTO Ashok Nagar M/s Laxmi Enterprises TIN – 23875004105 Case No. CS0000000918545	2015-16	<u>10,94,374</u> 8,85,813	2,08,561	The AA stated that action would be taken after verification.
47	CTO Ashok Nagar M/s Babulal Sumat Kumar TIN – 23315000824 Case No. CS0000000917613	2015-16	<u>32,73,997</u> 15,76,986	16,97,011	The AA stated that action would be taken after verification.
48	CTO Ashok Nagar M/s Jagannath Singh Yadav Contractors TIN – 23975007445 Case No. CS0000000918243	2015-16	<u>1,51,914</u> 0	1,51,914	The AA stated that action would be taken after verification.
49	CTO Ashok Nagar M/s Vijay Steels TIN – 23225004802 Case No. CS0000000918633	2015-16	<u>35,62,793</u> 33,74,830	1,87,963	The AA stated that action would be taken after verification.
50	CTO Ashok Nagar M/s Bharill and Company Prop Sanjeev Kumar Jain TIN – 23909004027 Case No. CS00000001017297	2015-16	<u>1,46,256</u> 51,037	95,219	The AA stated that action would be taken after verification.
51	CTO Ashok Nagar M/s Ravindra Singh Raghuwanshi TIN – 23825004084 Case No. 1644/2017	2015-16	<u>3,61,178</u> 1,22,187	2,38,991	The AA stated that action would be taken after verification.
52	ACCT Jabalpur II M/s Shree Jee Traders TIN – 23689128015 Case No. 25/2017	2016-17	<u>1,44,60,825</u> 1,37,31,563	7,29,262	The AA stated that action would be taken after verification.

53	<u>CTO Neemuch</u> M/s Rajendra Singh Chandrawat TIN – 23833302068 Case No. CS00000001111715	2015-16	<u>20,67,060</u> 18,93,548	1,73,512	The AA stated that action would be taken after verification.
54	<u>CTO Betul</u> M/s Balaji Infratech TIN – 23764706036 Case No. CS000000988478	2015-16	<u>12,49,379</u> 84,552	11,64,827	The AA replied that ITR was allowed after verification of purchase ledger, bill and payment to the seller. The AA also replied that according to Report No. 75-76, due to mistake of selling dealer, sale had been shown in Form C instead of Form B. The AA also replied that according to the decision of the Honorable High Court, Delhi in case of M/s Arise India Ltd. V/s the Commissioner of Trade and Tax, Delhi WP (C) 21062/2015 dated 26 October 2017, if any irregularity is found on the side of seller, then the tax should be recovered from the concerned seller and on the basis of irregularity of seller, the credit to purchasing dealer should not be disallowed.
55	<u>CTO Betul</u> M/s Vinod Kumar Sahu TIN – 23184702087 Case No. CS0000001106885	2015-16	<u>3,93,600</u> 2,69,113	1,24,487	
56	<u>CTO Betul</u> M/s Nathuram Agrawal TIN – 23454701696 Case No. CS0000000986729	2015-16	<u>4,51,971</u> 3,12,690	1,39,281	
57	<u>CTO Betul</u> M/s Lalit Kumar Agrawal TIN – 23184703542 Case No. CS000000988078	2015-16	<u>23,23,761</u> 6,99,513	16,24,248	Reply of the AA was not acceptable because the dealer has claimed excess ITR against the provision under section 14 (6-A), read with Rule 9-A and the AA concerned allowed ITR without verification. The AA also did not provide any evidence in respect of mistake of the selling dealer and did not initiate any action to recover amount of tax against selling dealer as per the decision of the Honorable High Court, Delhi.
58	<u>CTO Betul</u> M/s Ashok Kumar Agrawal TIN – 23104702131 Case No. CS000000987672	2015-16	<u>13,03,897</u> 5,33,127	7,70,770	
59	<u>CTO Betul</u> M/s Mamta General Stores TIN – 23784702727 Case No. CS000000987983	2015-16	<u>9,46,187</u> 4,02,711	5,43,476	
60	<u>CTO Betul</u> M/s Agrawal Electricals TIN – 23694705444 Case No. CS0000001106876	2015-16	<u>9,99,527</u> 8,03,661	1,95,866	
61	<u>CTO Betul</u> M/s Vishal Agency TIN – 23964702143 Case No. CS000000986510	2015-16	<u>16,72,679</u> 12,71,043	4,01,636	

62	<u>CTO Betul</u> M/s Yog Engineers and Builders TIN – 23934702499 Case No. CS000000987966	2015-16	<u>10,84,662</u> 5,19,436	5,65,226	
63	<u>CTO Betul</u> M/s Avdesh Singh TIN – 23674700896 Case No. CS00000001102398	2015-16	<u>5,11,399</u> 1,08,148	4,03,251	
64	<u>CTO Damoh</u> M/s Damoh Infrastructure TIN – 23679018503 Case No. CS00000001108958	2016-17	<u>6,81,455</u> 4,80,409	2,01,046	The AA stated that action would be taken after verification.
65	<u>ACCT Indore III</u> M/s Mahadev Tiles and Sanitary TIN – 23639026073 Case No. CS0000000961237	2015-16	<u>5,21,136</u> 4,53,259	67,877	The AA stated that action would be taken after verification.
66	<u>ACCT Guna</u> M/s Sudarshan Goyal TIN – 23355003130 Case No. CS0000000873745	2015-16	<u>12,86,193</u> 10,16,563	2,69,630	The AA stated that action would be taken after verification.
67	<u>ACCT Guna</u> M/s Narendra Electronics TIN – 23155005956 Case No. CS0000000792192	2014-15	<u>7,16,891</u> 5,20,924	1,95,967	The AA replied that ITR was allowed on the real transaction basis and as per the rule. Due to any technical mistake by the concerning seller, if required data was not shown at portal, then the ITR had been allowed after obtaining the bill and necessary certificate, etc. as per the decision of the Honorable High Court and Supreme Court.
68	<u>ACCT Guna</u> M/s Pooja Hardware Store TIN – 23285003896 Case No. CS0000000728741	2014-15	<u>3,37,345</u> 1,46,994	1,90,351	
69	<u>ACCT Guna</u> M/s Agrawal Sanitary and Pipe Guna Prop Sunita Agrawal TIN – 23069019340 Case No. CS0000000732780	2014-15	<u>2,13,088</u> 92,495	1,20,593	Reply of the AA was not acceptable because the dealer has claimed excess ITR against the provision under section 14 (6-A), read with Rule 9-A and the AA concerned allowed ITR without verification.
70	<u>ACCT Guna</u> M/s Sachin Steel Center TIN – 23465001760	2014-15	<u>2,07,614</u> 1,74,327	33,287	

	Case No. CS0000000728674				
71	<u>ACCT Guna</u> M/s Sanjay Surgical and Medicose TIN – 23495003344 Case No. CS0000000737658	2014-15	<u>2,72,968</u> 1,76,319	96,649	
72	<u>ACCT Guna</u> M/s Balaji Markenting TIN – 23609092715 Case No. CS0000000737961	2014-15	<u>1,02,359</u> 45,534	56,825	
73	<u>ACCT Guna</u> M/s Khitij Enterprises TIN – 23455005209 Case No. CS0000000732358	2014-15	<u>7,16,360</u> 3,70,382	3,45,978	
74	<u>ACCT Morena</u> M/s R.S.K Constracts TIN – 23339028819 Case No. CS00000001009542	2015-16	<u>10,88,622</u> 9,29,162	1,59,460	The AA stated that action would be taken after verification.
75	<u>ACCT Morena</u> M/s Magnum Steel Ltd. TIN – 23335501721 Case No. CS0000000834065	2015-16	<u>1,02,92,162</u> 85,55,839	17,36,323	The AA stated that action would be taken after verification.
76	<u>ACCT Morena</u> M/s Uma Gauan House TIN – 23175602980 Case No. 1110/2016	2015-16	<u>2,21,108</u> 1,88,256	32,852	The AA stated that action would be taken after verification.
77	<u>ACCT Morena</u> M/s Sadhna Medical Agency TIN – 23685603 Case No. 1163/2016	2015-16	<u>2,82,590</u> 2,37,159	45,431	The AA stated that action would be taken after verification.
78	<u>ACCT Morena</u> M/s Ambika Sales Agency TIN – 23115501454 Case No. 1318/2016	2015-16	<u>88,697</u> 65,349	23,348	The AA stated that action would be taken after verification.
79	<u>ACCT Morena</u> M/s Shree Ambey Poly Bag TIN – 23029126335 Case No. 1032/2016	2015-16	<u>56,013</u> 18,458	37,555	The AA stated that action would be taken after verification.

80	<u>ACCT Morena</u> M/s Magnum Steels Light TIN – 23565504262 Case No. 1719/2017	2016-17	<u>3,06,865</u> 2,98,271	8,594	The AA stated that action would be taken after verification.
81	<u>ACCT Morena</u> M/s Shri Balaji Enterprises TIN – 23535605110 Case No. 893/2015	2015-16	<u>2,58,113</u> 2,14,849	43,264	The AA stated that action would be taken after verification.
82	<u>ACCT Morena</u> M/s Jay Bajrang Traders TIN – 23489043839 Case No. 926/2017	2016-17	<u>4,13,575</u> 3,89,853	23,722	The AA stated that action would be taken after verification.
83	<u>ACCT Morena</u> M/s Jaydeep Upadhyay TIN – 23879004127 Case No. CS00000001370546	2016-17	<u>4,46,174</u> 2,92,007	1,54,167	The AA stated that action would be taken after verification.
84	<u>ACCT Morena</u> M/s Yadav Construction Company TIN – 23185604381 Case No. CS00000001095567	2015-16	<u>4,32,328</u> 56,731	3,75,597	The AA stated that action would be taken after verification.
85	<u>ACCT Indore X</u> M/s Saftyplus Protection Pvt. Ltd. TIN – 23889050298 Case No. CS0000000839279	2015-16	<u>27,97,643</u> 27,33,401	64,242	The AA replied that ITR was allowed after verification of books of accounts and invoices.  Reply of AA was not acceptable because the dealer has claimed excess ITR against the provision under Section 14 (6-A), read with Rule 9-A and the AA concerned allowed ITR without verification.
86	<u>ACCT Indore X</u> M/s Anand Agency TIN – 23911000796 Case No. CS0000000814957	2015-16	<u>7,56,053</u> 7,45,529	10,524	
87	<u>ACCT Indore X</u> M/s Shree Balaji Agencies TIN – 23200102336 Case No. CS0000000840349	2015-16	<u>40,30,818</u> 36,29,217	4,01,601	
88	<u>ACCT Indore X</u> M/s JR Marketing TIN – 23499104463 Case No. -	2015-16	<u>19,94,432</u> 19,80,369	14,063	

89	<u>ACCT Indore X</u> M/s Bandi Enterprises TIN – 23061003543 Case No. CS0000000840749	2015-16	<u>97,73,306</u> 97,52,569	20,737	
90	<u>ACCT Indore X</u> M/s Prakash Radio and Watch Company TIN – 23051000105 Case No. CS0000000839211	2015-16	<u>94,35,858</u> 92,00,874	2,34,984	
91	<u>ACCT Indore X</u> M/s New Agrawal Marketing TIN – 23621003429 Case No. CS0000000840643	2015-16	<u>13,51,641</u> 12,18,444	1,33,197	
92	<u>ACCT Indore X</u> M/s Cubix International TIN – 23909070375 Case No. CS0000000808706	2015-16	<u>67,51,294</u> 64,42,394	3,08,900	
93	<u>ACCT Indore X</u> M/s Deepak Traders TIN – 23181004447 Case No. CS0000000808758	2015-16	<u>65,79,126</u> 65,22,926	56,200	
94	<u>ACCT Indore X</u> M/s S.A.I Brushes Pvt. Ltd. TIN – 23651002588 Case No. CS0000000776290	2015-16	<u>2,31,80,656</u> 2,23,63,759	8,16,897	
95	<u>ACCT Indore X</u> M/s Shree N.M Electricals Ltd. TIN – 23781003923 Case No. CS0000000808763	2015-16	<u>56,01,863</u> 54,16,871	1,84,992	
96	<u>CTO Indore I</u> M/s Baba Electronics TIN – 23269150949 Case No. CS0000000807560	2015-16	<u>30,63,482</u> 29,06,694	1,56,788	The AA stated that action will be taken after verification.
97	<u>CTO Indore I</u> M/s Patidar Oil Mill TIN – 23549065755 Case No. CS00000001043188	2015-16	<u>5,94,113</u> 4,68,467	1,25,646	The AA stated that action will be taken after verification.

