

**REPORT OF THE  
COMPTROLLER AND AUDITOR  
GENERAL OF INDIA**

**on**

**REVENUE SECTOR**

**for the year ended March 2018**

**Government of Kerala  
Report No. 3 of the year 2019**



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## **Preface**

This Report of the Comptroller and Auditor General of India is prepared for submission to the Governor under Article 151 of the Constitution of India for being laid before the State Legislature.

The Report contains significant results of the Performance Audit and Compliance Audit of the Departments of Government of Kerala under Revenue Sector, including State Goods and Services Tax Department, Revenue and Disaster Management Department, Transport Department, Registration Department and Excise Department.

The instances mentioned in this Report are those, which came to notice in the course of test audit of records during the year 2017-18 as well as those which came to notice in earlier years but could not be reported in previous Audit Reports. Instances relating to the period subsequent to 2017-18 are also included wherever necessary.

Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.



# Overview





## Overview

The Report contains 18 paragraphs including one Performance Audit and 17 Compliance Audit paragraphs involving revenue impact of ₹ 938.56 crore. Some of the major findings are mentioned below:

### I. General

Total revenue receipts of the State Government for the year 2017-18 amounted to ₹ 83,020.14 crore against ₹ 75,611.72 crore for the previous year. 69 *per cent* of this was raised by the State through tax revenue (₹ 46,459.61 crore) and non-tax revenue (₹ 11,199.61 crore). The balance 31 *per cent* was receipt from the Government of India as State's share of divisible Union taxes (₹ 16,833.08 crore) and Grants-in-aid (₹ 8,527.84 crore).

*(Paragraph 1.1.1)*

Arrears of revenue as on 31 March 2018 on some principal heads of revenue amounted to ₹ 14,904.91 crore, of which, ₹ 5,514.14 crore was outstanding for more than five years.

*(Paragraph 1.2)*

At the end of June 2018, 3,340 Inspection Reports (IRs) in respect of various Departments containing 26,690 observations involving money value of ₹ 8,575.04 crore was outstanding.

*(Paragraph 1.7)*

### II. Taxes/VAT on sales, trade etc.

#### **Mechanism of Disposal of Appeals and Implementation of Appellate orders in SGST Department**

The Department could not monitor the receipt and disposal of appeals at Appellate Authority level and its implementation at the level of assessing authorities due to the non-availability of appellate module in KVATIS, which led to the huge backlog of pending appellate cases.

*(Paragraph 2.4.1)*

In 42 Assessment Circles, neither 557 dealers filed any appeal after remitting 20 *per cent* of the disputed tax for the period from April 2016 to June 2017 nor did the Department start revenue recovery proceedings for recovery of the amount resulting in non-realisation of revenue amounting to ₹ 10.57 crore.

*(Paragraph 2.4.2)*

In 43 Assessment Circles, 479 appellate cases with tax effect of ₹ 372.59 crore disposed by the first appellate authorities were pending for modification/disposal with the concerned assessing authorities.

*(Paragraph 2.4.3)*

### **Short Levy of Tax**

Short levy of tax amounting to ₹ 21.74 crore due to application of incorrect rate of tax; escape of turnover from assessment and calculation error in assessment in eight instances were noticed.

*(Paragraph 2.5)*

Non-levy of Integrated Goods and Services Tax (IGST) on the inward supply of Extra Neutral Alcohol (ENA) valuing ₹ 258.57 crore worked out to ₹ 46.54 crore out of which fifty *per cent* i.e. ₹ 23.27 crore is to be received as apportionment to Government of Kerala.

*(Paragraph 2.6)*

## **III. Taxes on Vehicles**

### **Functioning of Kerala Road Safety Authority – Collection and Utilisation under Road Safety Fund**

Audit observed that despite clear provisions in the statutes, there was a short transfer of money to Kerala Road Safety Fund (KRSF) amounting to ₹ 435.51 crore for the period from 2008-09 to 2017-18.

*(Paragraph 3.4.2.1)*

Diversion of compounding fee and non-remittance of compounding fee into the designated head of account by the Police Department resulted in loss of share of ₹ 15.57 crore to KRSF.

*(Paragraph 3.4.2.2)*

### **Short levy of tax**

Short levy of one time tax on vehicles reclassified from the category of transport vehicle to non-transport vehicles in 15 out of 17 RTOs and 45 out of 55 SRTOs amounting to ₹ 2.06 crore in 2,092 cases.

*(Paragraph 3.5 (a))*

Non-remittance of tax by 139 stage carriages amounting to ₹ 43.79 lakh during the operated period (period for which non-use intimation is not filed) in 12 out of 17 RTOs.

*(Paragraph 3.7)*

## **IV. Land Revenue and Building Tax**

### **Implementation of Land Ceiling and Management of Surplus Land in Kerala**

The department did not maintain a *taluk*/Taluk Land Board (TLB) wise detailed database of ceiling cases, exempted lands and surplus lands in the State which was crucial for the identification, protection and utilisation of surplus lands.

*(Paragraph 4.4.1)*

In 43 out of 89 Sub Registrar Offices (SRO) in the five selected districts, 184 registered documents having more than 6.0702 ha (15 acres) of land, involving 5,192.4161 ha of land (valuing ₹ 311.35 crore as per the documents) were not identified by the Revenue department for initiating ceiling cases.

*(Paragraph 4.4.2)*

Land in excess of ceiling limit was not reported by Department during acceptance of land tax payment details in respect of land holdings above 6.0702 ha (15 acres) in 358 cases out of 372 cases (96.24 *per cent*) involving 12,574.5135 ha of land.

*(Paragraph 4.4.3)*

No ceiling cases were initiated in respect of 114 cases (57.87 *per cent*) involving 2,141.7317 ha of land (valuing ₹ 499.44 crore as per the fair value) out of 197 cases reported by the Taluk Office (TO)/VOs to the respective TLBs as having land in excess of the ceiling area.

*(Paragraph 4.4.4)*

Joint Physical Inspection (JPI) with the representatives of the concerned TLB/Taluk/VOs revealed that violation of exemption to an extent of 239.1020 ha of land (valuing ₹ 189.73 crore as per the fair value) in 33 out of 67 cases remained undetected.

*(Paragraph 4.4.5)*

In the five selected districts, there was delay in acquisition of surplus land of 1,588.0412 ha in 169 cases.

*(Paragraph 4.4.7)*

Irregular assignment of surplus land was noticed in four instances.

*(Paragraph 4.4.9)*

### **Short levy of tax**

In 24 out of 39 TOs, 798 buildings completed during 2015-16 and 2016-17 escaped assessment to building tax which resulted in non-levy of building tax of ₹ 2.70 crore.

*(Paragraph 4.5)*

Scrutiny of basic tax collection details for the period from 2014-15 to 2016-17 revealed that there was short/non collection of basic tax in 15 cases in 6 TOs amounting to ₹ 47.33 lakh.

*(Paragraph 4.6)*

## **V. Other Tax Receipts**

### **A - STATE EXCISE**

Non-inclusion of import fee element in the purchase cost for levying excise duty led to loss of revenue of ₹ 4.72 crore for the years 2016-17 and 2017-18.

*(Paragraph 5.5)*

Cross-verification of data obtained from the Office of the Drugs Controller in the six districts for 2017-18 revealed that 11,855 persons had not taken licences from the Excise department for the trading of spirituous preparations, which resulted in loss of revenue in the form of license fee of ₹ 2.35 crore per year.

*(Paragraph 5.7)*

Non-imposition of fine for unauthorised reconstitution of Board of Directors of companies/firms holding Foreign Liquor licences and non-collection of fee for regularisation resulted in non-realisation of revenue of ₹ 1.20 crore from 20 companies during the period from 2016-17 and 2017-18.

*(Paragraph 5.8)*

### **B - STAMP DUTY AND REGISTRATION FEE**

#### **Performance Audit on Functioning of OPEN PEARL in Registration Department**

Inordinate delay in achievement of goals due to lack of organisational and management controls over the project and the absence of User Requirement Specification, Service Level Agreements, Government order and detailed project proposal.

*(Paragraph 5.12.7.1)*

Absence of Business Continuity Plan / Disaster Recovery Plan and failure to test and restore backed up data.

*(Paragraph 5.12.7.2)*

Delay in completion of the registration process of documents due to additional work of data entry and validation of the data in addition to the preparation of document on stamped or e-stamped paper and its verification.

*(Paragraph 5.12.7.3)*

Maintenance of soft copy of e-stamp, absence of password protection, facility to take unrestricted printouts renders e-stamps insecure. There are no provisions for capturing serial numbers of e-stamps used for registration and purchase of additional e-stamp in case the e-stamps purchased are found to be insufficient.

*(Paragraph 5.12.7.4)*

Non-reduction of workload despite computerisation due to manual maintenance of accounts, revenue statements, reconciliation statement of the remittances, manual preparation and delivery of certified copies, list certificates and marriage certificates.

*(Paragraph 5.12.8.1)*

Incomplete and/or incorrect data in the database resulted in generation of incorrect Management Information System (MIS) reports and control registers.

*(Paragraph 5.12.8.4)*

Out of the 26 deficiencies pointed out in the Report of the Comptroller and Auditor General of India (Revenue Receipts), Government of Kerala for the year ended 31 March 2009 (Volume I), 20 issues were taken care of in the OPEN PEARL. However, six issues viz., delay in project completion and non-achievement of objectives, non-validation of current data, generation of incorrect/defective reports, non-existence of Business Continuity Plan (BCP)/Disaster Recovery Plan (DRP), deficiencies in Internal Control are still persisting.

*(Paragraph 5.12.9)*

### **Short levy of Stamp Duty and Registration Fee**

Loss of revenue of ₹ 11.06 crore due to non-registration of 237 agreements entered into between flat/apartment owners and developers/builders in SRO Ernakulam.

*(Paragraph 5.13)*

Short collection of revenue of ₹ one crore due to misclassification of land in SRO Kalpetta.

*(Paragraph 5.14, bullet 1)*



# **Chapter I**

## **General**





## CHAPTER-I GENERAL

### 1.1 Trend of revenue receipts

**1.1.1** The tax and non-tax revenue raised by the Government of Kerala during the year 2017-18, the State's share of net proceeds of divisible Union taxes and duties assigned to the State, Grants-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years, are mentioned in **Table - 1.1**.

**Table - 1.1**  
**Trend of revenue receipts**

(₹ in crore)

Sl. No.	Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
1	<b>Revenue raised by the State Government</b>					
	• Tax revenue	31,995.02	35,232.50	38,995.15	42,176.37	46,459.61
	• Non-tax revenue <sup>1</sup>	5,575.03 (4,059.49)	7,283.69 (5,097.95)	8,425.49 (5,902.45)	9,699.98 (6,683.27)	11,199.61 (6,896.23)
	<b>Total</b>	37,570.05 (36,054.51)	42,516.19 (40,330.45)	47,420.64 (44,897.60)	51,876.35 (48,859.64)	57,659.22 (53,355.84)
2	<b>Receipts from the Government of India</b>					
	• Share of net proceeds of divisible Union taxes and duties	7,468.68	7,926.29	12,690.67	15,225.02	16,833.08
	• Grants-in-aid	4,138.20	7,507.99	8,921.35	8,510.35	8,527.84
	<b>Total</b>	<b>11,606.88</b>	<b>15,434.28</b>	<b>21,612.02</b>	<b>23,735.37</b>	<b>25,360.92</b>
3	<b>Total revenue receipts of the State Government (1 and 2)</b>	49,176.93 (47,661.39)	57,950.47 (55,764.73)	69,032.66 (66,509.62)	75,611.72 (72,595.01)	83,020.14 (78,716.76)
4	<b>Percentage of 1 to 3</b>	<b>76</b>	<b>73</b>	<b>69</b>	<b>69</b>	<b>69</b>

Source : Finance Accounts prepared by AG(A&E), Kerala.

The above table indicates that during the year 2017-18, the revenue raised by the State Government (₹ 57,659.22 crore) was 69 *per cent* of the total revenue receipts. The balance 31 *per cent* of the revenue during 2017-18 was share of net proceeds of divisible Union taxes, duties and Grants-in-aid from the Government of India.

<sup>1</sup> The receipt from State lotteries for the year 2017-18 was ₹ 9,034.16 crore, which was 80.66 *per cent* of non-tax revenue. The difference between the figures shown in column and bracket represent expenditure on prize winning tickets of lotteries conducted by the Government.

**1.1.2** The details of the tax revenue raised during the period 2013-14 to 2017-18 are given in **Table - 1.2**.

**Table - 1.2**  
**Details of Tax Revenue raised**

(₹ in crore)

Sl. No.	Head of revenue	2013-14		2014-15		2015-16		2016-17		2017-18		Percentage of increase (+) or decrease (-) in 2017-18 over 2016-17	
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual		
1	0040 <sup>2</sup> - Tax on Sales, Trade etc.	28,456.62	24,885.25	31,913.47	27,908.33	34,712.28	30,736.78	36,952.98	33,453.49	42,187.57	24,577.82	14.17	(-) 26.53
2	0006 <sup>2</sup> -State Goods and Services Tax	-	-	-	-	-	-	-	-	-	12,007.69	-	-
3	0041 - Taxes on vehicles	2,570.65	2,161.09	2,799.82	2,364.95	3,087.35	2,814.30	3,351.49	3,107.23	3,890.63	3,662.85	16.09	17.88
4	0030- Stamps and Registration Fees	4,207.01	2,593.29	3,733.67	2,659.02	4,311.33	2,877.73	3,469.41	3,006.58	3,489.80	3,452.56	0.59	14.83
5	0039 - State Excise	2,801.75	1,941.72	3,208.36	1,777.42	2,600.66	1,964.16	2,397.36	2,019.30	2,945.34	2,240.42	22.86	10.95
6	0029 - Land Revenue	135.49	88.78	169.57	139.03	138.46	182.28	191.34	124.15	193.52	162.16	1.14	30.62
7	0043 - Taxes and Duties on Electricity	284.15	42.25	309.14	48.71	189.06	57.66	225.04	63.30	195.45	66.87	(-) 13.15	5.64
8	0022 - Taxes on Agricultural Income	23.99	21.55	26.35	8.60	28.33	2.01	10.94	2.37	6.13	2.86	(-) 43.97	20.68
9	Others <sup>3</sup>	291.44	261.09	307.11	326.44	360.56	360.23	445.05	399.95	503.05	286.38	13.03	(-) 28.40
<b>Total</b>		<b>38,771.10</b>	<b>31,995.02</b>	<b>42,467.49</b>	<b>35,232.50</b>	<b>45,428.03</b>	<b>38,995.15</b>	<b>47,043.61</b>	<b>42,176.37</b>	<b>53,411.49</b>	<b>46,459.61</b>	<b>13.54</b>	<b>10.16</b>

Source : Budget Estimates and Finance Accounts of the respective years.

<sup>2</sup> Both the head of accounts 0040 and 0006 are being operated by State Goods and Services Tax Department.

<sup>3</sup> Taxes on immovable property other than agricultural land, Luxury tax and Entertainment tax.

**1.1.3** The details of non-tax revenue raised during the period 2013-14 to 2017-18 are indicated in **Table - 1.3**.

**Table - 1.3**  
**Details of Non-Tax Revenue raised**

(₹ in crore)

Sl. No.	Head of revenue	2013-14		2014-15		2015-16		2016-17		2017-18		Percentage of increase (+) or decrease (-) in 2017-18 over 2016-17	
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual		
1	0075-00-103- Miscellaneous General Services- State Lotteries	2,307.00	2,280.15	2,875.00	3,259.14	4,105.60	3,748.37	5,728.90	4,266.57	5,826.65 <sup>4</sup>	4,730.79 <sup>5</sup>	1.71	10.88
2	0406 - Forestry and Wild Life	328.83	329.95	376.17	300.40	468.73	283.04	446.48	296.85	404.88	245.42	(-) 9.32	(-) 17.33
3	0202 - Education, Sports, Art and Culture	259.18	308.13	253.15	246.41	369.71	243.63	376.83	282.35	340.49	257.78	(-) 9.64	(-) 8.70
4	Others <sup>6</sup>	1,333.56	1,141.26	1,473.15	1,292.00	1,725.98	1,627.41	2,046.21	1,837.50	2,095.52	1,662.24	2.41	(-) 9.54
<b>Total</b>		<b>4,228.57</b>	<b>4,059.49</b>	<b>4,977.47</b>	<b>5,097.95</b>	<b>6,670.02</b>	<b>5,902.45</b>	<b>8,598.42</b>	<b>6,683.27</b>	<b>8,667.54</b>	<b>6,896.23</b>	<b>0.80</b>	<b>3.19</b>

Source: Budget Estimates and Finance Accounts of the respective years.

## 1.2 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2018 on some principal heads of revenue amounted to ₹ 14,904.91 crore of which ₹ 5,514.14 crore was outstanding for more than five years, as detailed in the **Appendix - I**.

Ineffective implementation of the systems for the realisation of arrears of revenue such as prompt reporting of arrears to the Revenue Department and pursuance by

<sup>4</sup> The District Lottery Officers are authorised to incur expenditure towards prize winning tickets (small denominations upto and including ₹ 5,000) by appropriating the receipts collected in the respective offices. The other expenditures are met from the budget allocation of the State. From gross receipts (budget estimates) of ₹ 9,196.90 crore, expenditure on prize winning tickets of lotteries (budget estimates) of ₹ 3370.25 crore was deducted.

<sup>5</sup> From gross receipts of ₹ 9,034.16 crore, expenditure of ₹ 4,303.38 crore on prize winning tickets was deducted, but other expenditure like commission to agents (₹ 2,789.69 crore), establishment expenses (₹ 214.49 crore), etc., were not deducted.

<sup>6</sup> Receipts from Interest receipts, Medical and Public Health, Crop Husbandry, Animal Husbandry, Public Works, Other Administrative Services, Police, Co-operation, Major Irrigation Projects, Judiciary, Jail, Stationery, etc.

the departments concerned for realising the arrears were the main reasons for this huge pendency. The arrears of ₹ 5,514.14 crore pending for more than five years in eleven departments included those of the Excise Department from 1952 onwards. The cases referred to the Government for write off (₹ 158.94 crore) were also not being pursued by the departments/offices concerned.

### **1.3 Arrears in assessments**

The particulars regarding the arrears in assessment such as cases pending at the beginning of the year, cases becoming due for assessment, cases disposed of during the year and number of cases pending for finalisation at the end of the year 2017-18 were furnished by the Departments (November 2018) as given in **Table -1.4**.

**Table – 1.4**  
**Arrears in assessments**

Head of revenue	Opening balance	New cases due for assessment during 2017-18	Total assessments due	Cases disposed of during 2017-18	Balance at the end of the year	Percentage of disposal (col. 5 to 4)
1	2	3	4	5	6	7
<b>Revenue and Disaster Management Department</b>						
1) Building Tax	13,015	1,65,796	1,78,811	1,71,017	7,794	95.64
2) Plantation Tax	1,449	710	2,159	453	1,706	20.98
<b>State Goods and Services Tax Department</b>						
1) a. Sales Tax	2,024	1,043	3,067	1,194	1,873	38.93
b. Motor Spirit Tax	77	44	121	47	74	38.84
c. Luxury Tax	7,468	7,306	14,774	6,846	7,928	46.34
d. Tax on Works Contracts	981	6,626	7,607	2,748	4,859	36.12
e. Others	18,195	39,581	57,776	34,175	23,601	59.15
2) Taxes on Agricultural Income	287	305	592	406	186	68.58

Source : Details obtained from the respective Departments.

During the year, the R&DM Department cleared 11,148 out of 13,015 arrear cases of building tax and 337 out of 1,449 cases of plantation tax. In the SGST Department, the clearance of arrears in assessments was 16,294 out of 29,032 cases.

## 1.4 Evasion of tax detected by the Departments

The details of cases of evasion of tax detected by the Departments were called for by Audit and the details furnished by the SGST, Motor Vehicles, Registration and Revenue and Disaster Management (R&DM) Departments are given in **Table - 1.5**.

**Table – 1.5**  
**Details of evasion of tax detected**

Sl. No.	Head of revenue	Cases pending as on 31 March 2017	Cases detected during 2017-18	Total	Number of cases in which assessment/ investigation completed and additional demand with penalty etc. raised		Number of cases pending for finalisation as on 31 March 2018
					Number of cases	Amount of demand (₹ in crore)	
1	0040-Tax on Sales, Trade etc.	10,849	62,934	73,783	52,540	1,740.06	21,243
2	0006-Goods and Service Tax	0	3,062	3,062	3,056	10.76	6
3	0041 - Taxes on vehicles	133	0	133	21	0.14	112
4	0030-Stamp and Registration Fees	61,431	10,272	71,703	9,190	7.20	62,513
5	0029-Land Revenue	2,285	2,423	4,708	1,988	8.95	2,720

Source: Details obtained from respective Departments.

The reasons for pendency were not furnished by the Departments (September 2019).

## 1.5 Pendency of refund cases

The details of refund cases pending at the beginning of the year 2017-18, claims received during the year, refunds allowed during the year and the cases pending at the close of the year 2017-18 as reported by the SGST and Excise Departments are given in **Table -1.6**.

**Table – 1.6**  
**Details of pendency of refund cases**

(₹ in crore)

Sl No.	Particulars	SGST		State Excise	
		No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of the year 2017-18	8,825	287.64	14	1.89
2.	Claim received during the year	4,988	89.06	6	0.66
3.	Refunds made during the year	3,112	115.23	5	0.22
4.	Balance outstanding at the end of the year 2017-18	10,701	261.47	15	2.33

Source: Details obtained from the respective Departments.

In the SGST Department, number of refund cases outstanding as at the end of March 2018 was 10,701, of which 10,691 cases pertain to refund of value added tax. The reason for huge pendency of outstanding cases was not explained by the Department.

The Department may consider speedy settlement of refund cases in the interest of revenue and benefit of claimants.

### **1.6 Analysis of cases in which stay was granted**

An analysis of arrears of revenue which were under various stages of collection revealed that the arrears pending collection as on 31 March 2018 included collections stayed by various authorities at various stages on some principal heads of revenue as detailed in **Table -1.7**.

**Table – 1.7**  
**Stages of stay granted**

(₹ in crore)

Sl. No.	Head of revenue	Total arrear amount	Stage wise details of		Total amount under stay	% of stay to total arrear
			Stay by Court and other judicial authorities	Stay by Government		
1	0040- Tax on sales, trade etc.	9,956.91	3,167.24	66.51	3,233.75	32.48
2	0043-Taxes and Duties on Electricity	1,537.71	14.13	0	14.13	0.92
3	0406-Forestry and Wild Life	366.57	1.89	80.14	82.03	22.38
4	0039-State Excise	205.94	49.05	0	49.05	23.82
5	0029- Land Revenue	378.57	244.07	88.03	332.10	87.72
6	0030-Stamps and Registration Fees	32.70	9.61	0	9.61	29.39
7	1051-Ports and Light Houses	5.03	4.27	0	4.27	84.89

Sl. No.	Head of revenue	Total arrear amount	Stage wise details of		Total amount under stay	% of stay to total arrear
			Stay by Court and other judicial authorities	Stay by Government		
8	0853-Non-Ferrous Mining and Metallurgical Industries	61.63	8.08	15.34	23.42	38.00
<b>Total</b>		<b>12,545.06</b>	<b>3,498.34</b>	<b>250.02</b>	<b>3,748.36</b>	<b>29.88</b>

Source : Details obtained from the respective Departments.

An amount of ₹ 3,748.36 crore is pending under stay, which is 29.88 *per cent* of the total arrear amount. The Departments need to take effective action to vacate the stay and to realise the amounts.

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

The Accountant General (E&RSA), Kerala, conducts periodical inspection of the Government Departments to test check the transactions and verifies the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with inspection reports (IRs) incorporating irregularities detected during the inspection and not settled on the spot, which are issued to the heads of the offices inspected with copies to the next higher authorities for taking prompt corrective action. The heads of the offices/Government are required to furnish the first reply within four weeks from the date of receipt of the Inspection Report. Serious financial irregularities are reported to the heads of the Departments and the Government.