98	<u>CTO Indore I</u> M/s S. S. B. Engineering TIN – 23119023215 Case No. CS00000001043135	2015-16	<u>6,84,015</u> 4,78,705	2,05,310	The AA stated that action will be taken after verification.
99	<u>CTO Indore I</u> M/s Anjana Retail Infra Pvt. Ltd. TIN – 23419153650 Case No. CS0000000807568	2015-16	<u>6,42,620</u> 5,19,192	1,23,428	The AA stated that action will be taken after verification.
100	<u>CTO Indore I</u> M/s Pyrol Fuel Industries Pvt. Ltd. TIN – 23889127122 Case No. CS0000000824037	2015-16	<u>15,61,669</u> 9,22,798	6,38,871	The AA stated that action will be taken after verification.
101	<u>CTO Indore I</u> M/s Shri Ganpati Industries TIN – 23110103986 Case No. CS00000001042595	2015-16	<u>3,75,221</u> 2,24,896	1,50,325	The AA stated that action will be taken after verification.
		<b>Total</b>	<b><u>45,80,62,222</u></b> <b>42,25,80,244</b>	<b>3,54,81,978</b>	

**Appendix VI (B)**

**Allowance of Input Tax Rebate without proper verification in Deemed assessed cases**

1	<u>ACCT Bhopal I</u> M/s Battery Power System TIN – 23279044539 Case No. Deemed	2016-17	<u>14,67,568</u> 11,00,450	3,67,118	The AA replied that the VAT cases were disposed off under deemed scheme notification dated 02-08-2018 and there was no condition & restriction specified in the scheme to reject the deemed application on the basis of any shortfall or mismatch of ITR according to Report No. 75-76 and the AA also replied that according to the decision of the Honorable High Court, Delhi in case of M/s Arise India Ltd. V/s the Commissioner of Trade and Tax, Delhi WP (C) 21062/2015 dated 26.10.2017, if any irregularity is found on the side of seller, then the tax should be recovered from the concerned seller and on the basis of irregularity of seller, the credit to purchasing dealer should not be disallowed.
2	<u>ACCT Bhopal I</u> M/s Remi Industrial Product TIN – 23353602062 Case No. Deemed	2016-17	<u>19,55,341</u> 18,55,440	99,901	
3	<u>ACCT Bhopal I</u> M/s Bharat Industries TIN – 23419060724 Case No. Deemed	2016-17	<u>3,49,733</u> 2,61,253	88,480	
4	<u>ACCT Bhopal I</u> M/s Patel Electricals TIN – 23643606025	2016-17	<u>32,96,869</u> 32,43,845	53,024	



	Case No. Deemed				Reply of the AA was not acceptable because the dealer has claimed excess ITR against the provision under section 14 (6-A) read with Rule 9-A and the AA concerned allowed ITR without verification and did not initiate any action to recover amount of tax against selling dealer as per the decision of the Honorable High Court, Delhi.
5	<u>ACCT Bhopal I</u> M/s Tek Pro Marketing TIN – 23773606390 Case No. Deemed	2016-17	<u>72,42,097</u> 70,82,645	1,59,452	
6	<u>ACCT Bhopal I</u> M/s Binary Enterprises TIN – 23553606996 Case No. Deemed	2016-17	<u>12,27,657</u> 12,04,263	23,394	
7	<u>ACCT Bhopal I</u> M/s Arasha Engineering TIN – 23533606134 Case No. Deemed	2016-17	<u>19,97,747</u> 16,69,595	3,28,152	
8	<u>ACCT Bhopal I</u> M/s Shree Kushal Fabricators TIN – 23923600148 Case No. Deemed	2016-17	<u>13,97,233</u> 13,88,530	8,703	
9	<u>ACCT Bhopal I</u> M/s Sams Investment India Ltd. TIN – 23819140127 Case No. Deemed	2016-17	<u>11,08,030</u> 9,84,151	1,23,879	
10	<u>ACCT Bhopal I</u> M/s Jay Ambey Kirana and John TIN – 23619036745 Case No. Deemed	2016-17	<u>59,65,950</u> 58,63,375	1,02,575	
11	<u>ACCT Bhopal I</u> M/s Hariom Agencies TIN – 23023903768 Case No. Deemed	2016-17	<u>20,94,550</u> 12,97,522	7,97,028	
12	<u>ACCT Bhopal I</u> M/s Bharat Associate TIN – 23379142693 Case No. Deemed	2016-17	<u>1,265</u> 0	1,265	
13	<u>ACCT Bhopal I</u> M/s Ashok Electricals TIN – 23379142693	2016-17	<u>3,16,415</u> 2,98,154	18,261	

	Case No. Deemed				
14	<u>ACCT Bhopal I</u> M/s Shri Sai Traders TIN – 23283606999 Case No. Deemed	2016-17	<u>1,74,190</u> 76,524	97,666	
15	<u>ACCT Bhopal I</u> M/s Dilip Traders TIN – 23663600388 Case No. Deemed	2016-17	<u>16,14,748</u> 13,34,044	2,80,704	
16	<u>ACCT Bhopal I</u> M/s Shree Krishna Enterprises TIN – 23663600388 Case No. Deemed	2016-17	<u>75,25,601</u> 68,98,190	6,27,411	
17	<u>ACCT Bhopal I</u> M/s Kanha Agency TIN – 23249095758 Case No. Deemed	2016-17	<u>3,95,819</u> 3,92,154	3,665	
18	<u>ACCT Bhopal I</u> M/s Lucky Electricals TIN – 23339001368 Case No. Deemed	2016-17	<u>17,63,144</u> 14,42,902	3,20,242	
19	<u>ACCT Indore IX</u> M/s Goldmine Vyapar Pvt. Ltd. TIN – 23190905550 Case No. Deemed	2016-17	<u>13,20,988</u> 11,67,282	1,53,706	The AA stated that action will be taken after verification.
20	<u>ACCT Indore IX</u> M/s Fly Motors TIN – 23440903715 Case No. Deemed	2016-17	<u>64,44,356</u> 59,61,546	4,82,810	The AA stated that action will be taken after verification.
21	<u>ACCT Indore IX</u> M/s Rahul Marketing TIN – 23259088967 Case No. Deemed	2016-17	<u>3,88,004</u> 1,67,187	2,20,817	The AA stated that action will be taken after verification.
22	<u>ACCT Indore IX</u> M/s Asian Paints Agency TIN – 23460901182 Case No. Deemed	2016-17	<u>1,39,76,520</u> 1,38,32,145	1,44,375	The AA stated that action will be taken after verification.

23	<u>ACCT Indore IX</u> M/s Mirash InfoTech Pvt. Ltd. TIN – 23960904981 Case No. Deemed	2016-17	<u>7,11,847</u> 5,39,385	1,72,462	The AA stated that action will be taken after verification.
24	<u>ACCT Indore IX</u> M/s Kailash Chandra Ashok Kumar TIN – 23720901039 Case No. Deemed	2016-17	<u>20,32,994</u> 20,09,335	23,659	The AA stated that action will be taken after verification.
25	<u>ACCT Indore IX</u> M/s Baba Shyam K Enterprises TIN – 23270905506 Case No. Deemed	2016-17	<u>44,26,995</u> 44,10,622	16,373	The AA stated that action will be taken after verification.
26	<u>ACCT Indore IX</u> M/s Gaurav Medical Stores TIN – 23570905438 Case No. Deemed	2016-17	<u>8,79,711</u> 6,36,874	2,42,837	The AA stated that action will be taken after verification.
27	<u>ACCT Bhopal V</u> M/s Maa Bhawani Electrical TIN – 23489005718 Case No. Deemed	2016-17	<u>9,92,405</u> 8,81,792	1,10,613	The AA replied that all the concerned dealers had submitted purchase & sale list along with returns as per provision and there is no provision in MPVAT act that ITR would be disallowed on the basis of mismatch in Report No. 75 in VATIS Module.
28	<u>ACCT Bhopal V</u> M/s Vanshika TIN – 23809029742 Case No. Deemed	2016-17	<u>1,37,995</u> 93,735	44,260	The reply was not acceptable because Report No. 75-76 of dealers concerned was generated from VATIS Module and it was analyzed that the ITR claimed and accordingly allowed, was more than the tax paid on sales.
29	<u>ACCT Bhopal V</u> M/s Sunup Auto Pack TIN – 23069039710 Case No. Deemed	2016-17	<u>63,194</u> 56,882	6,312	
30	<u>ACCT Bhopal V</u> M/s Florikan Enterprises TIN – 23354003448 Case No. Deemed	2016-17	<u>6,69,523</u> 6,41,865	27,658	
31	<u>ACCT Bhopal V</u> M/s Galaxy Digital TIN – 23554006733 Case No. Deemed	2016-17	<u>18,32,659</u> 17,89,717	42,942	

32	<u>ACCT Bhopal V</u> M/s Anjali Enterprises TIN – 23294006488 Case No. Deemed	2016-17	<u>11,72,201</u> 11,16,046	56,155	
33	<u>ACCT Bhopal V</u> M/s Agrawal Medical Hub TIN – 23949186674 Case No. Deemed	2016-17	<u>12,24,384</u> 1,76,268	10,48,116	
34	<u>ACCT Bhopal V</u> M/s Sagar Gaire Fast Food Centre TIN – 23934005845 Case No. Deemed	2016-17	<u>19,11,497</u> 16,24,875	2,86,622	
35	<u>ACCT Bhopal V</u> M/s Sahay Enterprises TIN – 23544002228 Case No. Deemed	2016-17	<u>41,78,889</u> 41,55,488	23,401	
36	<u>ACCT Bhopal V</u> M/s Manik Motors TIN – 23264006650 Case No. Deemed	2016-17	<u>59,31,252</u> 59,21,211	10,041	
37	<u>ACCT Bhopal VI</u> M/s Jagdish Traders TIN – 23193903917 Case No. Deemed	2016-17	<u>1,91,132</u> 1,80,802	10,330	The AA stated that action would be taken after verification.
38	<u>ACCT Bhopal VI</u> M/s S.K. Construction TIN – 23503704169 Case No. Deemed	2016-17	<u>5,35,552</u> 3,65,136	1,70,416	The AA stated that action would be taken after verification.
39	<u>ACCT Bhopal VI</u> M/s S.K. Traders TIN – 23403600919 Case No. Deemed	2016-17	<u>18,25,985</u> 15,95,380	2,30,605	The AA stated that action would be taken after verification.
40	<u>ACCT Bhopal VI</u> M/s Balaji Sales TIN – 23579002217 Case No. Deemed	2016-17	<u>34,31,306</u> 33,57,462	73,844	The AA stated that action would be taken after verification.