Inspection reports issued upto December 2017 disclosed that 26,690 paragraphs involving ₹ 8,575.04 crore relating to 3,340 IRs were outstanding at the end of June 2018 as mentioned below with the corresponding figures for the preceding two years in **Table - 1.8**.

**Table – 1.8**  
**Details of pending Inspection Reports**

	June 2016	June 2017	June 2018
Number of IRs pending for settlement	2,672	3,243	3,340
Number of outstanding audit observations	24,662	26,848	26,690
Amount of revenue involved (₹ in crore)	7,253.02	8,017.53	8,575.04

Source: Details compiled by AG (E&RSA) and reconciled with respective Departments.

### 1.7.1 Department-wise details of IRs

The Department-wise details of the IRs and audit observations outstanding as on 30 June 2018 and the amounts involved are mentioned in the **Table - 1.9**.

**Table – 1.9**  
**Department-wise details of IRs**

(₹ in crore)					
Sl. No.	Name of the Department	Nature of receipts	Number of outstanding IRs	Number of outstanding audit observations	Money value involved
1.	SGST	Taxes on sales, trade, etc.	1,954	19,497	4,641.24
		Taxes on agricultural income	161	633	162.05
2.	Power	Electricity duty	29	115	3,176.39
3.	R&DM	Land Revenue	458	2,807	350.73
4.	Motor Vehicles	Taxes on vehicles	317	2,564	156.33
5.	State Excise	Excise	125	344	34.97
6.	Registration	Stamp duty and registration Fees	262	644	39.89
7.	Lotteries	Receipts from lotteries	34	86	13.44
<b>Total</b>			<b>3,340</b>	<b>26,690</b>	<b>8,575.04</b>

Source : Details compiled by AG(E&RSA) and reconciled with the respective Departments.

Audit did not receive even first replies within four weeks from the date of issue of the IRs in case of 136 IRs from seven heads of offices during 2017-18. The large pendency of IRs due to non-receipt of replies shows the failure in effective monitoring and clearance of the pending audit observations by the heads of offices and Departments as noticed by the Audit Monitoring Committees at the Secretary level and Apex Committees at the Chief Secretary level.

The Government needs to put in place an effective system for ensuring prompt and appropriate response to audit observations within the time frame prescribed in the circular<sup>7</sup> issued by the Finance Department.

### 1.7.2 Departmental Audit Committee Meetings

The Government set up Audit Committees to monitor and expedite the progress of settlement of local audit reports and paragraphs in the local audit reports. The details of the Audit Committee Meetings held during the year 2017-18 and the paragraphs settled are mentioned in **Table – 1.10**.

<sup>7</sup> Circular memorandum No. 57374/Ins.2/65/Fin. Dated 15 November 1965.



**Table – 1.10**  
**Details of the Departmental Audit Committee Meetings**

(₹ in lakh)

Sl. No.	Head of revenue	Number of meetings held	Number of audit observations pending as on 31 March 2017	Number of paragraphs settled	Amount involved in settled paragraphs
1	0040-Tax on Sales, Trade etc.	5	20,996	1,698	51,096.12
2	0041-Taxes on vehicles	8	2,832	840	2,271.68
3	0029-Land Revenue	5	2,528	285	478.55
4	0030-Stamps and Registration Fees	11	838	386	258.56
5	0043-Taxes and Duties on Electricity	0	117	0	0
6	0039-State Excise	3	314	27	0
7	0022-Taxes on Agricultural Income	2	788	122	439.22
8	0075-00-103-Miscellaneous General Services-State Lotteries	2	68	25	0
<b>Total</b>		<b>36</b>	<b>28,481</b>	<b>3,383</b>	<b>54,544.13</b>

Source : Details obtained from the respective Departments.

An amount of ₹ 237.40 lakh was recovered after discussion in these meetings. The progress of settlement of paragraphs pertaining to the SGST Department and R&DM Department was negligible compared to the huge pendency of the local audit reports and paragraphs despite holding departmental Audit Committee Meetings.

### **1.7.3 Non-production of records to Audit for scrutiny**

The programme of local audit of Tax Revenue/Non-tax Revenue offices is drawn up sufficiently in advance and intimations are issued, usually one month before the commencement of audit, to the departments to enable them to keep the relevant records ready for audit scrutiny.

During the year 2017-18, files relating to Kerala Value Added Tax (KVAT) assessments, in which, the turnover of the assessee was above ₹ 60 lakh and all Kerala General Sales Tax (KGST) assessments, in which, the tax effect was above ₹ 2 lakh were called for by Audit for scrutiny in the SGST Department. However, 361 tax assessment files relating to 37 offices were not made available to Audit. Of these 145 files pertained to 13 special circles and works contract offices, where assessments of major dealers are dealt with (**Appendix II**).

Circle/division wise analysis showing the names of the head of offices for the years 2013-14 to 2017-18 is given in **Appendix III**.

Non-production of large number of transaction records involving substantial revenue hinders Audit in discharging the constitutional responsibility and comes in the way of assuring the State Government about the quality and risk involved in these transactions involving revenue for the State Government. The possibility of fraud or misappropriation or business malfeasance remaining hidden/surpassed and escaping detection during audit also remains high.

#### **1.7.4 Response of the Departments to the draft paragraphs**

The draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India are sent by the Accountant General to the Secretaries of the respective Departments drawing their attention to audit findings and requesting their response within six weeks.

Thirty draft paragraphs including one Performance Audit (PA) report were sent to the Secretaries of the respective Departments by name between July 2018 and March 2019. The Secretaries of the Departments furnished replies to all the paragraphs except three.

#### **1.7.5 Follow up on the Audit Reports-summarised position**

The internal working system of the Public Accounts Committee (PAC), notified in December 2002, laid down that after the presentation of the Report of the Comptroller and Auditor General of India in the Legislative Assembly, the Departments shall initiate action on the audit paragraphs and the action taken explanatory notes thereon should be submitted by the Government to the Legislature Secretariat with copies to the Accountant General and Finance (PAC) Department within two months of tabling the Report, for consideration of the Committee. In spite of these provisions, the explanatory notes on audit paragraphs of the Reports were being delayed inordinately. In the Reports of the Comptroller and Auditor General of India on the Revenue Sector of the Government of Kerala for the years ended 31 March 2013 to 31 March 2017 placed before the State Legislative Assembly between 10 June 2014 to 12 June 2018, 149 paragraphs (including Performance Audit) were included. The action taken explanatory notes from the Departments concerned on 80 paragraphs were received late with delay ranging from 2 months to 47 months in respect of these Audit Reports and action taken on the rest of the paras are yet to be received. Action taken explanatory notes in respect of 28 paragraphs from four departments (Taxes, Excise, Transport and R&DM) have not been received for the Audit Report for the year ended 31 March 2017 so far (September 2019).

The PAC discussed 37 paragraphs pertaining to the Audit Reports for the years from 2013 to 2017. PAC Reports have not been received on these paras during the respective tenures of the Committee during the period 2016-19 and 2019-21.

It was noticed that five departments did not submit action taken explanatory notes on the Audit paragraphs as of September 2019 in respect of 69 paragraphs (55

individual and 14 Performance Audit/Review paragraphs) featured in the C&AG's Audit Reports from the year ended 31<sup>st</sup> March 2013. In respect of 55 individual transaction audit paragraphs, compliance was not furnished by four departments. The departments largely responsible for non-submission of action taken explanatory notes were Taxes, Transport and R&DM. The non-receipt of ATNs was brought to the notice of the Chief Secretary to the Government in the Apex Committee meetings held on 08 December 2016, 15 June 2017, 11 December 2017, 23 June 2018 and 18 December 2018.

Action Taken Notes on PAC recommendations have not been received in respect of 108 out of 130 recommendations of the PAC from four Departments i.e., Taxes, Excise, Transport and R&DM as mentioned in **Table 1.11** (September 2019).

**Table 1.11**  
**Details of non-receipt of ATNs from four Departments**

Year	Name of Department				Total
	Taxes	Excise	Transport	Revenue & Disaster Management	
2004-06	-	-	-	1	1
2006-08	-	-	-	3	3
2008-11	3	-	-	1	4
2011-14	-	-	1	-	1
2014-16	6	-	6	-	12
2016-19	52	20	9	6	87
<b>Total</b>	<b>61</b>	<b>20</b>	<b>16</b>	<b>11</b>	<b>108</b>

Source: Records maintained by the AG and reconciled with the Departmental figures.

## **1.8 Status of the mechanism for dealing with the issues raised in Audit**

To analyse the system of addressing the issues highlighted in the Inspection Reports/Audit Reports by the Departments/Government, the action taken on the audit paragraphs and Performance Audit included in the Audit Reports of the last 10 years of one Department was evaluated and included in this Audit Report.

The following paragraphs 1.8.1 to 1.8.2 discuss the performance of the Excise Department under revenue head 0039 – State Excise and cases detected in the course of local audit and the cases included in the Audit Reports for the years 2007-08 to 2016-17.

### 1.8.1. Position of Inspection Reports

The summarised position of the inspection reports issued during the last 10 years, paragraphs included in these reports and their status as on 31 March 2017 are tabulated below in **Table - 1.12**.

**Table – 1.12**  
**Position of Inspection Reports**

(₹ in crore)

Sl No.	Year	Opening Balance			Addition during the year			Clearance during the year			Closing balance during the year		
		IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value
1	2007-08	367	661	172.61	141	368	27.77	64	144	0.24	444	885	200.14
2	2008-09	444	885	200.14	139	365	55.56	57	167	76.25	526	1083	179.44
3	2009-10	526	1083	179.44	95	264	21.47	232	613	45.84	389	734	155.07
4	2010-11	389	734	155.07	45	145	1.11	125	353	123.49	309	526	32.69
5	2011-12	309	526	32.69	37	86	0	39	129	0.96	307	483	31.73
6	2012-13	307	483	31.73	32	116	8.53	38	89	5.76	301	510	34.50
7	2013-14	301	510	34.50	17	81	7.77	50	103	1.12	268	488	41.15
8	2014-15	268	488	41.15	41	146	14.94	96	129	1.70	213	505	54.39
9	2015-16	213	505	54.39	33	81	3.07	95	206	14.97	151	380	42.49
10	2016-17	151	380	42.49	22	70	0.99	46	136	14.67	127	314	28.82

Source: Figures compiled by the AG and reconciled with the Departmental figures.

The Audit Committee and Audit Monitoring Committee meetings held between the Department and Office of the Accountant General helped in the clearance of old paragraphs. Due to the effort of Audit Committee Meetings and correspondence by the headquarters sections a total number of 2,069 paragraphs and 842 IRs were cleared during the year.

### 1.8.2. Recovery in accepted cases

The position of paragraphs included in the Audit Reports of the last 10 years, those accepted by the Department and the amount recovered are mentioned in **Table - 1.13**.

**Table – 1.13**  
**Details of paragraphs included in the Audit Reports**

(₹ in crore)

Sl. No.	Year of Audit Report	Number of paragraphs included	Money value of paragraphs	Number of paragraphs accepted	Money value of accepted paragraphs	Amount recovered during the year	Cumulative position of recovery of accepted cases as of 31.03.2017
1	2007-08	1	17.36	1	17.36	-	-
2	2008-09	1	0.18	-	-	-	-

Sl. No.	Year of Audit Report	Number of paragraphs included	Money value of paragraphs	Number of paragraphs accepted	Money value of accepted paragraphs	Amount recovered during the year	Cumulative position of recovery of accepted cases as of 31.03.2017
3	2009-10	3	0.57	2	0.24	0.05	0.05
4	2010-11	1	2.54	-	-	-	0.05
5	2011-12	-	-	-	-	-	0.05
6	2012-13	1	3.55	-	-	-	0.05
7	2013-14	3	7.66	-	-	-	0.05
8	2014-15	3	4.44	2	0.09	-	0.05
9	2015-16	1	67.67	-	0.60	0.60	0.65
10	2016-17	1	0.40	1	0.40	0.06	0.71

Source: Figures furnished by the Excise Department.

It is evident from the above table that the progress of recovery in accepted cases was negligible throughout the last ten years. The recovery in accepted cases was to be pursued as arrears recoverable from the parties concerned.

### **1.9 Action taken on the recommendations accepted by the Departments/Government**

The draft reports of the Performance Audits conducted by the Accountant General are forwarded to the Department concerned/Government with a request to furnish their replies. These reports are also discussed in an Exit Conference and the views of the Department/Government included while finalising the Audit Reports.

The details of seven Performance Audit Reports on the Departments of SGST, R&DM and Power featured in the Reports for the last five years along with recommendations and their status are given in **Appendix IV**. The Performance Audits on SGST Department covered the areas such as Assessment, levy and collection of VAT on transfer of goods involved in the execution of works/supply contract, Effectiveness of Kerala Value Added Tax Information System (KVATIS) in Tax administration, System of assessment under KVAT and Infrastructure facilities in the Commercial Taxes Department. The Performance Audits on the R&DM Department covered areas such as Land management and Disaster Management in the state. Audit also focussed on the levy, collection and accounting of Electricity duty, surcharge and inspection fee under the Power Department.

In tune with the recommendations of Audit, the SGST Department has decided to conduct regular surveys to identify unregistered works contractors and to conduct inter-departmental cross verification of data. A new sub head of account under the Major head 0040-Tax on Sales, Trade etc. for crediting the VAT received under Works Contract has been sanctioned. The Department has also developed scrutiny module for Works Contract to do the scrutiny and assessment.

### **1.10 Audit planning**

The unit offices under various departments were categorised into high, medium and low risk units according to their revenue position, past trends of audit observations, complaints, media reports, non-production of records, information regarding malpractice obtained through Right to Information (RTI) and misappropriation. The annual audit plan was prepared on the basis of risk analysis which *inter-alia* included critical issues in government revenue, tax administration i.e. budget speech, white paper on finances, reports of the Finance Commission (State and Central), recommendation of the Taxation Reforms Committee, statistical analysis of the revenue earnings during the past five years, factors of the tax administration, audit coverage and its impact during the past five years etc.

During the year 2017-18, there were 823 audit units, of which 445 units were planned and audited, which is 54.07 *per cent* of the total audit units. Besides the above mentioned units two Performance Audit and two Compliance Audits were also taken up during the year.

### **1.11 Results of Audit**

#### **Position of local audit conducted during the year**

Test check of the records of 445 units of Sales Tax/VAT/GST, State Excise, Motor Vehicles and other Departmental offices conducted during the year 2017-18 showed under-assessment/short levy/loss of revenue aggregating to ₹ 1,583.49 crore in 2,281 cases. During the course of the year, the Departments concerned accepted under-assessment and other deficiencies of ₹ 937.37 crore involved in 237 cases which were pointed out in audit during 2017-18. The Departments collected ₹ 41.77 crore in 1,604 cases during 2017-18, pertaining to the audit findings of previous years.

### **1.12 Coverage of this Report**

The Report contains 18 paragraphs, which came to notice in the course of test audit of records during the year 2017-18 as well as those in earlier years involving revenue impact of ₹ 938.56 crore. Instances relating to the period subsequent to 2017-18 were also included, wherever necessary. The Department/Government accepted audit observations involving ₹ 916.71 crore, out of which, ₹ 2.52 crore was recovered. These are discussed in the succeeding Chapters II to V.

## **Chapter II**

### **Taxes/VAT on Sales, Trade etc.**





## **CHAPTER-II**

### **TAXES/VAT ON SALES, TRADE ETC.**

#### **2.1 Tax administration**

Kerala General Sales Tax (KGST)/Kerala Value Added Tax (KVAT)/Goods and Services Tax (GST) laws and rules made thereunder are administered at the Government level by the Secretary, Taxes. The Commissioner, State Goods and Services Tax (SGST) Department is the head of the SGST Department who is assisted by Additional Commissioner, Joint Commissioners (JCs), Deputy Commissioners (DCs), Assistant Commissioners (ACs) and State Tax Officers. The assessment, levy and collection of tax are done by ACs and State Tax Officers.

KGST is leviable on sale of Ganja, opium, foreign liquor and certain petroleum products. KVAT was leviable on the intra-state sale of remaining commodities and Central Sales Tax (CST) on inter-State sales. GST came into effect from 01 July 2017 subsuming VAT, CST etc.

#### **2.2 Internal audit**

The Internal Audit Wing (IAW) in the SGST Department commenced functioning from 1 June 2009. The wing headed by the Deputy Commissioner is assisted by six ACs and 15 State Tax Officers along with subordinate staff. During 2017-18, the wing planned audit of 181 units but could audit only 116 units. All returns filed by tax payers having turnover above ₹ 60 lakh are compulsorily scrutinised electronically by the wing. Out of an overall outstanding of 9,824 paras in respect of the shortcomings/ deficiencies pointed out by the IAW, only 1,641 paras (16.70 *per cent*) were cleared by the department. This indicated the inadequate response of the Commissioner, SGST Department to the observations of the IAW and in enforcing clearance of the paras by addressing the shortcomings/deficiencies pointed out by the wing. The reason for low clearance of observations made by IAW, though called for (May 2018) was not furnished by the Commissioner, SGST Department (September 2019).

#### **2.3 Results of audit**

There are 184 auditable units in the SGST Department. Out of these, audit selected 166 units for test check during the year 2017-18. Test check of 19,293 KGST/KVAT/CST assessment files out of the total 2,69,905 registered assessees in the State revealed underassessment and other irregularities in 795 cases relating to non/short levy of tax/interest, irregular allowance of Input Tax Credit, escape of turnover from assessment, application of incorrect rate of tax and non-observance of provisions of Acts/Rules etc. amounting to ₹ 533.32 crore. These cases are illustrative only as these are based on the test check of records. As this was a test audit in the test checked cases and the audit observation is of a nature that may reflect in other cases not covered in test audit, the Department may therefore, like to internally examine the position in rest of the units with a view to ensure that the

instances of non-compliance are taken care of by taking remedial measures, and may also fix responsibility for the lapses in all such cases. Audit pointed out some of the similar omissions in the earlier years also. Not only do these irregularities persist, but they also remain undetected till the next audit is conducted. Underassessment of tax and other irregularities involving ₹ 963.03 crore in 797 cases which fall under the following categories including a paragraph on GST are given in **Table - 2.1**.

**Table - 2.1**  
**Details of cases and money value of audit paras**

(₹ in crore)			
Sl. No.	Categories	Number of cases	Amount
1	Mechanism of disposal of Appeals and Implementation of Appellate orders in SGST Department	1	383.17
2	Short payment of tax due to escape of turnover from assessment	245	130.25
3	Grant of irregular exemption	46	3.10
4	Short payment of tax due to excess availing of input tax credit	106	9.67
5	Short payment of tax due to misclassification/incorrect rate of tax	41	15.47
6	Others	358	421.37
<b>Total</b>		<b>797</b>	<b>963.03</b>

Source: Figures compiled by AG(E&RSA).

During the course of the year, the Department accepted under assessment and other deficiencies amounting to ₹ 479.74 crore in 225 cases, which were pointed out by Audit. An amount of ₹ 8.77 crore pointed out in 322 cases was realised during the year.

The Department recovered the entire amount of ₹ 20.71 lakh in a case pointed out by Audit during 2017-18. A few Audit observations involving ₹ 451.45 crore are given in the following paragraphs.

## **2.4 Mechanism of disposal of Appeals and Implementation of Appellate orders in SGST Department**

As per the provisions of the erstwhile KVAT Act, 2003, and CST Act, 1956, the dealer aggrieved by any orders of the registering/assessing authorities can challenge the legality and reasonableness of such orders before the appellate forum. There are two stages of appeal. The right of first appeal is open to the assessee only. It is preferred before the designated DC/AC (Appeals) sitting in judgement.

The assessee as well as the State, if aggrieved by orders of the first appellate authority, can prefer a second appeal before the Appellate Tribunal. Both the State and the assessee are at liberty to file a tax revision case before the Hon'ble High Court, if there is any question of law involved in the issue before the Tribunal. With the insertion of Section 58-A in KVAT Act, 2003, vide Kerala Finance Act 2016, the Commissioner may *suo motu* call for and examine any orders passed or proceedings recorded under this Act by any officer/authority.

The objective of the Audit was to ascertain whether the appellate authorities processed the appeals as per the Acts and Rules. Pendency of appeals and revision cases relating to the period 2014-15 to 2017-18 (up to 30 June 2017 i.e., pre-GST period) having a direct impact on the Government revenue, were taken. Audit scrutinised the files and related documents in the Taxes Department, Office of the Commissioner, 11<sup>1</sup> offices (39.29 *per cent*) selected out of 28 DCs/ACs (Appeals) where cases disposed were more than 500 and 89 out of 114 Assessment Circles (78.07 *per cent*) under the selected DCs/ACs (Appeals). A total of 26,473 appellate cases involving ₹ 1,88,981.30 lakh were disposed by the appellate authorities in the State. Out of the total disposals, 19,484 cases (73.60 *per cent*) involving ₹ 1,45,172.10 lakh were disposed by the selected appellate authorities. Audit had scrutinised 2,923 (15 *per cent*) cases out of which 10 *per cent* of cases were having tax effect of above ₹ 10 lakh and five *per cent* below ₹ 10 lakh.

### **2.4.1 Non-availability of appellate module in KVATIS**

With the intention of streamlining the disposal of appeal cases, a link was also developed in KVATIS system. But this option was not made functional by the Department and all the appellate cases were dealt by the Department manually, as a result of which the Department could not monitor the receipt and disposal of appeals at appellate authority level and its implementation at the level of assessing authorities, leading to the huge backlog of pending appellate cases. Database regarding receipt and disposal of appeals is not properly maintained in the Appellate Offices and Appellate Orders registers are also not properly maintained in assessing circles. Audit noticed poor file management systems and the absence

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<sup>1</sup> Deputy Commissioner (Appeals) Thiruvananthapuram, Kollam-I & II, Ernakulam-I & II, Kottayam, Kozhikode, Assistant Commissioner (Appeals) Ernakulam, Kozhikode, Thrissur & Palakkad.

of management information system with regards to the disposal and pendency of appeals in the assessing circles.

#### **2.4.2 Non-recovery of disputed tax even though appeal was not filed by the assessee**

According to the second proviso below sub section 4 of Section 55 of KVAT Act, 2003, as amended by the Kerala Finance Act 2016, where the appellant remits 20 *per cent* of the disputed amount of the tax along with the collected tax, if any, further proceedings against recovery shall stand stayed till disposal of the appeal. Hence, the stay is deemed to have been granted subject to the condition that the appeal is preferred before the appellate authority after remittance of 20 *per cent* of disputed tax. However, if no appeal is filed within one month from the date on which the order was served to the assessee, the case would be treated as 'tax not paid'.

Audit identified that 557 dealers in 42 Assessment Circles had not filed any appeal after remitting 20 *per cent* of the disputed tax for the period from April 2016 to June 2017 and the Department had not started revenue recovery proceedings for recovery of the amount resulting in non-realisation of revenue amounting to ₹ 10.57 crore (**Appendix V**).

The Government stated (April 2019) that out of 557 cases pointed out, 326 cases have been verified and the remaining cases are being verified. It is also stated that out of verified cases, in 177 cases, assesseees have filed the appeal, in 137 cases revenue recovery action has been initiated and in 11 cases, the assesses have remitted the amount. Further reply in the remaining 231 cases were not received (September 2019).

#### **2.4.3 Non-initiation of action by the assessing authorities on the orders of first appellate authorities**

As per Section 60 of the KVAT Act, 2003 and Rule 86 (2) of the KVAT Rules, 2005, the revised/ modified order should be issued within 150 days i.e. (60 days + 90 days), if the second appeal is not preferred by any of the parties in a higher forum.