41	<u>ACCT Bhopal VI</u> M/s Concreto TIN – 23453904356 Case No. Deemed	2016-17	<u>11,38,233</u> 2,88,598	8,49,636	The AA stated that action would be taken after verification.
42	<u>ACCT Bhopal VI</u> M/s Tirupati Builders TIN – 23259147749 Case No. Deemed	2016-17	<u>8,41,240</u> 7,16,282	1,24,958	The AA stated that action would be taken after verification.
43	<u>ACCT Bhopal VI</u> M/s Global Mega Venture TIN – 23524007089 Case No. Deemed	2016-17	<u>19,42,712</u> 16,32,407	3,10,305	The AA stated that action would be taken after verification.
44	<u>ACCT Bhopal VI</u> M/s Western Colonisers TIN – 23589114154 Case No. Deemed	2016-17	<u>42,94,634</u> 40,47,518	2,47,116	The AA stated that action would be taken after verification.
45	<u>ACCT Jabalpur I</u> M/s Amar Jyoti Logistic TIN – 23267167836 Case No. Deemed	2016-17	<u>76,06,392</u> 73,14,630	2,91,762	The AA replied that the cases were disposed off under deemed scheme notification dated 02 August 2018 and there was no requirement of any verification of mismatch of ITR according to Report No. 75-76.  Reply of the AA was not acceptable because the dealer had claimed excess ITR against the provision under section 14 (6-A) read with Rule 9-A and the AA concerned allowed ITR without verification.
46	<u>ACCT Jabalpur I</u> M/s Erore Motor Pvt. Ltd. TIN – 23285807832 Case No. Deemed	2016-17	<u>1,03,16,579</u> 93,27,132	9,89,447	The AA replied that the cases were disposed off under deemed scheme notification dated 02 August 2018 and there was no requirement of any verification of mismatch of ITR according to Report No. 75.
47	<u>ACCT Jabalpur I</u> M/s Jain Traders TIN – 23925803503 Case No. Deemed	2016-17	<u>6,26,649</u> 6,18,619	8,030	Reply of the AA was not acceptable because the dealer had claimed excess ITR against the provision under section 14 (6-A) read with Rule 9-A and the AA concerned allowed ITR without verification.
48	<u>ACCT Jabalpur I</u> M/s Jain Sales Corporation TIN – 23775806544 Case No. Deemed	2016-17	<u>5,76,743</u> 5,57,159	19,584	

49	<u>ACCT Jabalpur I</u> M/s Vishal Dutta TIN – 23405809415 Case No. Deemed	2016-17	<u>2,84,54,202</u> 2,70,56,308	13,97,894	
50	<u>ACCT Jabalpur I</u> M/s Frontier Logistic TIN – 23089034955 Case No. Deemed	2016-17	<u>1,69,96,057</u> 1,63,28,166	6,67,891	
51	<u>ACCT Jabalpur I</u> M/s Satpuda Indane Gas TIN – 23215808210 Case No. Deemed	2016-17	<u>6,99,572</u> 1,16,806	5,82,766	
52	<u>ACCT Jabalpur I</u> M/s Tanya Indane Gas Agencies TIN – 23575808206 Case No. Deemed	2016-17	<u>13,07,002</u> 8,54,322	4,52,680	
53	<u>ACCT Jabalpur I</u> M/s Dynamic Designer Company TIN – 23805804345 Case No. Deemed	2016-17	<u>36,16,981</u> 32,93,641	3,23,340	
54	<u>CTO Sehore</u> M/s Balaji Motors TIN – 23244502816 Case No. Deemed	2015-16	<u>62,52,552</u> 61,40,480	1,12,072	The AA stated that action would be taken after verification.
55	<u>CTO Sehore</u> M/s Mukesh Kumar Verma TIN – 23864503251 Case No. Deemed	2016-17	<u>13,40,067</u> 5,55,614	7,84,453	The AA stated that action would be taken after verification.
56	<u>CTO Sehore</u> M/s Vijay Stone Crasher TIN – 23079088597 Case No. Deemed	2015-16	<u>16,21,451</u> 226	16,21,225	The AA stated that action would be taken after verification.
57	<u>CTO Sehore</u> M/s Dharmendra Automobiles TIN – 23419188667 Case No. Deemed	2016-17	<u>15,71,830</u> 13,94,627	1,77,203	The AA stated that action would be taken after verification.

58	<u>CTO Sehore</u> M/s Patidar Hardware TIN – 23924501860 Case No. Deemed	2016-17	<u>7,08,746</u> 6,89,128	19,618	The AA stated that action would be taken after verification.
59	<u>CTO Sehore</u> M/s Shrinath Agency TIN – 23784503877 Case No. Deemed	2016-17	<u>16,28,878</u> 16,08,881	19,997	The AA stated that action would be taken after verification.
60	<u>CTO Sehore</u> M/s Rajesh Traders TIN – 23424502620 Case No. Deemed	2016-17	<u>4,40,726</u> 4,25,268	15,458	The AA stated that action would be taken after verification.
61	<u>CTO Sehore</u> M/s Chandak Motors TIN – 23469153742 Case No. Deemed	2016-17	<u>11,17,594</u> 10,65,532	52,062	The AA stated that action would be taken after verification.
62	<u>CTO Sehore</u> M/s Gulab Chand Sahu Traders TIN – 23114501966 Case No. Deemed	2015-16	<u>6,42,014</u> 6,33,580	8,434	The AA stated that action would be taken after verification.
63	<u>CTO Sehore</u> M/s Sisodiya Traders TIN – 23949110529 Case No. Deemed	2016-17	<u>36,36,736</u> 32,81,929	3,54,807	The AA stated that action would be taken after verification.
64	<u>CTO Sehore</u> M/s Uttam Sales Agencies TIN – 23694501259 Case No. Deemed	2016-17	<u>21,19,546</u> 16,46,049	4,73,497	The AA stated that action would be taken after verification.
65	<u>CTO Sehore</u> M/s Tirupati Automobile TIN – 23789028289 Case No. Deemed	2015-16	<u>13,78,525</u> 13,35,009	43,516	The AA stated that action would be taken after verification.
66	<u>CTO Indore VIII</u> M/s Khanuja Enterprises TIN – 23900800642 Case No. Deemed	2016-17	<u>33,41,976</u> 30,88,787	2,53,189	The AA stated that action would be taken after verification.

67	<u>CTO Indore VIII</u> M/s N.K. Traders TIN – 23810800837 Case No. Deemed	2016-17	<u>20,76,148</u> 19,01,598	1,74,550	The AA stated that action would be taken after verification.
68	<u>CTO Indore VIII</u> M/s Khandelwal Agro Agencies TIN – 23650803253 Case No. Deemed	2016-17	<u>14,24,909</u> 13,18,615	1,06,294	The AA stated that action would be taken after verification.
69	<u>CTO Gwalior IV</u> M/s Naveen Traders TIN – 23645400525 Case No. Deemed	2016-17	<u>38,75,276</u> 28,99,088	9,76,188	The AA stated that action would be taken after verification.
70	<u>CTO Ashok Nagar</u> M/s Mahavir Tea Company TIN – 23365003076 Case No. Deemed	2015-16	<u>27,68,007</u> 21,55,566	6,12,441	The AA stated that action would be taken after verification.
71	<u>CTO Ashok Nagar</u> M/s Jaina Motors TIN – 23365007538 Case No. Deemed	2015-16	<u>24,68,704</u> 22,21,091	2,47,613	The AA stated that action would be taken after verification.
72	<u>DCCT Bhopal I</u> M/s M.P. State Electronic Dev Corp Ltd. TIN – 23154000745 Case No. Deemed	2016-17	<u>5,29,71,186</u> 4,86,97,314	42,73,872	The AA replied that the VAT cases were disposed off under deemed scheme notification dated 02 August 2018 and there was no condition & restriction specified in the scheme to reject the deemed application on the basis of any shortfall or mismatch of ITR according to Report No. 75-76.
73	<u>DCCT Bhopal I</u> M/s Sigma Heavy Engineering Industries Pvt. Ltd. TIN – 23863600181 Case No. Deemed	2015-16	<u>1,95,48,089</u> 1,89,08,806	6,39,283	Reply of the AA was not acceptable because the dealer has claimed excess ITR against the provision under section 14 (6-A) read with Rule 9-A and the AA concerned allowed ITR without verification.
74	<u>DCCT Bhopal I</u> M/s Topaz Products Pvt. Ltd. TIN – 23393803024 Case No. Deemed	2016-17	<u>2,07,73,525</u> 2,02,23,035	5,50,490	



75	<u>CTO Betul</u> M/s Nirmal Kirana Store TIN – 23024703824 Case No. Deemed	2015-16	<u>2,94,940</u> 75,672	2,19,268	
76	<u>CTO Sagar</u> M/s New Manoj Oil Agency TIN – 23987403776 Case No. Deemed	2014-15	<u>59,61,312</u> 57,06,948	2,54,364	The AA replied that the VAT cases were disposed off under deemed scheme notification dated 30 May 2016 and there was no condition & restriction specified in the scheme to reject the deemed application on the basis of any shortfall or mismatch of ITR according to Report No. 75-76.  Reply of the AA was not acceptable because the dealer has claimed excess ITR against the provision under section 14 (6-A), read with Rule 9-A and the AA concerned allowed ITR without verification.
77	<u>CTO Sagar</u> M/s Anil and Company TIN – 23377502421 Case No. Deemed	2014-15	<u>48,80,679</u> 47,51,040	1,29,639	
78	<u>CTO Sagar</u> M/s Sagar Auto and Electronics TIN – 23247402049 Case No. Deemed	2014-15	<u>16,92,176</u> 16,44,148	48,028	
79	<u>CTO Sagar</u> M/s Rai Tyre TIN – 23869018678 Case No. Deemed	2014-15	<u>12,93,873</u> 11,81,903	1,11,970	
80	<u>CTO Sagar</u> M/s Samridhi Traders TIN – 23057503373 Case No. Deemed	2014-15	<u>13,89,110</u> 11,55,940	2,33,170	
81	<u>CTO Sagar</u> M/s Abhishek Enterprises TIN – 23567502559 Case No. Deemed	2014-15	<u>13,59,249</u> 11,43,752	2,15,497	
82	<u>CTO Sagar</u> M/s Aadarsh Tyre House TIN – 23677402249 Case No. Deemed	2014-15	<u>67,53,295</u> 66,57,222	96,073	
83	<u>ACCT Gwalior II</u> M/s Shree Krishna Krishi Clinic TIN – 23619018703 Case No. Deemed	2016-17	<u>74,58,857</u> 64,56,164	10,02,693	

					deemed application on the basis of any shortfall or mismatch of ITR according to Report No. 75-76.
					Reply of the AA was not acceptable because the dealer has claimed excess ITR against the provision under section 14 (6-A), read with Rule 9-A and the AA concerned allowed ITR without verification.
		<b>Total</b>	<b><u>33,53,80,318</u></b> <b><u>30,81,88,672</u></b>	<b>2,71,91,646</b>	
		<b>Grand Total (A)+(B)</b>	<b><u>79,34,42,540</u></b> <b><u>73,07,68,916</u></b>	<b>6,26,73,624</b>	

**Appendix VII**  
(Referred to in paragraph 2.10 (b))  
**Allowance of excess input credit against provision**

(Amount in ₹)

Appendix VII (A) Allowance of excess input credit against provision in Regular assessed cases							
Sl. No.	Name of the Auditee Unit Dealer	Period of assessment	Commodity	ITR allowed by the AA/ITR as per books of accounts	Excess grant of ITR, Penalty/ Total	Audit observation	Reply of the AA/ Audit Comments
1	ACCT Bhopal I M/s Highway Diesel TIN – 23503601058 Case No. 24/2016	2015-16	Diesel, Petrol	<u>3,78,62,491</u> 3,78,19,512	42,979 Penalty 1,28,937 <b>1,71,916</b>	The AA allowed ITR on value of shortage of diesel and petrol, which was against the provisions of section 14(1) (1AC) of MPVAT Act.	The AA stated that action would be taken after verification.
2	ACCT Bhopal VI M/s Maruti Construction TIN – 23309148132 Case No. CS00000001052554	2015-16	Plant and Machinery	<u>27,51,965</u> 23,65,800	3,86,165 Penalty 11,58,495 <b>15,44,660</b>	The AA allowed ITR in respect of Plant and Machinery, which is against the provisions of section 14(6) (vi) of MPVAT Act and notification no. A-3-95-05-1-V (28) dated 17 August 2007.	The AA stated that action would be taken after verification.
3	DCCT Indore II M/s Roka Bathroom Product Pvt. Ltd TIN – 23621303547 Case No. 149/2016	2014-15	Sanitary ware, Wash Basin, and Toilet Seats	<u>3,15,78,417</u> 3,11,93,762	3,84,655 Penalty 11,53,965 <b>15,38,620</b>	The AA allowed excess ITR due to the ratio of stock transfer calculated as 40.40 <i>per cent</i> instead of 41.25 <i>per cent</i> .	The AA stated that action would be taken after verification.
4	DCCT Indore II M/s H and R Jonson Pvt. Ltd. TIN – 23870901878 Case No. 246/2016	2015-16	Tiles	<u>1,34,17,340</u> 1,31,47,974	2,69,366	The AA allowed excess ITR due to the ratio of stock transfer calculated as 39.52 <i>per</i>	The AA stated that action would be taken after verification.