Audit observed that in respect of 43 out of 89 Assessment Circles test checked, 479 appellate cases disposed by the first appellate authorities were pending modification/disposal with the concerned assessing authorities. The non-implementation of the appellate orders resulted in non-realisation of revenue amounting to ₹ 372.59 crore (**Appendix VI**).

The Government stated (April 2019) that out of 479 cases pointed out, 49 cases were verified and verification of the remaining cases are underway. Out of verified cases, assessments were modified in 40 cases and in five cases RR action was

initiated to recover the amount. In the remaining four cases, second appeal was filed by the Department. Further progress is awaited (September 2019).

## 2.5 Short levy of tax

Out of the 795 cases observed by the Audit in respect of KGST/KVAT/CST during 2017-18, some illustrative cases on the application of incorrect rate of tax, escape of turnover from assessment and calculation error in assessment are shown in **Table - 2.2**.

**Table – 2.2**

Sl. No.	Nature of Objection	Office	Section under KVAT/CST/KGST Act	Short levy (₹ in crore)	Government Reply
1	Application of incorrect rate of tax	STO (WC&LT), Ernakulam	Section 6(1)(f) of KVAT Act, 2003	9.73	Government stated (March 2019) that the assessment was completed considering other defects also and created additional demand of ₹ 89.33 crore.
2		STO, Special Circle, Palakkad	Rule 6(7) of CST (Kerala) Rules, 1957 Section 9 of CST Act, 1956 Section 6(1)(a) and 25 of KVAT Act	8.25	The Government stated (October 2018) that the judgement is challenged before the Divisional bench of High Court.
3	Escape of turnover from assessment	STO (WC&LT), Ernakulam	Rule 10(2) (a) of the KVAT Rules, 2005	1.97	The Government stated (October 2018) that the assessment was completed creating additional demand of ₹ four crore.
4		STO (WC&LT), Palakkad	Section 8(a)(i) of KVAT Act, 2003	0.34	The Government stated (October 2018) that the assessment was completed considering other defects also and an additional demand of ₹ 38.78 lakh was created. The assessee remitted ₹ 21.13 lakh towards short remittance of tax.
5		STO, I Circle, Kannur	Section 42 of KVAT Act, 2003, Rule 60 of KVAT Rules 2005	0.19	The Government stated (November 2018) that the assessment was completed for the years 2014-15 and 2015-16 and an additional demand of ₹ 17.54 lakh was created. The assessee remitted ₹ 2.86 lakh.
6		STO, II Circle, Palakkad	Section 6(2) of the KVAT Act, 2003, Rule 12 A of KVAT Rules	0.07	The Government stated (March 2018) that the assessment was completed creating additional demand of ₹ 6.68 lakh. This additional demand is under Revenue Recovery.

Sl. No.	Nature of Objection	Office	Section under KVAT/CST/KGST Act	Short levy (₹ in crore)	Government Reply
7	Calculation error in assessment	STO, III Circle, Thiruvananthapuram	Section 25(1) of KVAT Act, 2003	1.04	Government stated (November 2018) that the assessment was revised creating additional demand of ₹ 1.66 crore. The revised demand is under Revenue Recovery.
8		STO, Special Circle, Thrissur	Section 7 of KGST Act, 1963, Section 5(2) of KGST Act, 1963	0.15	The Government stated (November 2018) that the assessment was completed for the years 2011-12 to 2013-14 and an additional demand of ₹ 15.37 lakh was created. The assessee remitted ₹ 1.99 lakh.
Total				21.74	

## **2.6 Non-payment of GST on inward supply of ENA (Extra Neutral Alcohol) by the Distilleries**

**Under Entry No. 25 of Schedule-III of the Notification No.1/2017-Central Tax (Rate) dated 28 June 2017 and 1/2017-State Tax (Rate), dated 30 June 2017, Ethyl alcohol and other spirits, denatured, of any strength with HSN<sup>2</sup> 2207 are to be taxed at the rate of 18 per cent GST. Extra Neutral Alcohol (ENA) a variant of ethyl alcohol, typically contains 95 per cent alcohol by volume, is a key raw material or ingredient in producing alcoholic beverages. The distilleries/ bottling units in the State import ENA from outside the State for manufacturing Indian made Foreign Liquor (IMFL).**

In the distilleries/bottling units<sup>3</sup> all over the state, Audit verified 3,138 consignments of ENA valuing ₹ 275.11 crore brought from outside the state during July 2017 to March 2018 and noticed that Integrated Goods and Services Tax (IGST) was levied only in 200 consignments valuing ₹ 16.54 crore. Thus, non-levy of IGST on the inward supply of ENA valuing ₹ 258.57 crore worked out to ₹ 46.54 crore as given in the **Appendix VII**. As the supply of ENA took place in the state of Kerala, fifty per cent of IGST is to be received as apportionment to Government

<sup>2</sup> HSN Stands for Harmonised System of Nomenclature, developed by World Customs Organisation (WCO) with the vision of classifying goods all over the world in a systematic manner. HSN contains six-digit uniform code for each product.

<sup>3</sup> Out of the 19 distilleries/bottling units in the State, three units were not functioning and the functional units were M/s. Amrut Distilleries, Palakkad, M/s. Devicolam Distilleries Pvt. Ltd, Ernakulam, M/s. Indo - Scottish Distilleries Ltd, Ernakulam, M/s. Empee Distilleries Ltd., Palakkad, M/s. Cassanova Distillery, Kottayam, M/s. KS Distilleries, Kannur, M/s Polsons Distillery, Chalakudy, M/s. Seven Seas Distillery Pvt. Ltd, Thrissur, M/s. Normandy Breweries and Distilleries Pvt Ltd, Kasaragod, M/s. SDF Industries Ltd., Thrissur, M/s. Travancore Sugars and Chemicals Ltd, Thiruvalla, M/s. Kerala Alcoholic Products Private Ltd, Palakkad, M/s United Distilleries, Kozhikode, M/s Elite Distilleries, Thrissur, M/s Imperial Spirits, Palakkad and M/s Kaycee Distilleries, Thrissur.

of Kerala as per Section 17 of IGST Act 2017. The non-levy of IGST resulted in total loss of revenue of ₹ 46.54 crore out of which ₹ 23.27 crore is due to the Government of Kerala in terms of apportionment of IGST.

The Government stated (June 2019) that the issue was raised in the 31<sup>st</sup> GST Council Meeting held on 22 December 2018. The Council decided that status quo would continue until the matter was decided by the Council. However, in the opinion of the Learned Attorney General of India sought as per the decision taken in the 20<sup>th</sup> meeting of GST Council, it was stated that the Centre or the States have the power to levy GST on ENA that is used to manufacture alcoholic liquor for human consumption.





# **Chapter III**

## **Taxes on Vehicles**



## CHAPTER-III TAXES ON VEHICLES

### 3.1 Tax administration

The receipts from the Transport Department are regulated under the provisions of the Central and the State Motor Vehicles Acts and Rules made thereunder. The Transport Department functions under the administrative control of the Secretary Transport Department at the Government level and the Transport Commissioner (TC) at the department level. The levy and collection of tax in the State is governed by the Motor Vehicles (MV) Act, 1988, Central Motor Vehicles (CMV) Rules, 1989, and the Kerala Motor Vehicles Taxation (KMVT) Act, 1976.

### 3.2 Internal audit

The Finance Officer of the Motor Vehicles Department conducts the audit of the department with the prior approval of the Transport Commissioner (TC). The Finance Officer conducts inspection of the State Transport Authority, offices of the Deputy Transport Commissioners of each zone and Regional Transport Offices (RTOs). The Senior Superintendents attached to the office of each of the Zonal Deputy Transport Commissioners conduct internal audit of Sub RTOs and Motor Vehicle Check Posts of the Department. The Internal Audit team is comprised of one Accounts Officer, ten Senior Superintendents and twelve Clerks. No special training has been imparted to the personnel of the Internal Audit Wing (IAW). Against the target of 103 units, 73 units were audited during 2017-18. The Department stated that the periodicity of audit of all offices is annual but the Department could not achieve the target due to ceiling in TA, lack of proper training and other reasons. The Department did not prepare a separate Internal Audit Manual. During 2017-18, the Department cleared 781 paras which was 16.76 *per cent* of the outstanding 4,659 paras. The Department attributed (November 2018) the reason for low clearance of audit observations to delay in getting final rectification reports from the sub offices audited.

### 3.3 Results of audit

There were 79 auditable units including 73 implementing units in the Transport Department. All these units were audited during 2017-18. A total of 1,37,01,208 number of vehicles were registered as on March 2017. Audit checked the entire database in the Motor Vehicles Department and raised a total of 1,287 objections including 1,097 cases having a money value of ₹ 52.32 crore on non/short payment of tax/fees/cess and other lapses including short levy of one-time tax, non-levy of green tax, non-remittance of tax during the operated period, short levy of fee for endorsing hire purchase etc. Audit pointed out some of the similar omissions in the earlier years also. Not only do these irregularities persist, but they also remain undetected till the next audit is conducted. There is a need for the Government to improve the internal control system including strengthening of internal audit so that recurrence of such cases can be avoided. Underassessment of tax and other

irregularities involving ₹ 508.25 crore in 1,098 cases which fall under the following categories are given in **Table - 3.1**.

**Table – 3.1**

(₹ in crore)			
Sl. No.	Categories	Number of cases	Amount
1.	Functioning of Kerala Road Safety Authority – Collection and Utilisation under Road Safety Fund	1	455.93
2.	Non/short levy of tax	529	41.83
3.	Other lapses	568	10.49
	<b>Total</b>	<b>1,098</b>	<b>508.25</b>

During the course of the year, the Department accepted non/short levy of tax and other deficiencies amounting to ₹ 488.01 crore in 864 cases which were pointed out by Audit. An amount of ₹ 16.13 crore pointed out was realised in 830 cases during the year.

A few illustrative audit observations involving ₹ 459.01 crore are discussed in the succeeding paragraphs.

### 3.4 Functioning of Kerala Road Safety Authority – Collection and Utilisation under Road Safety Fund

The Kerala Road Safety Authority (KRSA) was constituted<sup>1</sup> in April 2007 as per the Kerala Road Safety Authority Act, 2007 to co-ordinate action on areas related to road safety among various departments in the Government, advice the Government on road safety policy, prescribe and enforce road safety standards and procedures, and formulate and implement schemes and projects relating to road safety. As per Section 11 of the KRSA Act, 2007, the Kerala Road Safety Fund (KRSF) was established. The KRSF comprises of one time road safety cess<sup>2</sup>, grants, loans or advances made by the State Government and Government of India, contributions from public or private institutions and compounding fee under the KRSA Act and 50 *per cent* of the compounding fee<sup>3</sup> collected in the previous year under MV Act, 1988.

The objective of the Audit was to ascertain whether the Agency carried out its function effectively and that the amount was collected, accounted, transferred and utilised as per KRSA Act, 2007. The audit covered the period from 2013-14 to 2017-18. Audit scrutinised the files and documents in the Finance Department, the Transport Department, the KRSA, the Office of the Transport Commissioner and various implementing agencies<sup>4</sup>. Four<sup>5</sup> districts were selected based on total number of accidents during the years from 2015 to 2017 by stratified random sampling using IDEA software. District Road Safety Councils and District Police Headquarters of the selected districts were covered in Audit.

#### 3.4.1 Non-compliance of provisions of the KRSA Act, 2007

The following instances of non-compliance of provisions of KRSA Act were noticed during audit:

- The Road Safety Commissioner did not obtain the reports/returns from District Road Safety Councils (DRSCs) as stipulated under Section 23 of the KRSA Act resulting in non-submission of consolidated reports to the KRSA. It was observed that appropriate rules regarding reports, return and consolidated reports were not framed.

<sup>1</sup> GO(P) No. 20/07/Tran dated 19 April 2007 (published as per SRO No. 355/2007 in the Kerala Gazette extra ordinary dated 19 April 2007).

<sup>2</sup> One-time cess is collected on every motor vehicle used or kept for use in the State @ ₹ 250 for HMV, ₹ 150 for MMV, ₹ 100 for LMV and ₹ 50 for two wheeler.

<sup>3</sup> Compounding of certain offences as detailed u/s 200 of MV Act for such amount as Govt. may specify.

<sup>4</sup> Motor Vehicles Department, Police Department, Public Works Department, Health Department, Education Department, NATPAC, KELTRON.

<sup>5</sup> Ernakulam, Kannur, Palakkad and Thiruvananthapuram.

- No Annual Report as envisaged under Section 24 of the KRSA Act, 2007 read with Rule 7 of the KRSA Rules, 2007 was prepared or submitted to the Government till date.
- The Government has not nominated expert members as envisaged under Section 19(2)(f) of the KRSA Act, 2007 in three<sup>6</sup> out of the four test checked DRSCs.
- The internal audit as envisaged under Section 25(2) of the KRSA Act, 2007 was conducted only once since the inception of the Authority and the internal audit is pending for more than four years. Besides, no certified accounts were prepared by KRSA till date.

The Government replied that a proper reporting framework is being prepared but couldn't give satisfactory reply on the failure to submit Annual Report to the legislature. The Government assured that steps would be taken to appoint expert members in all DRSCs and that action was initiated to appoint an internal auditor. Further progress in this matter is awaited (September 2019).

### **3.4.2 Collection, Accounting and Transfer of Road Safety Fund**

As per Section 11(3) of the KRSA Act, 2007, 50 *per cent* of the compounding fee collected in the previous year shall be transferred to the KRSF in the subsequent year. As per Rule 3(4) of the KRSA Rules, 2007, up to one *per cent* of the road safety cess collected by the Motor Vehicles Department may be charged for expenditure on account of collection of cess and the balance shall be transferred to the KRSF. The compounding fee is collected by both MVD and the Police Department and is remitted to the head of account 0041-00-102-97<sup>7</sup>. The one-time cess is collected by the MVD through their field formations and is remitted to the head of account 0041-00-800-99(01)<sup>8</sup>.

#### **3.4.2.1 Short transfer of amount to the Kerala Road Safety Fund**

Audit observed that despite clear provisions in the statutes, there was a short transfer of money to KRSF amounting to ₹ 435.51<sup>9</sup> crore for the period from 2008-09 to 2017-18.

The Government did not take any steps to rectify this and the KRSA was unable to allot funds for projects identified for road safety.

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<sup>6</sup> Kannur, Palakkad and Thiruvananthapuram.

<sup>7</sup> Taxes on Vehicles-Receipts under the State Motor Vehicles Taxation Act-Compounding fee under Section 200 of Motor Vehicles Act 1988(Central Act 59 of 1988).

<sup>8</sup> Taxes on Vehicles-Other receipts-Gross receipts-Receipts under KRSA Act, 2007.

<sup>9</sup> Total amount collected (2007-08 to 2016-17) - ₹ 1,145.01 crore; Total amount due and transferred to KRSF (2008-09 to 2017-18) - ₹ 608.63 crore and ₹ 173.12 crore respectively.

During the Exit Conference, the Government stated that short transfer is a major concern for the KRSA and assured that the matter would be taken up with the Finance department. Further progress is awaited (September 2019).

#### **3.4.2.2 Non-remittance of compounding fee into the designated head of account and diversion of compounding fee by the Police Department leading to loss of share to KRSA**

During the period from 2014-15 to 2017-18, the Police Department had collected ₹ 45.83 crore as compounding fee using 100 speed detection cameras installed by KELTRON which were credited to a bank account<sup>10</sup> of the Police department instead of remitting it into the head of account for compounding fee. Out of this ₹ 45.83 crore, an amount of ₹ 23.16 crore was diverted to KELTRON as reimbursement of expenses met by them for installing speed cameras and an amount of ₹ 7.78 crore was remitted in to the revenue head of account of the Police Department. Only ₹ 14.70 crore was remitted to the designated head of account for compounding fee which led to a short remittance of ₹ 31.13 crore and the KRSA losing its share of Fund of ₹ 15.57 crore (50 *per cent* of compounding fee) from the Government.

The Government replied (March 2019) that the matter would be dealt with by convening a meeting of the Executive Committee. Further progress is awaited (September 2019).

#### **3.4.3 Financial management of projects**

The KRSA allots funds to various implementing agencies<sup>11</sup> for undertaking road safety projects. The KRSA is not expending funds directly for road safety projects, but sanctioning and releasing the funds to the implementing agencies and DRSCs on the basis of the project proposals submitted by them. Out of 214 projects with a project cost of ₹147.8 crore which was implemented during 2013-14 to 2017-18, audit verified 54 projects having a project cost of ₹ 76.77 crore. While verifying the project files, Audit identified certain issues like blockage of funds (₹ 9.30 crore), loss of interest (₹ 4.85 crore- **Appendix VIII**) and diversion of fund (₹ 4.14 crore).

The KRSA did not maintain any information about the present status of implementation of projects, amount pending with implementing agencies after completion of projects and up to date account of refunds regarding completed projects. This could lead to shortage of funds with KRSA and affect the sanctioning of projects.

The Government in the case of loss of interest replied (March 2019) that the KRSA would be initiating strict monitoring of project implementation by stake holding

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<sup>10</sup> SB account No. 67239182232 of State Bank of India.

<sup>11</sup> Departments like Police, MV, Public Works, Health, Education etc., and agencies like KELTRON, NATPAC etc.

agencies. Detailed project reports have been made mandatory for release of funds. Funds would be released in instalments based on progress of projects. Further progress in this matter is awaited (September 2019).

The Government in the case of diversion of funds replied (March 2019) that the Motor Vehicles Department and the Police department have been asked to submit reports and the matter would be discussed in forthcoming Executive Committee Meeting. Further progress is awaited (September 2019).

### **3.5 Short levy of one time tax**

As per Section 3(1) of the KMVT Act, 1976, one time tax at the prescribed rate shall be levied from the date of purchase for motor cars and private service vehicles for personal use (non-transport vehicle). As per the Annexure – 1 of the KMVT Act, one time tax at the rate of *six per cent, eight per cent, 10 per cent, 15 per cent and 20 per cent* shall be levied on motor cars and private service vehicles having purchase value up to rupees five lakh, purchase value more than rupees five lakh and up to rupees 10 lakh, purchase value more than rupees 10 lakh and up to rupees 15 lakh, purchase value more than rupees 15 lakh and up to rupees 20 lakh and purchase value more than rupees 20 lakh respectively. Similarly one time tax at the rate of *eight per cent, 10 per cent and 20 per cent* shall be levied on motor cycles (non-transport vehicle) having purchase value up to rupees one lakh, purchase value more than rupees one lakh and up to rupees two lakh and purchase value more than rupees two lakh respectively.

Section 3(1) as amended by the Finance Act 2014, stipulates that in respect of a new motor vehicle registered on or after 1 April 2007 and reclassified from the category of transport vehicle to non-transport vehicle, one time tax on percentage basis with respect to the age of the vehicle is leviable. As per Table below Annexure - 1 of the KMVT Act, purchase value reckoned for one time tax ranges from *100 per cent to seven per cent* in respect of age of vehicles ranging from less than one year to less than 15 years.

(a) During the audit (2017-18) of 15<sup>12</sup> out of 17 RTOs and 45<sup>13</sup> out of 55 SRTOs, it was observed that one time tax was not calculated and levied by the Regional/Joint Regional Transport Officer as specified in the Act on vehicles which were originally registered as transport vehicles and subsequently reclassified as non- transport vehicles thereby resulting in short levy of ₹ 2.06 crore in 2,092 cases

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<sup>12</sup> Alappuzha, Attingal, Ernakulam, Idukki, Kannur, Kasargod, Kottayam, Kozhikode, Malappuram, Muvattupuzha, Palakkad, Pathanamthitta, Thrissur, Vadakara and Wayanad.

<sup>13</sup> Adoor, Alathur, Aluva, Angamaly, Chalakudy, Changanassery, Chengannur, Cherthala, Devikulam, Guruvayoor, Irinjalakuda, Kanhangad, Kanjirappally, Kayamkulam, Kodungallur, Koduvally, Kothamangalam, Koyilandy, Kuttanad, Mallappally, Mannarkad, Mattanchery, Mavelikkara, North Paravur, Nedumangad, Nilambur, Ottappalam, Pala, Pattambi, Perinthalmanna, Perumbavoor, Ranni, Sulthan Bathery, Thalassery, Taliparamba, Thiruvalla, Thodupuzha, Thrippunithura, Tirur, Tirurangadi, Udumbanchola, Uzhavoor, Vaikom, Vandiperiyar and Wadakkancherry.



as detailed in **Appendix IX**. Despite being pointed out in the previous Audit Reports for the years ended March 2015, 2016 and 2017, the issue still persists in the department.

On this being pointed out by Audit (August 2018), the Government stated (March 2019) that ₹ 1.30 crore was collected in 1,158 cases. Further report about realisation of tax amount was not received (September 2019).

(b) During the audit (2017-18) of 4<sup>14</sup> out of 17 RTOs and 6<sup>15</sup> out of 55 SRTOs, on verification of details of vehicles registered as non-transport vehicles, it was noticed that one time tax in respect of 34 vehicles out of the total 10,65,000 registered vehicles in 2016-17 was not levied at the prescribed rate of percentage on the purchase value of the vehicles as stipulated in KMVT, Act, 1976. Short levy of tax by Regional/Joint Regional Transport Officer resulted in short collection of ₹ 9.61 lakh as detailed in the **Appendix X**. Despite being pointed out in the previous Audit Reports for the years ended March 2015 and March 2017, the issue still persists in the department.

On this being pointed out by Audit (November 2018), the Government stated (February 2019) that ₹ 7.44 lakh was collected in 23 cases. Further report about realisation of tax amount was not received (September 2019).

### 3.6 Non-levy of Green Tax

**Section 3A of the KMVT Act, 1976 as amended by the Finance Act 2016, stipulates that Green Tax shall be levied and collected in addition to the tax levied under this Act on the motor vehicles specified in column (2) of the table below at the rate specified in column (3) thereof, for the purpose of implementation of various measures to control air pollution. The Transport Commissioner instructed (December 2016)<sup>16</sup> that the payment of Green Tax shall be ensured at the time of fitness test in the case of transport vehicles and at the time of renewal of registration in the case of non-transport vehicles.**

Sl. No.	Class and age of vehicle	Rate of Green Tax (in Rupees)	Incidence of levy
(1)	(2)	(3)	(4)
1	Non Transport Vehicles having four or more wheels and completed 15 years from the date of registration	400 for every 5 years	At the time of renewal of registration
2	Light Transport Vehicles having four or more wheels and have completed 10 years from the date of its registration	200 for every year	At the time of renewal of fitness certificate

<sup>14</sup> Kozhikode, Malappuram, Palakkad and Thiruvananthapuram.

<sup>15</sup> Kazhakuttam, Nedumangad, Parassala, Sulthan Bathery, Tirur and Udumbanchola.

<sup>16</sup> Vide Circular No. 31/2016 dated 23 December 2016.

Sl. No.	Class and age of vehicle	Rate of Green Tax (in Rupees)	Incidence of levy
(1)	(2)	(3)	(4)
3	Medium Transport Vehicles which have completed 10 years from the date of its registration	300 for every year	At the time of renewal of fitness certificate
4	Heavy Transport Vehicles which have completed 10 years from the date of its registration	400 for every year	At the time of renewal of fitness certificate

During the audit (2017-18) of 12<sup>17</sup> out of 17 RTOs and 41<sup>18</sup> out of 55 SRTOs, it was noticed from the tax remittance particulars in the database that Green tax was not collected in 16,552 cases which were given services such as renewal of fitness certificate and renewal of registration from the Department after completion of 15 years from the date of registration in respect of non-transport vehicles and 10 years from the date of registration in respect of transport vehicles. This resulted in non-collection of ₹ 48.70 lakh as detailed in the **Appendix XI**.

On this being pointed out by Audit (July 2018), the Government stated (April 2019) that ₹ 16.92 lakh was collected in 6,025 cases. Further report about realisation of tax amount was not received (September 2019).