						cent instead of 40.80 per cent.	
5	<u>DCCT Indore II</u> M/s Roka Bathroom Product Pvt. Ltd. TIN – 23621303547 Case No. 118/2017	2016-17	Sanitary ware, Wash Basin, and Toilet Seats	<u>1,21,27,080</u> 1,20,30,549	96,531 Penalty 2,89,593 <b>3,86,124</b>	The AA allowed excess ITR due to reversal of ITR calculated at ₹ 65,47,675 instead of ₹ 66,44,206.	The AA stated that action would be taken after verification.
6	<u>DCCT Indore II</u> M/s Aristo Pharmaceuticals Pvt. Ltd. TIN – 23541101734 Case No. 151/2016	2015-16	Medicines	<u>1,89,57,847</u> 1,88,39,119	1,18,728	The AA allowed excess ITR due to reversal of ITR calculated at ₹ 9,959 instead of ₹ 1,28,686.	The AA stated that action would be taken after verification.
7	<u>DCCT Indore II</u> M/s Shantinath Steel TIN – 23641402379 Case No. 149/2016	2016-17	Iron and Steel	<u>2,61,57,877</u> 2,60,37,340	1,20,537 Penalty 3,61,611 <b>4,82,148</b>	The AA allowed irregular ITR on out of state purchase.	The AA stated that action would be taken after verification.
8	<u>DCCT Indore II</u> M/s P D Goyal Trade and Investment Ltd. TIN – 23680400541 Case No. 169/2016	2015-16	Plant and Machinery	<u>10,07,19,246</u> 10,06,64,965	54,281 Penalty 1,62,843 <b>2,17,124</b>	The AA allowed ITR in respect of Plant and Machinery, which is against the provisions of section 14(6) (vi) of MPVAT Act and notification no. A-3-95-05-1-V (28) dated 17 August 2007.	The AA stated that action would be taken after verification.
9	<u>ACCT Jabalpur I</u> M/s Apple Enterprises TIN – 23109017396 Case No. CS00000001023540	2015-16	IT product	<u>12,23,179</u> 3,87,940	8,35,239 Penalty 25,05,717 <b>33,40,956</b>	The AA allowed excess ITR on purchase value of ₹ 2,40,10,119 against the purchase value of ₹ 73,05,332 as depicted in the audited accounts .	The AA stated that action would be taken after verification.
10	<u>ACCT Jabalpur I</u> M/s Vinod and Associates	2016-17	Cement	<u>5,21,563</u> 1,88,242	3,33,321 Penalty 9,99,963	The AA allowed ITR ₹ 3,33,321 on such purchases where	The AA stated that action would be taken after verification.

	TIN – 23475808261 Case No. CS00000001305342				<b>13,33,284</b>	selling dealer had not shown sale of goods to the assessee in his return and has also not mentioned TIN in invoice.	
11	<u>ACCT Jabalpur I</u> M/s Rashmi Watch Company TIN – 23495803982 Case No. CS00000001020580	2015-16	Watch	<u>12,98,648</u> 12,28,242	70,406 Penalty 2,11,218 <b>2,81,624</b>	The AA allowed excess ITR on purchase value of ₹ 92,76,058 against the purchase value of ₹ 87,73,159 as depicted in the audited accounts. .	The AA stated that action would be taken after verification.
12	<u>ACCT Jabalpur I</u> M/s R.K. Namdeo TIN – 23359041039 Case No. CS00000001041887	2015-16	Electrical Goods	<u>1,88,198</u> 79,978	1,08,220 Penalty 3,24,660 <b>4,32,880</b>	The AA allowed irregular ITR on such purchases where selling dealer had not shown sale of goods in his return and had also not mentioned TIN at invoice.	The AA stated that action would be taken after verification.
13	<u>ACCT Bhopal V</u> M/s Annapurna Electronics TIN – 23639028013 Case No. 372/2016	2015-16	Electrical Goods, Battery, Invertors.	<u>8,37,664</u> 0	8,37,664 Penalty 25,12,992 <b>33,50,656</b>	The AA allowed irregular ITR on such purchases where selling dealer had not shown sale of goods in his return and also not mentioned TIN in invoice.	The AA stated that action would be taken after verification.
14	<u>CTO Indore VIII</u> M/s B.M. Traders TIN – 23930802420 Case No. CS0000000877116	2015-16	Packing Material	<u>1,60,210</u> 1,11,551	48,659 Penalty 1,45,977 <b>1,94,636</b>	The AA allowed excess ITR against purchasing amount of packing materials as shown in audit report.	The AA stated that action would be taken after verification.
15	<u>ACCT Satna I</u> M/s Ganesh Saw Mill	2015-16	Timber	<u>84,52,733</u> 71,75,370	12,77,363	The AA allowed ITR on wood which was sold, out of state. It is	The AA replied that the dealer sold the wood after purchasing from Forest Department and

	TIN – 23037001312 Case No. CS0000000883307					against the provisions of section 14 (1AE) MPVAT Act.	sawing it, hence the dealer is manufacturer. So provision of section 14 (1AE) was not applicable. The reply of AA was not acceptable because as per notification no. 76 dated 15 November 2006, sawing of timber was not a Manufacturing process.
16	<u>ACCT Satna I</u> M/s Gurudev Saw Mill TIN – 23437004875 Case No. CS0000000960588	2015-16	Timber	<u>7,08,486</u> 1,47,007	5,61,479	The AA allowed ITR on wood which was sold, out of state. It is against the provision of section 14 (1AE) of MPVAT Act.	The AA replied that the dealer sold the wood after purchasing from the Forest Department and sawing it, hence the dealer is manufacturer. So provision of section 14 (1AE) was not applicable. The reply of AA was not acceptable because as per notification no. 76 dated 15 November 2006 sawing of timber was not a Manufacturing process.
17	<u>ACCT Satna I</u> M/s Purushottam Bhai Patel and Company TIN – 23367005447 Case No. CS0000000861736	2015-16	Timber	<u>16,45,754</u> 13,56,419	2,89,335	The AA allowed ITR on wood which was sold, out of state. It is against the provisions of section 14 (1AE) of MPVAT Act.	The AA replied that the dealer sold the wood after purchase from Forest Department and sawing it, hence the dealer is manufacturer. So provisions of section 14 (1AE) was not applicable. The reply of AA was not acceptable because as per notification no. 76 dated 15 November 2006 sawing of timber was not a Manufacturing process.

18	<u>ACCT Pithampur</u> M/s Ranol Lubricants Pvt. Ltd. TIN – 23899092104 Case No. CS0000000892445	2015-16	TMT Bars	<u>5,47,796</u> 5,02,482	45,314	The AA allowed ITR on the building construction material (TMT Bars). It is against the provisions of section 14 (6) (VI) MPVAT Act.	The AA stated that action would be taken after verification.
19	<u>CTO Gwalior IV</u> M/s Supreme Industries Ltd. TIN – 23829125770 Case No. CS00000001025943	2015-16	Plastic, Water Tank	<u>8,76,340</u> 6,61,630	2,14,710 Penalty 6,44,130 <b>8,58,840</b>	The AA allowed excess ITR due to the ratio of stock transfer calculated at nil <i>per cent</i> instead of 32.50 <i>per cent</i> .	The AA stated that action would be taken after verification.
20	<u>CTO Gwalior IV</u> M/s N.S. Fuel TIN – 23385405130 Case No. CS00000001038131	2015-16	Diesel and Petrol	<u>2,85,000</u> 2,31,000	54,000	The AA allowed excess ITR against Cess amount of purchase list.	The AA stated that action would be taken after verification.
21	<u>CTO Gwalior IV</u> M/s Kapoor Engineering Tools TIN – 23375101865 Case No. CS00000001013213	2015-16	Agriculture Equipments	<u>2,27,902</u> 2,07,365	20,537 Penalty 61,611 <b>82,148</b>	The AA allowed excess ITR due to non-reversal of ITR in respect of tax free production of Agricultural Instruments.	The AA stated that action would be taken after verification.
22	<u>CTO Gwalior IV</u> M/s Narsingh Das Harishchand TIN – 23195400433 Case No. CS00000001033464	2015-16	Ghee, Oil, Masala, Soyabean	<u>35,67,869</u> 35,49,331	18,538 Penalty 55,614 <b>74,152</b>	The AA allowed excess ITR of ₹ 35,67,869 instead of ₹ 35,49,331 as depicted in audited accounts.	The AA stated that action would be taken after verification.
23	<u>CTO Neemuch</u> M/s Ranveer Gurjar TIN – 23379137746 Case No. CS0000000983227	2015-16	<i>Tendu patta</i>	<u>11,66,800</u> 6,75,499	4,91,301	The AA allowed excess ITR due to non-reversal of ITR in respect of out of state sale of <i>Tendu patta</i> .	The AA stated that action would be taken after verification.

24	<u>CTO Rewa</u> M/s Mohammad Reyaz TIN – 23769105891 Case No. CS000000085102	2015-16	<i>Tendu patta</i>	<u>30,32,523</u> 19,10,490	11,22,033	The AA allowed excess ITR due to non-reversal of ITR in respect of out of state sale of <i>Tendu patta</i> .	The AA stated that action would be taken after verification.
25	<u>CTO Rewa</u> M/s Tharmex TIN – 23306901205 Case No. CS0000000844451	2015-16	Phynil, Cloth Pati and Fabrication, Solar System	<u>2,18,469</u> 1,97,476	20,993	The AA levied ITR four <i>per cent</i> instead of five <i>per cent</i> in respect of tax free sale.	The AA stated that action would be taken after verification.
26	<u>CTO Rewa</u> M/s Pankaj Refrigeration TIN – 23326902746 Case No. CS0000000846029	2015-16	Electronics goods	<u>1,27,19,122</u> 1,26,31,466	87,656	The AA allowed excess ITR against purchase amount as per the audited accounts.	The AA stated that action would be taken after verification.
27	<u>CTO Betul</u> M/s Laxmi Auto Agency TIN – 23914702219 Case No. CS0000000987692	2015-16	Tools, Lubricants and Motor Cycle	<u>30,44,722</u> 29,21,113	1,23,609	The AA allowed excess ITR against purchase amount as per the audited accounts.	The AA stated that action would be taken after verification.
28	<u>ACCT Gwalior II</u> M/s Jeevan Fertilizer TIN – 23455601565 Case No. CS0000000837737	2015-16	Pesticides	<u>9,28,662</u> 8,28,751	99,911 Penalty 2,99,733 <b>3,99,644</b>	The AA allowed excess ITR against purchase amount as per the audited accounts.	The AA stated that action would be taken after verification.
29	<u>CTO Sagar</u> M/s Upkar Polymers TIN – 23779049339 Case No. CS0000000722382	2014-15	Agriculture Equipments	<u>3,24,193</u> 2,79,117	45,076 Penalty 1,35,228 <b>1,80,304</b>	The AA allowed excess ITR due to non-reversal of ITR in respect of production and sale of tax free goods.	The AA stated that action would be taken after verification.



30	<u>CTO Sagar</u> M/s Upkar Polymers TIN – 23779049339 Case No. CS00000001045314	2015-16	Agriculture Equipments	<u>6,04,446</u> 3,68,932	2,35,514 Penalty 7,06,542 <b>9,42,056</b>	The AA allowed excess ITR due to non-reversal of ITR in respect of production and sale of tax free goods.	The AA stated that action would be taken after verification.
31	<u>CTO Sagar</u> M/s Chhabhaiya and Company TIN – 23627401452 Case No. CS00000001041111	2015-16	Timber	<u>7,68,795</u> 4,39,527	3,29,268 Penalty 9,87,804 <b>13,17,072</b>	The AA allowed excess ITR due to less reversal of ITR in respect of out of state sale of Timber.	The AA stated that action would be taken after verification.
32	<u>CTO Damoh</u> M/s Vaishnav Gift Stores TIN – 23537603310 Case No. 225/2016	2015-16	Mobile Phone, Accessories and Recharge	<u>43,64,590</u> 42,11,872	1,52,718	The AA allowed excess ITR against purchase amount as per the audited accounts.	The AA replied that all purchase amount shown in the audited accounts and allowed ITR was as per provision.  The reply of AA was not acceptable because ITR was allowed on excess purchase amount in the assessment order against purchase amount of the audited accounts.
33	<u>ACCT Indore III</u> M/s Rachna Infrastructure TIN – 23709019276 Case No. CS00000001026749	2015-16	-	<u>20,32,510</u> 16,96,406	3,36,104	The AA allowed ITR in respect of plant and machinery which is against the provision under section 14(6) (vi) and notification no. A-3-95-05-1-V (28) dated 17 August 2007 of MPVAT act.	The AA stated that action would be taken after verification.
34	<u>ACCT Indore III</u> M/s Kesharimal Jain Chunawala and Company TIN – 23290501781 Case No. CS00000001037534	2015-16	Cement	<u>8,38,747</u> 6,93,673	1,45,074 Penalty 4,35,222 <b>5,80,296</b>	The AA allowed excess ITR on purchase value of ₹ 59,91,053 against the purchase value of ₹ 49,54,813 as per audited accounts.	The AA stated that action would be taken after verification.

35	<u>ACCT Indore III</u> M/s Omprakash Harakchand Mittal TIN – 23050400742 Case No. CS0000000961544	2015-16	-	<u>7,68,578</u> 6,74,344	94,234 Penalty 2,82,702 <b>3,76,936</b>	The AA allowed excess ITR on purchase as per audited accounts.	The AA stated that action would be taken after verification.
36	<u>ACCT Indore II</u> M/s Naminath Infrastructure TIN – 23420302423 Case No. CS0000000846900	2015-16	-	<u>58,53,189</u> 57,84,417	68,772 Penalty 2,06,316 <b>2,75,088</b>	The AA allowed excess ITR against the purchase from such dealer whose registration was cancelled.	The AA stated that action would be taken after verification.
37	<u>ACCT Guna</u> M/s Shri Ram Meena Automobiles TIN – 23955006001 Case No. CS0000000880034	2015-16	Petrol and Diesel	<u>1,53,87,959</u> 1,53,14,407	73,552	The AA allowed ITR on the value of shortage of diesel and petrol which is against the provision under section 14(1) (1AC) of MPVAT Act.	The AA stated that action would be taken after verification.
38	<u>DCCT Jabalpur II</u> M/s Narmada Sugar Pvt. Ltd. TIN – 23166402023 Case No. CS0000000600525	2014-15	Sugar	<u>16,87,036</u> 13,97,240	2,89,796	The AA allowed excess ITR due to reversal of ITR on calculated on ₹ 11,68,983 instead of ₹ 14,58,779.	The AA replied that the reversal of ITR had been done on the basis of production quantity of tax free and taxable product. The reply of AA was not acceptable because ITR should be reversed on the basis of value of tax free and taxable product as per provision under explanation clause of section 14 (a) (6) (ii).
39	<u>DCCT Jabalpur II</u> M/s Shakti Sugar Mill Pvt. Ltd. TIN – 23576403786 Case No. CS0000000600542	2014-15	Sugar	<u>6,14,453</u> 4,79,394	1,35,059	The AA allowed excess ITR due to reversal of ITR calculated at ₹ 5,08,094 instead of ₹ 6,43,153.	The AA replied that the reversal of ITR had been done on the basis of production quantity of tax free and taxable product. The reply of AA was not acceptable because ITR should be reversed on the basis of value

							of tax free and taxable product as per provision under explanation clause of section 14 (a) (6) (ii).
40	<u>ACCT Indore X</u> M/s Rayman Motors TIN – 23051001463 Case No. CS00000001099476	2016-17	Water Treatment Plant	<u>9,40,947</u> 9,19,197	21,750	The AA allowed ITR on purchase of Water Treatment Plant which is against the provision because the assessee is a dealer of two wheelers. It was also noticed that the amount of tax as capitalized by the dealer.	The AA stated that action would be taken after verification.
41	<u>ACCT Indore X</u> M/s Vicky Electronics TIN – 23561001522 Case No. CS0000000970352	2015-16	Electronics Goods	<u>1,17,52,131</u> 1,16,25,639	1,26,492	The AA allowed irregular ITR on such purchases where selling dealer had not mentioned TIN of purchasing dealer at the invoice.	The AA stated that action would be taken after verification.
42	<u>CTO Indore I</u> M/s Garg Enterprises TIN – 23630100596 Case No. CS00000001036877	2015-16	Plastic Tagari, Gamla and Packing Material	<u>3,47,919</u> 2,43,452	1,04,467	The AA allowed excess ITR due to reversal of ITR calculated at ₹ 71,826 instead of ₹ 1,76,293 in respect of production of tax free items.	The AA stated that action would be taken after verification.
43	<u>CTO Ashok Nagar</u> M/s Pankaj Sales TIN – 23025004524 Case No. CS0000000918621	2015-16	Kirana Item	<u>10,59,018</u> 10,18,626	40,392 Penalty 1,21,176 <b>1,61,568</b>	The AA allowed excess ITR on five <i>per cent</i> purchase as per audited accounts.	The AA stated that action would be taken after verification.
			<b>Total</b>	<b><u>33,25,68,414</u></b> <b>32,22,36,516</b>	<b>Tax 1,03,31,898</b> <b>Penalty 1,38,92,349</b> <b>Total 2,42,24,247</b>		

Appendix VII (B)							
Allowance of excess input credit against provision in Deemed Assessed Cases							
1	<u>CTO Neemuch</u> M/s Vijay Khad Bhandar TIN – 23803301163 Case No. Deemed	2016-17	<i>Khad and Mobiles</i>	<u>15,49,510</u> 14,52,673	96,837	The AA allowed ITR of ₹ 15,49,510 instead of ₹ 14,52,673 as per audited accounts.	The AA stated that action would be taken after verification.
2	<u>CTO Sagar</u> M/s Bilani Traders TIN – 23527504327 Case No. Deemed	2014-15	<i>Tendu patta</i>	<u>11,89,230</u> 9,50,704	2,38,526 Penalty 7,15,578 <b>9,54,104</b>	The AA allowed excess ITR due to less reversal of ITR in respect of out of state sale of <i>Tendu patta</i> .	The AA stated that action would be taken after verification.
3	<u>CTO Damoh</u> M/s Anand Traders TIN – 23797601518 Case No. Deemed	2016-17	-	<u>47,79,207</u> 44,77,751	3,01,456	The AA allowed excess ITR due to non-reversal of ITR in respect of purchase return as per audited accounts.	The AA stated that action would be taken after verification.
4	<u>ACCT Indore II</u> M/s Gangwal Flour Food TIN – 23840602213 Case No. Deemed	2016-17	Capital goods	<u>61,942</u> 32,836	29,106	The AA granted excess ITR due to non-reversal of ITR on capital goods in respect of tax free production of <i>Aata, Besan and Daliya</i> .	The AA stated that action would be taken after verification.
5	<u>ACCT Guna</u> M/s Mahalaxmi Arra Machines TIN – 23725000259 Case No. Deemed	2016-17	Wood and Plywood	<u>8,62,336</u> 8,43,646	18,690 Penalty 56,070 <b>74,760</b>	The AA allowed excess ITR in respect of purchase from unregistered dealer.	The AA stated that action would be taken after verification.
6	<u>ACCT Guna</u> M/s Lucky Center TIN – 23355000317 Case No. Deemed	2016-17	Petrol and Diesel	<u>1,62,35,705</u> 1,61,73,886	61,819 Penalty 1,85,457 <b>2,47,276</b>	The AA allowed ITR on the value of shortage of diesel and petrol which is against the provision under section 14(1) (1AC) of MPVAT Act.	The AA stated that action would be taken after verification.

7	CTO Ashok Nagar M/s Suresh Kirana Bhandar TIN – 23645000982 Case No. Deemed	2016-17	Kirana Item	<u>30,61,834</u> 30,17,859	43,975 Penalty 1,31,925 <b>1,75,900</b>	The AA allowed excess ITR on 14 <i>per cent</i> gross purchase as per audited accounts.	The AA stated that action would be taken after verification.
			<b>Total</b>	<u><b>2,77,39,764</b></u> <b>2,69,49,355</b>	<b>Tax 7,90,409</b> <b>Penalty 10,89,030</b> <b>Total 18,79,439</b>		
			<b>Grand Total</b>	<u><b>36,03,08,178</b></u> <b>34,91,85,871</b>	<b>Tax 1,11,22,307</b> <b>Penalty 1,49,81,379</b> <b>Total 2,61,03,686</b>		

**Appendix VIII**  
(Referred to in paragraph 2.12)  
**Claim and admittance of Input Tax Credit**

(Amount in ₹)

Sl. No.	Name of unit	Total Cases	Selected Cases	No. of Cases objected	Amount Claimed in TRAN-1	Amount claimed in VAT return Form 10	Total Difference
1	ACCT Rewa	171	140	04	67,70,299	25,52,805	42,17,494
2	CTO Ashok Nagar	175	40	24	20,39,080	5,53,331	14,85,749
3	CTO Gwalior IV	365	135	07	10,21,030	2,19,520	8,01,510
4	CTO Satna II	152	80	03	1,41,59,175	1,39,58,288	2,00,887
5	CTO Indore VIII	107	69	02	1,36,900	0	1,36,900
6	ACCT Bhopal VI	225	76	01	3,15,000	0	3,15,000
7	CTO Neemuch	405	120	116	8,36,88,440	72,64,405	7,64,24,035
8	CTO Sehore	430	50	03	3,88,940	2,33,104	1,55,836
9	CTO Indore I	171	122	05	27,24,314	10,67,844	16,56,470
10	CTO Betul	159	60	54	59,13,820	4,32,453	54,81,367
11	CTO Damoh	160	40	07	31,62,330	4,11,510	27,50,820
12	CTO Guna	150	60	27	51,81,610	26,18,509	25,63,101
13	ACCT Morena	534	215	80	1,76,93,750	9,21,951	1,67,71,799
14	ACCT Indore X	499	54	06	9,17,443	4,91,264	4,26,179
15	CTO Sagar	266	105	30	59,69,830	44,93,395	14,76,435
<b>Total</b>		<b>3,969</b>	<b>1,366</b>	<b>369</b>	<b>15,00,81,961</b>	<b>3,52,18,379</b>	<b>11,48,63,582</b>

**Appendix IX**  
(Referred to in paragraph 3.6)  
**Short levy of Stamp Duty and Registration Fees due to under valuation of properties**

(Amount in ₹)

Sl. No.	Name of unit	Total No. of documents registered	No. of documents test checked	No. of cases of deviations/non-compliance	Registered value	Leviable	Levied	Difference	Total Amount
					Value as per Guideline	SD	SD	SD	
						RF	RF	RF	
1	SR Jabalpur II	35,810	837	13	10,30,32,701	1,00,35,604	93,17,939	7,17,665	7,79,205
					11,07,25,598	8,85,805	8,24,265	61,540	
2	SR Bhopal II	55,253	953	12	20,93,67,010	2,40,89,418	1,85,32,767	55,56,651	60,46,889
					27,08,39,230	21,66,715	16,76,477	4,90,238	
3	SR Harda	7,553	621	3	1,23,39,856	13,40,840	10,75,347	2,65,493	2,90,297
					1,58,25,229	1,26,602	1,01,798	24,804	
4	SR Ganjbasoda (Vidisha)	7,732	567	2	78,21,200	7,17,974	6,27,012	90,962	1,00,020
					90,16,164	72,129	63,071	9,058	
5	SR Betul	16,790	593	1	98,59,200	54,191	49,296	4,895	8,566
					1,08,38,100	40,643	36,972	3,671	
6	SR Dhar	18,696	670	1	36,13,845	1,17,148	36,139	81,009	1,41,765
					1,17,14,783	87,861	27,105	60,756	
7	SR Silwani (Raisen)	1,788	471	2	90,94,079	32,827	27,335	5,492	9,611
					1,42,35,508	24,621	20,502	4,119	
8	SR Raghurajnagar (Satna)	30,560	530	2	84,06,775	4,09,440	3,82,869	26,571	30,532
					89,02,030	71,216	67,255	3,961	
9	SR Bhind	16,818	528	1	45,37,440	4,05,756	2,94,935	1,10,821	1,24,461
					62,42,400	49,940	36,300	13,640	