### **3.7 Non-remittance of tax during the operated period**

**As per Section 5 (1) of the KMVT Act, 1976, in the case of a motor vehicle which is not intended to be used or kept for use during the first month or the first and second months of a quarter, or the whole of a quarter or year, as the case may be, the registered owner or the person having possession of such vehicle shall give previous intimation in writing (Form G)<sup>19</sup> to the Regional Transport Officer that such vehicle would not be used for such period and no tax shall be payable in respect of such vehicle for such period.**

During the audit (2017-18) of 12<sup>20</sup> out of 17 RTOs, verification of tax collection particulars with reference to Form G filed by the registered owners revealed that though periods of non-use of the stage carriages were mentioned in the Form G filed, tax was not remitted by the registered owners in respect of those periods which were not shown as non-use in the Form G. Non remittance of tax for the

<sup>17</sup> Alappuzha, Attingal, Ernakulam, Kannur, Kasargod, Kottayam, Kozhikode, Malappuram, Muvattupuzha, Palakkad, Vadakara and Wayanad.

<sup>18</sup> Alathur, Aluva, Angamaly, Chalakudy, Changanassery, Chengannur, Cherthala, Guruvayoor, Irinjalakuda, Kanhangad, Kanjirappally, Kayamkulam, Kodungallur, Koduvally, Kothamangalam, Koyilandy, Kuttanad, Mallappally, Mananthavady, Mannarkad, Mattanchery, Mavelikara, North Paravur, Nedumangad, Nilambur, Ottappalam, Pala, Pattambi, Perinthalmanna, Perumbavoor, Ranni, Sulthan Bathery, Thalassery, Taliparamba, Thiruvalla, Thrippunithara, Tirur, Tirurangadi, Uzhavoor, Vaikom and Wadakkanchery.

<sup>19</sup> Form G – Intimation of non-use of a vehicle.

<sup>20</sup> Attingal, Ernakulam, Kannur, Kottayam, Kozhikode, Malappuram, Muvattupuzha, Palakkad, Pathanamthitta, Thrissur, Vadakara and Wayanad.

operated period in respect of 139 stage carriages worked out to ₹ 43.79 lakh<sup>21</sup> as detailed in the **Appendix XII**. Despite being pointed out in the previous Audit Reports for the years ended March 2016 and 2017, the issue still persists in the department.

On this being pointed out by Audit (November 2018), the Government stated (February 2019) that ₹ 28.01 lakh was collected in 83 cases. Further report about realisation of tax amount was not received (September 2019).

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<sup>21</sup> In respect of stage carriages, rate of tax per quarter depends on the seating capacity.



# **Chapter IV**

## **Land Revenue and Building Tax**



## CHAPTER-IV

### LAND REVENUE AND BUILDING TAX

#### 4.1 Tax administration

The Revenue and Disaster Management (R&DM) Department is under the control of the Secretary at the Government level and the Commissioner of Land Revenue (CLR) is the head of the Department. The revenue collected by the Department includes basic tax, building tax, lease rent, plantation tax etc. The Department realises arrears of public revenue under the Kerala Revenue Recovery (KRR) Act, 1968, with interest and cost of process prescribed.

#### 4.2 Internal audit

The Internal Audit Wing (IAW) of the Land Revenue Commissionerate is supervised by the Senior Finance Officer under the control of the Commissioner of Land Revenue. The audit of *Taluk* offices (TOs), Revenue Divisional Offices (RDOs), Revenue Recovery Offices, Offices of Vigilance Deputy Collectors and Central Stamp Depot are conducted within a periodicity of two to three years. The IAW is manned by one Senior Superintendent, two Junior Superintendents and six Clerks. The Department stated that the selection of offices to be audited were made on the basis of the date of audit last conducted. The files to be checked were randomly selected and no risk analysis was done before selecting an office for audit. The Department also stated that there is no regular training programme for the staff of IAW. During 2017-18, the IAW planned 28 units for internal audit which were covered during the year. During the year, the Department cleared 5,568 paragraphs out of 14,471 paragraphs which was 38.48 *per cent* of the outstanding objections. The Department stated (August 2018) that the poor clearance of audit observations was due to non-receipt of rectification reports from the sub offices audited.

#### 4.3 Results of audit

There are 120 auditable units in the Department. Out of these, 62 units were selected for test check during 2017-18. Audit test checked 935 cases (50.93 per cent) out of the total 1836 cases and raised a total of 693 objections including 191 cases having money value of ₹ 36.22 crore on non/short payment of building tax, basic tax etc. As this was a test audit in the test checked cases and the audit observation is of a nature that may reflect in other cases not covered in the test audit, the Department may therefore, like to internally examine the position in rest of the units with a view to ensure that the instance of non/short payment of tax are taken care of by taking remedial measures, and may also fix responsibility for the lapses in all such cases. Audit pointed out some of the similar omissions in the earlier years also. Not only do these irregularities persist, but they also remain undetected till the next audit is conducted. Underassessment of tax and other irregularities involving ₹ 36.22 crore in 192 cases which fall under the following categories are given in **Table - 4.1**.

**Table – 4.1**

(₹ in crore)

Sl. No.	Categories	Number of cases	Amount
1	Implementation of Land Ceiling and Management of Surplus Land in Kerala	1	-
2	Under assessment and loss under building tax	150	34.93
3	Under assessment and loss under other items	41	1.29
<b>Total</b>		<b>192</b>	<b>36.22</b>

During the course of the year, the Department accepted under-assessments and other deficiencies involving ₹ 21.86 crore in 407 cases. An amount of ₹ 20.18 crore pointed out was realised in 460 cases during the year 2017-18.

A few Audit observations involving ₹ 3.17 crore are mentioned in the succeeding paragraphs.



## 4.4 Implementation of Land Ceiling and Management of Surplus Land in Kerala

The Kerala Land Reforms Act (KLR Act) was passed in 1963 to restrict private ownership and possession of land in excess of the ceiling area. The KLR Act envisages the constitution of a State Land Board (SLB) for the whole State and Taluk Land Boards (TLB) for each *taluk* in the State, apart from other offices, to implement the provisions of the Act. The ceiling area<sup>1</sup> is prescribed in the KLR Act and various amendments<sup>2</sup> were made to implement the provisions of the Act. Where a person<sup>3</sup> owns or holds land in excess of the ceiling area, such excess land shall be surrendered to the Government.

Any person who owns or holds land in excess of ceiling area shall file a statement before the State Land Board showing the details of all the lands owned or held by such person. A ceiling case shall be initiated in the concerned TLB and after allowing eligible exemptions<sup>4</sup>, the TLB shall order the surrender of land held in excess of ceiling area, if any, to the Government. Subsequently, if any conversion was made to the exempted land, that converted land shall be deemed as fresh acquisition and a fresh ceiling case shall be initiated.

When a person fails to file the statement and surrender excess land, the KLR Act envisages initiation of *suo motu* case by the TLBs as per Section 85(7) of the Act. As per Chapter X of the Village Manual, the Village Officer shall prepare the list of persons having land in excess of the ceiling limit and shall report to the TO/TLB on land holdings above the ceiling area. As per Section 105 of the KLR Act, the Special Deputy *Tahsildar* (SDT), who is the authorised officer of the TLB, is

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<sup>1</sup> Ceiling area shall be:

1. Adult unmarried person or family consisting of a sole surviving member the ceiling area shall not be less than 6 and more than 7.5 acres (2.4281 ha to 3.0351 ha).
2. Family consisting of two or more, but not more than five members the ceiling area shall not be less than 12 and more than 15 acres (4.8562 ha to 6.0702 ha).
3. Family consisting of more than five members the ceiling area shall not be less than 12 and more than 20 acres (4.8562 ha to 8.0937 ha).
4. In case of any other person, other than a joint family the ceiling area shall not be less than 12 and more than 15 acres (4.8562 ha to 6.0702 ha).

<sup>2</sup> 20 amendments from 1966 to 2015.

<sup>3</sup> Company, family, joint family, association or other body of individuals, whether incorporated or not, and any institution capable of holding property.

<sup>4</sup> (i) Land owned or held by the Government of India, State Governments, Local authorities, Cochin Port trust (ii) Land taken under the management of the Court of wards (iii) Lands comprised in mills, factories or workshops (iv) Private Forests (v) Plantations (vi) Cashew estate (vii) Lands mortgaged to the Government or to a co-op society etc. (viii) Land purchased by the Land Mortgage Bank (ix) Land purchased by the Kerala Financial Corporation (x) Land belonging to or held by an industrial or commercial undertaking at the commencement of the Act (xi) dwelling houses and wells, tanks etc. (xii) Temple, Churches, Mosques and cemeteries (xiii) Ware houses (xiv) Commercial sites (xv) Education institutions (xvi) Bhoodan Yagna Committee (xvii) Universities (xviii) Religious, Charitable institutions, Lands granted to defence persons for gallantry.

empowered to obtain any information from any person to carry out the provisions contained in the Act.

As per the order of the TLB, the surplus land shall be acquired by the Revenue and Disaster Management (R&DM) department. The R&DM shall protect the acquired surplus land as per the provisions contained in the Kerala Land Conservancy Act 1957 (KLC Act).

The surplus land acquired is utilised as per the provisions contained in the KLR Act and the Kerala Land Assignment Act, 1960 (KLA Act). The Government may pass the right of utilisation of land to the individuals, bodies, authorities, industries, etc. either on lease for a definite period or bestow ownership without any such condition.

Thus, the SLB and TLBs are responsible for the identification of excess/surplus lands in the State with the assistance of the R&DM Department which is responsible for the acquisition, protection and assignment of the declared surplus land.

The entire period since the inception of the KLR Act, till March 2018 was covered in audit. The audit covered the Government Secretariat, Office of the Land Revenue Commissioner (LRC), SLB, TLBs, TOs, Sub Registrar Offices (SRO) and Village Offices (VO). Twenty five<sup>5</sup> out of 75 TLBs and 25<sup>5</sup> out of 75 TOs in five<sup>6</sup> out of 14 districts were selected by stratified random sampling method using IDEA. Out of the total 48,474 ceiling cases initiated in the state, 39,308 cases (81.09 *per cent*) belong to the selected districts.

The observations made by Audit are given in the following paragraphs:

#### **4.4.1 Absence of database of ceiling cases and surplus lands**

Audit observed that the Department did not maintain a *taluk*/TLB wise detailed database of ceiling cases initiated, pending and disposed. There was also no database showing the details regarding exempted lands, declared and acquired surplus lands, balance pending acquisition and assignment/utilisation of surplus lands. The department could only provide a consolidated progress report showing the *taluk*/TLB wise total number of ceiling cases and surplus lands. Presence of a database is crucial for the identification, protection and utilisation of surplus lands in the State.

Important registers were also not properly maintained even in the manual form. Eg: Register of lands vested in Government and Register of lands reserved and assigned

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<sup>5</sup> Alathur, Changanassery, Chittur, Eranad, Hosdurg, Kanjirappally, Kasaragod, Kondotty, Kottayam, Mananthavady, Manjeswaram, Mannarkad, Meenachil, Nilambur, Ottappalam, Palakkad, Pattambi, Perinthalmanna, Ponnani, Sulthan Bathery, Thirurangadi, Tirur, Vaikom, Vellarikund, Vythiri.

<sup>6</sup> Kasaragod, Kottayam, Malappuram, Palakkad, and Wayanad.

were not maintained properly in 16 out of selected 25 TOs (64 *per cent*), and Diary Register for each case and Register of final orders were not maintained properly in 17 out of selected 25 TLBs (68 *per cent*). Audit found three instances where improper maintenance of registers led to mismatch in monthly progress reports with the actual records in TOs

#### 4.4.2 Land registered in excess of ceiling area not identified by the Department for initiating ceiling case

As per Section 120 of the KLR Act, no document relating to any transfer of land shall be received unless the transferor and the transferee make separate declarations on the total extent of land held by him to the Registering Officer, who shall forward the same to the *Tahsildar* for necessary action. The Village Officer shall verify the declarations filed by the land owners at SRO. Audit verified all 212 cases registered between 1 January 1992 and 31 March 2018 having more than 6.0702 ha (15 acres) of land in 43 Sub Registrar Offices (SROs) out of the total 89 SROs in the five selected districts. It was observed that out of these, 184 cases (86.79 *per cent*) involving 5192.4161 ha of land (valuing ₹ 311.35 crore as per the documents) were not identified and reported by the Sub Registrar/SDT/Village Officer or *Taluk* officials for initiating ceiling cases. District wise cases with registered sale documents having more than 6.0702 ha (15 acres) of land are detailed in **Table 4.2**.