10	SR Indore I	49,806	1,005	2	5,36,28,000	50,77,652	36,67,050	14,10,602	15,80,784
					7,49,00,700	5,99,206	4,29,024	1,70,182	
11	SR Badnawar (Dhar)	3,859	1,734	8	2,08,96,332	14,60,274	13,54,359	1,05,915	1,24,428
					3,21,01,055	1,85,685	1,67,172	18,513	
12	SR Shivpuri	13,836	664	1	1,01,72,700	10,59,203	9,66,407	92,796	1,00,610
					1,11,49,500	89,196	81,382	7,814	
13	SR Shajapur	11,672	560	4	2,73,91,910	29,57,146	21,48,984	8,08,162	8,81,031
					3,65,63,195	2,92,505	2,19,636	72,869	
14	SR Sohagpur (Shahdol)	11,307	450	1	79,14,300	6,77,459	6,72,716	4,743	5,189
					79,70,100	63,761	63,315	446	
15	SR Indore IV	31,667	793	6	10,76,29,160	2,05,94,584	93,20,338	1,12,74,246	1,22,87,517
					23,42,88,425	18,74,307	8,61,036	10,13,271	
16	SR Rajnagar (Chhatarpur)	4,699	378	3	67,54,673	4,44,990	3,65,727	79,263	94,913
					87,42,275	69,938	54,288	15,650	
17	SR Niwari	5,470	466	1	24,07,300	2,95,656	2,04,621	91,035	99,602
					34,78,300	27,826	19,259	8,567	
18	SR Indore II	36,928	545	4	4,45,60,012	44,04,641	33,67,941	10,36,700	11,55,788
					5,96,26,060	4,77,009	3,57,921	1,19,088	
19	SR Khandwa	18,354	490	1	41,41,800	4,51,035	2,69,217	1,81,818	2,04,195
					69,39,000	55,512	33,135	22,377	
20	SR Gwalior 1	24,994	684	6	6,00,55,355	66,13,467	51,40,748	14,72,719	16,15,692
					7,79,77,020	6,23,816	4,80,843	1,42,973	
21	SR Sidhi	17,165	453	3	74,50,788	6,23,659	5,34,304	89,355	99,872
					87,65,481	70,124	59,607	10,517	
22	SR Morena	24,858	562	2	97,10,505	11,03,788	6,31,185	4,72,603	5,30,770
					1,69,81,368	1,35,851	77,684	58,167	



23	SR Ratlam	28,372	526	17	19,74,16,000	2,96,75,854	1,85,56,620	1,11,19,234	1,20,61,329
					31,53,40,529	25,22,723	15,80,628	9,42,095	
24	SR Sagar	27,375	892	1	60,74,000	6,65,727	5,16,290	1,49,437	1,63,502
					78,32,084	62,657	48,592	14,065	
25	SR Dewas	28,245	633	1	41,38,200	3,13,814	2,68,983	44,831	50,348
					48,27,900	38,623	33,106	5,517	
26	SR Dharampuri	3,032	1,552	5	2,73,67,239	10,62,861	5,40,301	5,22,560	5,76,821
					3,53,30,440	1,33,526	79,265	54,261	
27	SR Nagda	8,194	764	2	24,27,000	1,62,851	1,41,270	21,581	34,148
					65,71,910	31,550	18,983	12,567	
28	SR Vijayraghawgarh	2,450	1,428	7	62,30,210	5,37,953	4,64,181	73,772	82,571
					73,30,409	58,644	49,845	8,799	
29	SR Saunsar (Chhindwara)	7,268	324	1	69,04,648	5,97,213	5,86,896	10,317	11,287
					70,26,040	56,208	55,238	970	
<b>Total</b>		<b>5,57,440</b>	<b>21,203</b>	<b>113</b>	<b>98,13,42,238</b>	<b>11,59,83,025</b>	<b>8,00,61,778</b>	<b>3,59,21,247</b>	<b>3,92,91,742</b>
					<b>1,42,20,80,833</b>	<b>1,09,94,199</b>	<b>76,23,704</b>	<b>33,70,495</b>	

**Appendix X**  
(Referred to in paragraph 3.8)

**Short realisation of Registration Fees on agreements relating to development of land**

(Amount in ₹)

Sl. No.	Name of unit	No. of cases registered	No. of cases test checked	No. of cases objected	Registered value of entire developed land	Leviable registration fees	Levied registration fees	Difference
1	SR Bhopal II	1,086	220	17	83,15,70,179	66,52,561	33,26,285	33,26,276
2	SR Jabalpur II	1,393	223	9	24,61,96,950	19,69,576	9,84,709	9,84,867
3	SR Sonkachh (Dewas)	444	44	1	1,45,80,460	1,16,644	58,322	58,322
4	SR Badnawar (Dhar)	431	20	2	3,49,47,800	2,79,582	1,39,792	1,39,790
5	SR Khandwa	390	50	1	2,42,28,800	1,93,830	96,916	96,914
6	SR Indore I	786	69	5	11,70,71,660	9,36,573	4,68,287	4,68,286
<b>Total</b>		<b>4,530</b>	<b>626</b>	<b>35</b>	<b>1,26,85,95,849</b>	<b>1,01,48,766</b>	<b>50,74,311</b>	<b>50,74,455</b>

**Appendix XI**  
(Referred to in paragraph 3.9)  
**Inadequate controls in software**

(Amount in ₹)

Sl. No.	Name of unit	No. of cases registered	No. of cases test checked	No. of cases objected	Registered value	Leviable duty	Levied duty	Difference
1	SR Bhopal II	34,629	702	15	8,82,41,593	26,47,253	17,64,835	8,82,418
2	SR Jabalpur II	28,750	477	4	47,44,284	1,42,332	94,888	47,444
3	SR Ganjbasoda	7,006	307	2	12,80,690	38,421	25,615	12,806
4	SR Obedullaganj (Raisen)	5,415	490	1	12,50,000	37,500	25,000	12,500
5	SR Dhar	14,085	300	2	12,27,340	36,821	24,547	12,274
6	SR Indore IV	25,132	286	4	4,45,84,991	13,37,550	8,91,700	4,45,850
7	SR Sagar I	22,324	343	1	10,20,000	30,600	20,400	10,200
8	SR Indore II	27,983	455	5	1,61,12,179	4,83,365	3,22,244	1,61,121
9	SR Gwalior I	20,285	374	1	16,50,000	49,500	33,000	16,500
10	SR Indore I	34,113	589	2	46,04,000	1,38,120	92,080	46,040
11	SR Ratlam	20,982	272	7	38,23,124	1,14,694	76,462	38,232
<b>Total</b>		<b>2,40,704</b>	<b>4,595</b>	<b>44</b>	<b>16,85,38,201</b>	<b>50,56,156</b>	<b>33,70,771</b>	<b>16,85,385</b>

**Appendix XII**  
(Referred to in paragraph 3.10)

**Non-levy of duty/fee on whole amount of royalty payable or deliverable under lease agreement**

(Amount in ₹)

Sl. No.	Name of unit	Total Registered cases	Total cases test checked	Objected cases	Name of lessee	Lease period/ Name of village and Survey no.	Name of minerals, total quantity	Total Royalty amount as per Mining plan	Stamp Duty / Registration Fees				Nature of observation
									Leviable	Levied	Short levied	Amount recoverable	
									(0.75%/75%)				
1	DMO Khargone	158	56	1	Rajesh Sharma	5.5.2016 to 04.5.2026 Village – Rajpura Khasra No. 76/1	Murrum (88,200 cum)	44,10,000 (8820 x 10x50)	33,075	6,615	26,460	46,305	Stamp duty has been charged on market value of land allotted to lessee instead of royalty payable in lease period.
									24,807	4,962	19,845		
2	DMO Chhatarpur	470	111	1	M/S Khajraho Infrastructure Pvt. Ltd.	4.10.2018 to 3.10.2028 Village- Kishanpura Survey no 546/1	Metal (17,00,000 cum)	17,00,00,000 (1,70,000x10 x100)	12,75,000	6,37,500	6,37,500	11,15,625	Royalty amount was not taken as per quantity of royalty payable during entire lease period as shown in approved mining plan
									9,56,250	4,78,125	4,78,125		
3	DMO Sagar	210	64	2	Pradeep Singh Thakur	16.5.16 to 15.5.26 village- Talchiri Khasra No. 365/1	Black Basalt Stone (Crusher Stone) (1,14,000 cum)	1,14,00,000 (11,400x10x100)	85,500	17,100	68,400	1,19,700	Royalty amount was not taken as per quantity of royalty payable during entire lease period as shown in approved mining plan
					M/s Tiwari Traders	16.12.16 to 15.12.36 village-	Granite (14,000cum)	1,40,00,000 (700x20x1,000)	1,05,000	75,000	30,000	52,500	Royalty amount was not taken as per quantity of

						Adavan Sur. No. 470/1, 470/2			78,750	56,250	22,500		royalty payable during entire lease period, as shown in approved mining plan
4	DMO Ujjain	223	40	1	Smt. Asha Mehta	20.10.15 to 19.10.25 (10 yrs) Village Undasa Survey No., 820/2,3,8 818/1, 819/1/2	Metal (1,41,930 cum)	1,41,93,000 (14,193x100x10)	1,06,448	10,645	95,803	1,67,655	Stamp duty has been charged by SR on average royalty instead of royalty payable in entire lease period as per mining plan.
									79,836	7,984	71,852		
5	DMO Anuppur	173	39	2	Smt. Laxmidevi Khedia	26.11.15 to 25.11.25 (10 yrs) Village – Patna Khasra No. 8/1	Metal (36,470 cum)	36,47,000 (36,470x100)	27,353	2,684	24,669	42,938	Stamp duty has been charged by SR on average royalty instead of royalty payable in entire lease period as per mining plan.
									20,514	2,245	18,269		
					M/s Anand Minerals	25.11.16 to 24.11.26 (10 yrs) Village – Cholna Khasra No. 1851	Metal (3,37,800 cum)	3,37,80,000 (33,780x100x10)	2,53,350	58,575	1,94,775	3,40,856	Stamp duty is charged on average royalty instead of royalty payable in entire lease period as per mining plan.
									1,90,013	43,932	1,46,081		
6	DMO Bhopal	209	41	2	Paramjeet Singh Kalra	22.03.2018 to 21.03.2028 Village- Chandbad Kadim, Kh.no.345	Metal/ boulder 2,50,000	2,50,00,000 (25,000x10X100)	1,87,500	1,79,790	7,710	13,492	Stamp duty has been charged by SR on ₹ 2,39,72,000 instead of royalty ₹ 2,50,00,000 (25,000X100X10) payable
									1,40,625	1,34,843	5,782		
					Aashish Sharma	27.02.2016 to	Metal/ boulder	1,98,30,000	1,48,725	1,33,853	14,872	26,026	

						26.02.2026 Village- Badikhedi Kh.no.117, in two hectare	(1,98,300 cum)	(19,830x10x 100)	1,11,544	1,00,390	11,154		during entire lease period as per approved mining plan. And in case of Aashish Sharma, Stamp duty has been charged by SR on ₹ 1,78,47,000 instead of royalty ₹ 1,98,30,000 (19,830X100X1 0) payable during entire lease period as per approved mining plan.
7	DMO Rewa	194	49	2	Parichya Johari	9.12.15 to 8.12.25 Village- Harrai Kh 600	Metal/stone 3,44,000 cum	3,44,00,000 (34,400x10x 100)	2,58,000	81,448	1,76,552	3,08,966	Stamp Duty levied by SR on incorrect royalty amount, instead of royalty payable during entire lease period in both cases.
									1,93,500	61,086	1,32,414		
					Smt. Shyamwati Tiwari	17.11.15 to 16.11.25 Village Marha	Basalt Stone 1,68,150 cum	1,68,15,000 (16,815x10x 100)	1,26,113	33,630	92,483	1,61,844	
									94,584	25,223	69,361		
8	DMO Sidhi	91	34	4	Vijay Kr. Sharma	11.01.17 to 10.01.27 Village- Paipkhara, Khasra No. 103, 106 2.60 hact.	Metal 2,35,200 cum	2,35,20,000 (23,520x100x 10)	1,76,400	82,575	93,825	1,64,193	Royalty not assessed as per quantity given in approved mining plan for entire lease period.
									1,32,300	61,932	70,368		

					M/s Ramesh Stone Crusher (Nagendra Kr. Tiwari)	24.02.16 to 23.02.26 Village-Dhummadol Khasra No. 175 2.20 hact	Basalt Stone (3,07,538 cum)	3,07,53,800 (30,753.8x100x10)	2,30,654 1,72,990	8,063 6,048	2,22,591 1,66,942	3,89,533	In approved mining plan, average royalty of 30,753 cum per year was given, therefore, SD was to be levied on royalty of entire lease period.
					Raj Bahadur Singh	7.10.16 to 31.03.21 Village-Dadri Kalan Khasra No. 66 3.140 hact.	Boulder. (1,02,900 cum)	1,02,90,000 (20,580x100x5)	77,175 57,881 1,33,594	42,117 31,588 13,328	35,058 26,293 1,20,266	61,351	In approved mining plan, average royalty of 20,580 cum per year was given, therefore, SD was to be levied on royalty of entire lease period.
					Ultratech Cement	15.01.27 to 14.01.57 Village-Majagawan for 30 year, 362.680 hact.	Lime stone 8,10,00,000 tonne	7,29,00,00,000 (27,00,000x90x30)	5,46,75,000 4,10,06,250	2,74,90,800 2,06,19,100	2,71,84,200 2,03,87,150	4,75,71,350	In Mining plan for the period 2016-17 to 2018-19 production capacity was increased from 12,50,000 tpa. to 27,00,000 tpa, therefore, royalty was not assessed as per quantity of revised mining plan of entire extended lease period.
9	DMO Indore	202	25	2	Som Project Pvt. Ltd.	30.01.18 to 29.01.28 Village-Rangwasa Khasra No. 131/1/1/2 4.00 hactare	Stone Crusher/ Gitti 5,00,000 cum	5,00,00,000 (50,000x100x10)	3,75,000 2,81,250	1,87,508 1,40,631	1,87,492 1,40,619	3,28,111	Royalty amount of five year quantity has been taken by SR instead of ten year quantity. 50,000

													cum was given in approved mining plan.
					Dinesh Patidar	23.01.17 to 22.01.27 Village-Gaulipalasiya Khasra No. 1300, 1302/1, 1301/3 & 1299 1.793 Hact.	Metal/Gitti 4,00,000 cum	4,00,00,000 (40,000x100x10)	3,00,000	1,12,508	1,87,492	3,28,111	Royalty amount has not been taken as per quantity of Mining Plan for entire lease period. Same quantity was also in DEIAA permission.
									2,25,000	84,381	1,40,619		
10	DMO Damoh	43	43	8	Dilmeet Singh Khanduja	23.05.17 to 22.05.22 Village Jamuniya, 1 Hectare	Stone 44,530 cum	44,53,000 (8,906x5x100)	33,398	1,508	31,890	55,807	In DEIAA and CTO permission, 8,550 Cum quantity per year of stone was given, whereas in approved Mining Plan, quantity of crusher stone was 8,906 Cum per year, and SR levied SD&RF on market value prescribed by Govt. i.e. ₹ 2,01,000, whereas as per rule 38(b) Stamp Duty on royalty of entire lease period was to be levied.
									25,048	1,131	23,917		
					Shri Dhulich and Babulal	17.08.18 to 16.05.28 Village-Gugrakalan, 2.050 Hact.	Stone 1,31,850 cum	1,31,85,000 (13185x10x100)	98,888	3,008	95,880	1,67,790	In DEIAA permission, 20,000 Cum quantity of stone was given,
									74,166	2,256	71,910		





													royalty of entire lease period, was to be levied.
					PVS Infra-structure	22.03.18 to 21.03.28 Village Sehajpur, 6 Hact.	Stone 6,30,000 cum	6,30,00,000 (63,000x10x100)	4,72,500 3,54,375	4,50,008 3,37,506	22,492 16,869	39,361	In approved mining plan, 63,000 cum per annum quantity of stone was given, therefore, Stamp Duty was to be levied on royalty of entire lease period. SR levied SD&RF on market value prescribed by Govt. i.e. ₹ 6,00,01,000, whereas as per rule 38(b), Stamp Duty on royalty of entire lease period was to be levied.
					Dhananjay Jain S/o Nanhelal Jain	23.01.2017 to 22.01.2022 Village Righai, 1 Hact.	Flag Stone 15,000 cum	45,00,000 (3,000x5x300)	33,750 25,313	1,500 1,125	32,250 24,188	56,438	In approved mining plan, 3,000 cum per annum quantity of flag stone was shown, therefore, Stamp Duty was to be levied on royalty of entire lease period.
					Jagdish Prasad Patel	26.09.17 to 25.09.27 Village Khareri, 2 Hact.	Stone 1,50,000 cum	1,50,00,000 (15,000x10x100)	1,12,500 84,375	6,008 4,506	1,06,492 79,869	1,86,361	In approved mining plan, 15,000 cum per annum quantity of stone was shown, therefore, Stamp Duty was to be levied on



															therefore, Stamp Duty was to be levied on royalty of entire lease period.
	<b>Total</b>	<b>1,973</b>	<b>502</b>	<b>25</b>					<b>5,94,56,523</b>	<b>2,96,61,945</b>	<b>2,97,94,578</b>	<b>5,21,39,273</b>			
									<b>4,45,92,391</b>	<b>2,22,47,696</b>	<b>2,23,44,695</b>				

**Appendix XIII**  
(Referred to in paragraph 4.4)  
**Under-assessment of Diversion rent, Premium and Panchayat Upkar**

(Amount in ₹)

Sl. No.	Unit Name	No. of Cases	Determined by Audit			Levied by Department			Difference			Sum (10+11+12)
			Diversion Rent	Premium	Cess on Diversion Rent	Diversion Rent	Premium	Cess on Diversion Rent	Diversion Rent (7-4)	Premium (8-5)	Cess on Diversion Rent (9-6)	
1	2	3	4	5	6	7	8	9	10	11	12	
1	Chhindwara	2	13,192	65,960	0	9,222	46,114	0	3,970	19,846	0	23,816
2	Sagar	16	4,00,213	20,01,064	74,956	2,66,774	13,33,874	49,317	1,33,439	6,67,190	25,639	8,26,268
3	Khargone	5	97,721	4,88,603	14,317	61,788	3,08,941	10,745	35,933	1,79,662	3,572	2,19,167
4	Rewa	10	25,649	1,28,243	0	8,897	44,488	0	16,752	83,755	0	1,00,507
5	Satna	28	6,12,830	30,64,151	1,34,699	4,56,097	22,85,304	1,21,567	1,56,733	7,78,847	13,132	9,48,712
6	Katni	20	1,99,911	9,99,557	27,191	1,11,360	5,63,853	16,165	88,551	4,35,704	11,026	5,35,281
7	Ratlam	33	3,83,865	19,95,426	67,807	2,44,387	11,75,127	33,513	1,39,478	8,20,299	34,294	9,94,071
8	Morena	7	2,50,174	12,52,242	0	1,06,998	5,32,167	0	1,43,176	7,20,075	0	8,63,251
9	Alirajpur	6	35,342	1,76,709	12,335	10,071	50,358	0	25,271	1,26,351	12,335	1,63,957
10	Indore	36	34,62,957	1,73,14,785	0	25,84,725	1,29,05,685	0	8,78,232	44,09,100	0	52,87,332
11	Gwalior	51	39,81,308	1,99,06,540	0	33,15,674	1,65,78,359	0	6,65,634	33,28,181	0	39,93,815
12	Guna	3	70,503	3,60,940	10,164	59,116	2,90,004	8,604	11,387	70,936	1,560	83,883
13	Mandsaur	54	9,33,090	49,63,850	78,394	6,57,878	31,66,697	1,15,651	2,75,212	17,97,153	(-) 37,257	20,35,108
14	Chhatarpur	1	38,851	1,94,256	19,426	18,516	92,580	9,258	20,335	1,01,676	10,168	1,32,179
15	Agar Malwa	50	2,85,206	14,26,028	13,756	88,746	4,28,623	6,268	1,96,460	9,97,405	7,488	12,01,353
16	Sehore	18	2,07,508	10,37,540	44,450	1,37,632	7,10,330	28,650	69,876	3,27,210	15,800	4,12,886
17	Ujjain	11	14,17,552	70,87,060	1,53,259	7,16,220	35,79,903	62,446	7,01,332	35,07,157	90,813	42,99,302

18	Bhopal	2	1,01,420	10,14,200	50,710	18,017	54,049	9,009	83,403	9,60,151	41,701	10,85,255
19	Shahdol	67	3,69,117	18,45,583	14,875	1,07,066	2,37,037	0	2,62,051	16,08,546	14,875	18,85,472
20	Umaria	8	36,622	1,83,111	9,202	12,541	57,378	4,162	24,081	1,25,733	5,040	1,54,854
21	Damoh	9	1,17,085	6,45,051	1,500	34,777	1,73,925	420	82,308	4,71,126	1,080	5,54,514
22	Mandla	3	10,116	50,581	2,105	8,915	44,110	0	1,201	6,471	2,105	9,777
23	Dewas	2	92,100	4,60,500	46,050	50,101	2,50,506	25,051	41,999	2,09,994	20,999	2,72,992
24	Vidisha	2	31,775	1,58,874	4,325	18,805	94,023	840	12,970	64,851	3,485	81,306
25	Sheopur	75	10,92,319	58,71,728	1,63,203	6,02,110	34,23,617	12,467	4,90,209	24,48,111	1,50,736	30,89,056
26	Panna	8	1,34,015	4,55,878	56,692	1,13,645	3,77,002	3,125	20,370	78,876	53,567	1,52,813
<b>Total</b>		<b>527</b>	<b>1,44,00,441</b>	<b>7,31,48,460</b>	<b>9,99,416</b>	<b>98,20,078</b>	<b>4,88,04,054</b>	<b>5,17,258</b>	<b>45,80,363</b>	<b>2,43,44,406</b>	<b>4,82,158</b>	<b>2,94,06,927</b>

**Appendix XIV**  
(Referred to in paragraph 4.5)  
**Non-realisation of land revenue in diverted cases**

(Amount in ₹)

Sl. No.	Name of Unit	Name	Case No.	Order Date	Outstanding Amount				
					Diversion Rent	Premium	Upkar	Penalty	Total
1	Guna	Dinesh Vyas	0328/A-2/2016-17	19.09.2017	39,120	1,95,600	0	0	2,34,720
2		Smt. Giriraj Bhargav	0440/A-2/2016-17	19.02.2018	4,476	22,382	2,238	22,382	51,478
3		Tarun Badhwa	145/A-2/2018-19	26.02.2019	8,62,940	0	0	0	8,62,940
4		Smt. Vidushi Badhwa	144/A-2/2018-19	26.02.2019	5,29,143	41,850	0	2,000	5,72,993
5	Satna	Rajkishor Tripathi	201/2014-15	12.02.2015	2,940	14,700	0	0	17,640
6		Smt. Rani Beti	214/2014-15	18.02.2015	700	3,485	0	0	4,185
7		Smt. Sapna Singh	259/2014-15	17.03.2015	320	1,590	0	0	1,910
8		Smt. Rannu Devi Pandey	687/2014-15	24.09.2015	4,958	24,790	0	0	29,748
9		Balendra Singh	372/2014-15	08.05.2015	3,313	16,565	1,657	0	21,535
10		Ms. Lord Krishna Builders	486/2014-15	06.07.2015	2,000	10,000	0	0	12,000
11		Mahendra Kumar Mishra	102/2014-15	19.12.2014	9,004	45,020	4,502	0	58,526
12		Jitin Kumar Rai	391/2014-15	-	1,993	4,968	497	0	7,458
13		Hem Lalwani, Chandrbhan Lalwani	189/2014-15	06.02.2015	1,542	7,710	771	0	10,023
14		Ashutosh Jayant	251/2015-16	28.01.2016	2,395	11,970	0	0	14,365
15		Smt. Santosh Devi Goyal	11/2015-16	28.10.2015	1,090	5,450	0	0	6,540
16		Suresh Kumar Goyal	12/2015-16	28.10.2015	1,421	7,102	0	0	8,523
17		Smt. Rama Goyal	13/2015-16	28.10.2015	1,484	7,420	0	0	8,904
18		Pushpraj Singh	50/2015-16	19.11.2016	365	1,810	0	0	2,175
19		Smt. Snehlata Gupta	56/2015-16	19.11.2015	410	2,045	0	0	2,455

20		Jagdish Prasad Kushwaha	106/2015-16	30.11.2015	265	1,320	0	0	1,585
21		Gopi Chand Banga	196/2015-16	28.01.2016	2,165	10,805	0	0	12,970
22		Sunil Kumar	817/2016-17	20.09.2017	910	4,540	0	0	5,450
23		Rajwant Jaiswal	846/2016-17	23.01.2018	3,795	18,975	0	0	22,770
24		Lt. Shanti Devi Pvt. Nyaya Trust	580/2017-18	24.06.2017	3,070	15,535	0	0	18,605
25		Manoj Kumar	641/2017-18	24.07.2017	4,000	20,000	0	0	24,000
26		Sushil Kumar	661/2017-18	27.07.2017	755	3,760	0	0	4,515
27		Sushil Kumar	660/2017-18	27.07.2017	845	4,210	0	0	5,055
28		Narayan Singh	477/2016-17	25.05.2017	1,765	2,485	0	0	4,250
29		Smt. Asha	632/2016-17	24.07.2017	1,220	6,100	0	0	7,320
30		Kiran Gupta	194/2015-16	22.08.2016	1,934	9,672	0	0	11,606
31		Saudan Singh	198/2015-16	26.08.2016	896	4,480	0	0	5,376
32		Smt. Kiran Suryavanshi	199/2015-16	26.08.2016	896	4,480	0	0	5,376
33		Hari Singh Yadav	201/2015-16	22.08.2016	3,458	17,287	1,729	0	22,474
34		Jyoti Goyal	203/2015-16	12.09.2016	60,601	3,03,006	0	0	3,63,607
35		Ashok Tiwari	204/2015-16	12.09.2016	913	4,563	0	0	5,476
36		Subhash Chandra Jain	207/2015-16	15.09.2016	6,237	31,185	0	0	37,422
37	Vidisha	Sunita Jain	208/2015-16	15.09.2016	2,352	11,760	0	0	14,112
38		Indu Dixit	209/2015-16	15.09.2016	3,906	19,530	0	0	23,436
39		Tarun Khatri	212/2015-16	16.09.2016	4,690	23,450	0	0	28,140
40		Gore Lal	213/2015-16	16.09.2016	896	4,480	0	0	5,376
41		Laxmi Narayan	214/2015-16	16.09.2016	2,198	10,988	0	0	13,186
42		Amit	220/2015-16	22.09.2016	15,102	75,512	7,551	0	98,165
43		Parvat Singh	05/2016-17	05.10.2016	1,254	6,272	0	12,544	20,070
44		Babu Lal	06/2016-17	10.10.2016	12,661	63,307	0	0	75,968



45	Vidya Pachauri	14/2016-17	05.11.2016	1,613	8,064	0	0	9,677
46	Kamla Bai Rathaur	23/2016-17	23.12.2016	1,299	6,496	0	0	7,795
47	Smt. Videsh Bai	24/2016-17	23.12.2016	1,299	6,496	0	0	7,795
48	Vishnu Prasad Lodhi	42/2016-17	16.02.2017	13,349	51,774	0	1,03,488	1,68,611
49	Savitri Bai Kushwaha	48/2016-17	17.02.2017	354	1,768	0	0	2,122
50	Guddi Bai	50/2016-17	17.02.2017	2,464	12,320	0	0	14,784
51	Netram Rathaur	71/2016-17	23.02.2017	2,262	11,312	0	0	13,574
52	Parvat Singh	77/2016-17	27.03.2017	3,492	17,459	1,746	0	22,697
53	Raj Bai Maina	78/2016-17	27.03.2017	1,680	8,399	840	0	10,919
54	Mehtab Singh	88/2016-17	06.04.2017	1,040	5,200	0	0	6,240
55	Mathura Prasad Kushwaha	121/2016-17	14.06.2017	910	4,550	0	0	5,460
56	Shailendra Singh Dangi	122/2016-17	14.06.2017	2,180	10,900	0	0	13,080
57	Sunanda Saxena	155/2016-17	14.08.2017	1,728	8,640	0	0	10,368
58	Phool Bai	156/2016-17	14.08.2017	1,095	5,472	0	0	6,567
59	Durgesh Das	267/2016-17	24.04.2018	203	1,008	0	0	1,211
60	Gajendra	268/2016-17	23.01.2018	138	684	0	912	1,734
61	Dalip Singh	277/2016-17	23.10.2017	69	348	0	464	881
62	Bharat Singh	91/2017-18	05.03.2018	34	168	17	0	219
63	Suraj Singh	92/2017-18	05.03.2018	29	141	15	0	185
64	Gopesh	94/2017-18	13.12.2017	270	448	135	896	1,749
65	Karan Singh	95/2017-18	13.12.2017	595	596	300	1,192	2,683
66	Munni Bai	96/2017-18	13.12.2017	360	224	184	448	1,216
67	Karan Singh	97/2017-18	13.12.2017	890	892	445	1,784	4,011
68	Lakhan Singh	98/2017-18	13.12.2017	592	595	300	1,192	2,682
69	Ram Babu	126/2017-18	28.02.2018	80	396	0	528	1,004

70		Manphool	128/2017-18	28.02.2018	150	246	0	328	724
71		Deepesh	168/2017-18	30.01.2018	2,193	10,967	1,097	0	14,257
72		Ajay	179/2017-18	10.01.2019	1,55,232	1,29,360	0	1,29,360	4,13,952
73		Machal Singh Gurjar	180/2017-18	20.03.2018	562	2,808	0	5,616	8,986
74		Rajesh Parashar	181/2017-18	19.09.2018	489	2,444	0	4,888	7,821
75		Mohan Raghuvanshi	182/2017-18	20.03.2019	520	2,600	0	5,200	8,320
76		Shanti Patwa	183/2017-18	20.03.2019	582	2,912	0	5,824	9,318
77		Rakesh Raghuvanshi	184/2017-18	19.09.2018	780	3,900	0	7,800	12,480
78		Raghvendra Tiwari	185/2017-18	19.09.2018	1,050	5,252	0	10,504	16,806
79		Mohan Sharma	188/2017-18	23.03.2018	582	2,912	0	5,824	9,318
80		Ram Singh Dangi	189/2017-18	20.03.2018	489	2,444	0	4,888	7,821
81		Babu Lal Teli	228/2017-18	10.04.2018	23,370	38,950	11,685	77,900	1,51,905
82		Himmat Singh Meena	255/2017-18	12.07.2018	2,260	11,300	1,130	0	14,690
83		Om Prakash Malviya	306/2017-18	16.07.2018	2,029	10,145	0	5,072	17,246
84		Gulab S/o Jamuna Prasad	177/A-2/2016-17	27.07.2017	10,153	50,763	5,077	2,53,825	3,19,818
85		Babu Lal/Preetam Lal and Others	188/A-2/2016-17	29.09.2017	29,920	1,49,600	0	7,48,000	9,27,520
86		Ramdulari W/o Bhagwan Das	174/A-2/2016-17	27.10.2017	10,582	52,910	5,291	2,64,550	3,33,333
87		Gulab S/o Jamuna Prasad	178/A-2/2016-17	27.10.2017	4,004	20,020	2,002	1,00,100	1,26,126
88	Sagar	Umesh Kumar S/o Chunni Lal Jain	175/A-2/2016-17	27.10.2017	11,440	57,200	5,720	2,86,000	3,60,360
89		Kailash S/o Shankar Lal	207/A-2/2016-17	23.01.2018	16,779	83,895	0	4,19,475	5,20,149
90		Narmada Prasad, Tulsi Ram	211/A-2/2016-17	29.09.2017	20,083	1,00,415	0	5,02,075	6,22,573
91		Ratan Lal S/o Dashrath Lal	181/A-2/2016-17	22.01.2017	18,161	90,805	54,484	9,08,050	10,71,500
92		Dhandhu S/o Devi	244/A-2/2016-17	28.10.2017	27,360	1,36,800	13,680	13,68,000	15,45,840

93	Rajrani W/o Mannu Lal	202/A-2/2016-17	29.09.2017	28,478	57,600	0	2,88,000	3,57,120
94	Jay Kumar S/o Jagdish Kumar	173/A-2/2016-17	22.01.2018	7,293	36,465	21,880	3,64,650	4,30,288
95	Narayan S/o Makhan Lal	204/A-2/2016-17	29.09.2017	12,888	64,440	0	3,22,200	3,99,528
96	Balram S/o Durga Prasad	242/A-2/2016-17	20.12.2017	8,056	40,280	4,028	4,02,800	4,55,164
97	Ram Prasad S/o Khilan	240/A-2/2016-17	28.10.2017	8,512	42,560	4,256	4,25,600	4,80,928
98	Bhola Ram S/o Ganesh	194/A-2/2016-17	29.09.2017	22,480	1,12,400	0	5,62,000	6,96,880
99	Jayshree W/o Naveen Bhai	243/A-2/2016-17	27.10.2017	9,120	45,600	4,560	4,56,000	5,15,280
100	Raj Kumar S/o Phool Chand	176/A-2/2016-17	27.10.2017	7,865	39,325	3,933	1,96,625	2,47,748
101	Kala Bai w/o Dhani Ram	230/A-2/2016-17	20.11.2017	36,816	1,84,080	0	9,20,400	11,41,296
102	Vijay Singh S/o Chhedi Singh	235/A-2/2016-17	20.12.2017	6,440	32,200	3,220	3,22,000	3,63,860
103	Pooran S/o Devi	187/A-2/2016-17	29.09.2017	27,920	1,39,600	0	6,98,000	8,65,520
104	Santosh Kumar S/o Kanchhedi Lal	231/A-2/2016-17	20.11.2017	21,060	1,05,300	0	5,26,500	6,52,860
105	Rukman Bai W/o Harishankar	196/A-2/2016-17	20.11.2017	15,390	76,950	0	3,84,750	4,77,090
106	Huti Lal S/o Govardhan	186/A-2/2016-17	23.07.2018	3,240	16,200	0	3,24,000	3,43,440
107	Onkar S/o Karori Lal	208/A-2/2016-17	29.09.2017	16,680	83,400	0	1,47,000	2,47,080
108	Vinod Kumar	197/A-2/2016-17	22.01.2017	15,960	79,800	0	3,99,000	4,94,760
109	Indira W/o Ramesh Kumar	203/A-2/2016-17	23.01.2018	10,896	54,480	0	2,72,400	3,37,776
110	Anand Shankar s/o Jagat Narayan	172/A-2/2016-17	22.01.2018	6,721	33,605	20,164	3,36,050	3,96,540
111	Laxmi Shankar s/o Dinannath	238/A-2/2016-17	18.12.2017	14,400	72,000	0	3,60,000	4,46,400
112	Sandeep S/o Narayan	95/A-2/2016-17	27.04.2018	7,600	38,000	0	95,000	1,40,600
113	Ram Singh S/o Dadu Prasad	485/A-2/2016-17	10.07.2018	384	1,920	1,152	19,200	22,656
<b>Total</b>				<b>22,54,437</b>	<b>35,91,362</b>	<b>1,86,286</b>	<b>1,30,83,284</b>	<b>1,91,15,369</b>



# **GLOSSARY**



### **Glossary of Abbreviations**

<b>AA</b>	Assessing Authority
<b>AAO</b>	Assistant Accounts Officer
<b>AC</b>	Assistant Commissioner
<b>AIAO</b>	Assistant Internal Audit Officer
<b>ASLR</b>	Assistant Superintendent, Land Records
<b>ATRs</b>	Action taken Reports
<b>CCT</b>	Commissioner of Commercial Tax
<b>CST</b>	Central Sales Tax
<b>CTD</b>	Commercial Tax Department
<b>CTO</b>	Commercial Tax Officer
<b>DC</b>	Deputy Commissioner
<b>DIGR</b>	Deputy Inspector General, Registration
<b>DR</b>	District Register
<b>ET</b>	Entry Tax
<b>GoI</b>	Government of India
<b>GoMP</b>	Government Of Madhya Pradesh
<b>GST</b>	Goods and Services Tax
<b>HDPE</b>	High Density Poly Ethylene
<b>IAC</b>	Internal Audit Cell
<b>IAW</b>	Internal Audit Wing
<b>IGR</b>	Inspector General Registration and Superintendent of Stamps, Madhya Pradesh
<b>IRs</b>	Inspection Reports
<b>ITR</b>	Input Tax Rebate
<b>JIGR</b>	Joint Inspector General, Registration
<b>MPLA</b>	Madhya Pradesh <i>Lokdhan (Shodhya Rashiyon ki Vasuli) Adhiniyam</i>
<b>MPLRC</b>	Madhya Pradesh Land Revenue Code
<b>MPPRA</b>	Madhya Pradesh <i>Panchayat Raj Adhiniyam</i>
<b>MPVAT</b>	Madhya Pradesh Value Added Tax
<b>MT</b>	Metric Ton
<b>PA</b>	Performance Audit
<b>PAC</b>	Public Accounts Committee
<b>PRC</b>	Principal Revenue Commissioner
<b>RBC</b>	Revenue Book Circular
<b>RCMS</b>	Revenue Case Management System
<b>RRC</b>	Revenue Recovery Certificate

<b>SDR</b>	Senior District Register
<b>SDRF</b>	Stamp Duty and Registration Fee
<b>SLR</b>	Superintendent, Land Records
<b>SR</b>	Sub Registrar
<b>TA</b>	Taxation Authorities
<b>TC</b>	Transport Commissioner
<b>VAT</b>	Value Added Tax
<b>WCL</b>	Western Coalfields Limited