**Table – 4.2**

(₹ in crore)

District	Total cases verified			Ceiling case already initiated			Ceiling case not initiated		
	No. of cases	Extent in ha	Value of document	No. of cases	Extent in ha	Value of document	No. of cases	Extent in ha	Value of document
Kasaragod	7	666.5338	31.30	0	0.0000	0.00	7	666.5338	31.30
Kottayam	22	1,404.7993	184.23	3	937.1180	66.57	19	467.6813	117.66
Malappuram	73	932.5091	61.10	1	8.3277	0.29	72	924.1814	60.81
Palakkad	59	1,385.8275	47.87	1	7.3855	0.14	58	1,378.4420	47.73
Wayanad	51	2,631.2354	94.26	23	875.6578	40.41	28	1,755.5776	53.85
<b>Total</b>	<b>212</b>	<b>7,020.9051</b>	<b>418.76</b>	<b>28</b>	<b>1,828.489</b>	<b>107.41</b>	<b>184</b>	<b>5,192.4161</b>	<b>311.35</b>

Source: Records of Sub Registrar Offices and TLBs.

The Government stated (February 2019) that SLB had issued letter to the IG (Registration) to invoke the provision of Section 120 of the KLR Act but the same was not implemented. The cases pointed out in audit were forwarded to the District Collectors for their reports. Further progress in the matter was not received (September 2019).

#### 4.4.3 Land in excess of ceiling limit not reported by the Department during acceptance of land tax

Verification of land tax payment details in respect of land holdings above 6.0702 ha (15 acres) furnished by 140 out of the total 534 VOs in the selected five districts revealed that in 358 out of 372 cases (96.24 *per cent*) involving 12,574.5135 ha of land, no ceiling case was initiated by TLB, and these cases were not reported by the Village/*Taluk* officials to the SLB/TLB for initiating ceiling cases. District wise details of number of cases and extent of land are given in **Table 4.3**.

**Table – 4.3**

District	Total cases		Ceiling case initiated		Ceiling case not initiated	
	No. of cases	Extent in ha	No. of cases	Extent in ha	No. of cases	Extent in ha
Kasaragod	60	797.6943	0	0.0000	60	797.6943
Kottayam	99	1,806.6280	3	22.9942	96	1,783.6338
Malappuram	110	7,440.1750	1	6.1108	109	7,434.0642
Palakkad	69	1,821.8272	4	40.6289	65	1,781.1983
Wayanad	34	994.3729	6	216.4500	28	777.9229
<b>Total</b>	<b>372</b>	<b>12,860.6974</b>	<b>14</b>	<b>286.1839</b>	<b>358</b>	<b>12,574.5135</b>

Source: Records of Village Offices.

The Government stated (February 2019) that the cases were not reported due to lack of awareness on the part of the village officials. The issue was brought to the notice of the Revenue department and the concerned list would be forwarded to the *Tahsildars* for further action. The reply is not acceptable as the ignorance of revenue officials cannot be a reason for the lapse on their part (September 2019).

#### 4.4.4 Non-initiation of ceiling cases in respect of cases reported by the Village/*Taluk* officials

Audit verified the 197 cases reported as having land in excess of the ceiling area by *Taluk*/VOs to the respective TLBs (period of reporting - July 2016 to January 2018) and found that no action was taken in 114 cases (57.87 *per cent*) involving 2141.7317 ha of land (valuing ₹ 499.44 crore as per the fair value). District wise cases reported by the Village/*Taluk* officials having more than 6.0702 ha (15 acres) of land is detailed in **Table 4.4**.

**Table – 4.4**

(₹ in crore)

District	Tahsildar/VO reported cases		Ceiling Cases initiated		Ceiling Cases not initiated		
	No. of cases	Extent in ha	No. of cases	Extent in ha	No. of cases	Extent in ha	Value of land as per fair value
Kasaragod	1	8.4437	1	8.4437	0	0.0000	0.00
Kottayam	49	1,136.6631	11	148.7657	38	987.8974	310.15

District	Tahsildar/VO reported cases		Ceiling Cases initiated		Ceiling Cases not initiated		
	No. of cases	Extent in ha	No. of cases	Extent in ha	No. of cases	Extent in ha	Value of land as per fair value
Malappuram	75	1,966.3130	2	835.1032	73	1,131.2098	188.06
Palakkad	1	9.2107	0	0	1	9.2107	0.68
Wayanad	71	1,257.5892	69	1,244.1754	2	13.4138	0.55
<b>Total</b>	<b>197</b>	<b>4,378.2197</b>	<b>83</b>	<b>2,236.4880</b>	<b>114</b>	<b>2,141.7317</b>	<b>499.44</b>

Source: Report from TOs.

The Government stated (February 2019) that effective action was taken to initiate *suo-motu* cases on the cases pointed out by audit. Further progress in the matter is awaited (September 2019).

#### 4.4.5 Violation of exemption

As per Section 81 of the KLR Act, the lands used for certain purposes can be exempted from the ceiling limit by the TLBs. The exempted land subsequently converted has to be treated as fresh acquisition and the person has to file a property statement as per Section 87 of the Act. Accordingly, after filing the statement, the TLB is to start a ceiling case. Further, as per the Village Manual it is the duty of the Village Officer to verify whether any conversion was made by the individual/institution and report the same to the SDT/TLB.

Although TLBs are vested with the power to allow exemptions, they did not have accurate records on the number of cases exempted. Only 69 records on ceiling exempted cases were made available to Audit. Joint Physical Inspection with the representatives of the concerned TLB/*Taluk*/VO conducted in 67 cases revealed that there was violation of exemption in 33 cases involving an extent of 239.1020 ha of land (valuing ₹ 189.73 crore as per the fair value) which remained undetected. In two remaining cases<sup>7</sup> though exemption violation was already identified by the Department, no fresh ceiling case was initiated. District wise ceiling cases in which violation of exemption was detected in JPI in the selected districts are detailed in **Table 4.5**.

**Table – 4.5**

(₹ in crore)

District	No. of cases			Extent of violation in ha	Fair value
	JPI conducted	Violation not noticed	Violation noticed		
Kasaragod	6	3	3	8.6453	6.34
Kottayam	21	14	7	30.9966	17.77
Malappuram	27	14	13	64.7621	43.85

<sup>7</sup> 1) M.P Chandrananthan, Sulthan Bathery : Exemption violation noticed (06 July 2013).  
2) M/s Poddar Plantations, Vythiri : Exemption violation noticed (05 May 2016).

District	No. of cases			Extent of violation in ha	Fair value
	JPI conducted	Violation not noticed	Violation noticed		
Palakkad	9	3	6	35.4064	27.44
Wayanad	4	0	4	99.2916	94.33
<b>Total</b>	<b>67</b>	<b>34</b>	<b>33</b>	<b>239.1020</b>	<b>189.73</b>

Source: TLB orders and JPI reports.

The Government stated (February 2019) that action would be initiated on the cases pointed out by Audit. Further progress in the matter was not received (September 2019).

#### **4.4.6 Delay in finalisation of ceiling cases**

Section 85 of the KLR Act deals with the identification and surrender of surplus land by imposing ceiling area. Delay in finalisation of the ceiling cases due to various reasons would affect timely identification of surplus lands.

Audit observed that out of the total 39,308 ceiling cases initiated by the TLBs in the selected districts, 38,399<sup>8</sup> ceiling cases were finalised and the remaining 909 ceiling cases were pending for finalisation and accounted for 22,788.2498 ha of land. Further analysis revealed that these cases were pending for finalisation for a period which, ranged from more than five years to more than 40 years in 732 out of 909 cases and accounted for 19,401.0198 ha of land. District/Age/Stage wise pending surplus land cases are detailed in **Appendix XIII**.

The Government stated (February 2019) that the SLB has fixed targets for TLBs for disposal of pending ceiling cases and necessary steps would be taken by the SLB to verify the figures and the excess land remaining if any would be taken over. The details of targets fixed were not made available. Further progress in the matter was not received (September 2019).

#### **4.4.7 Delay in acquisition of surplus land**

The excess land as declared by the TLB shall be vested in the Government as per Section 86 of the KLR Act and action is to be initiated to acquire the declared surplus land in this respect based on Rule 18 to 20 of the KLR Rules. A declaration or record of possession shall be counter signed by the *Tahsildar* after verification of the *mahazar*<sup>9</sup> and sketch prepared by the authorised officer. The *Tahsildar* shall take necessary steps to carry out changes in the revenue records.

During verification of records in the five selected districts, Audit observed that surplus land of 21,563.3358 ha (93 *per cent*) was acquired in 24,967 cases out of

<sup>8</sup> The total declared surplus land was only 23,151.3770 ha in 25,136 cases out of 38,399 finalised cases.

<sup>9</sup> Statement prepared by the officer authorised by TLB to acquire the surplus of land, which includes details such as date, time, Sy. no., extent area, owner details etc.

the total declared surplus land of 23,151.3770 ha in 25,136 cases which is appreciable. There was delay in acquisition of the balance surplus land of 1,588.0412 ha in 169 cases. District wise surplus land cases pending acquisition are detailed in **Table 4.6** and stage wise details are shown in **Table 4.7**.

Table – 4.6

Name of District	Declared as surplus land by TLB		Surplus land acquired		Pending acquisition	
	No. of cases	Extent in ha	No. of cases	Extent in ha	No. of cases	Extent in ha
Kasaragod	7,934	7,285.9148	7,914	7,134.1438	20	151.7710
Kottayam	1,925	1,092.4510	1,921	1,080.811	4	11.6400
Malappuram	11,151	3,874.0165	11,101	3,553.0619	50	320.9546
Palakkad	3,545	8,917.5902	3,519	8,711.5104	26	206.0798
Wayanad	581	1,981.4045	512	1,083.8087	69	897.5958
<b>Total</b>	<b>25,136</b>	<b>23,151.3770</b>	<b>24,967</b>	<b>21,563.3358</b>	<b>169</b>	<b>1,588.0412</b>

Source: Records of TLBs and TOs.

Table – 4.7

Reason for pendency	No. of cases	Area in ha
Adverse possession <sup>10</sup>	32	137.3910
Declared as Vested Forest by Forest Department	40	604.4012
Pending with survey	15	188.8963
Not identified the land	3	22.1471
Pending with court	64	468.4923
Petition filed to Land Board	2	0.9551
Recent case	9	63.2462
Report awaited from Village Officer	2	3.0403
Miscellaneous	2	99.4717
<b>Total</b>	<b>169</b>	<b>1,588.0412</b>

Source: Records of TOs.

Age wise surplus land cases pending acquisition relating to adverse possession, vested forest and survey pending are shown in **Table 4.8**.

Table – 4.8

Reason for pendency	Less than five year		Five year to 10 years		More than 10 years		Date not available		Total	
	No. of cases	Area in ha	No. of cases	Area in ha	No. of cases	Area in ha	No. of cases	Area in ha	No. of cases	Area in ha
Adverse possession	10	13.2967	4	20.6476	14	34.8991	4	68.5476	<b>32</b>	<b>137.3910</b>
Declared as Vested Forest	2	3.4725	0	0.0000	11	226.3531	27	374.5756	<b>40</b>	<b>604.4012</b>
Pending with survey	6	7.4950	1	0.9146	2	4.9877	6	175.4990	<b>15</b>	<b>188.8963</b>

Source: records of TOs.

<sup>10</sup> The occupation of land to which another person has title with the intention of possessing it as one's own.



Audit observed that out of 169 cases which were stated as pending acquisition with *Tahsildars*, the actual dates of order of declaration of surplus land in 80 cases (47.34 *per cent*) were not available in TOs. The pendency in acquisition was also due to adverse possession and vested forest cases, which were not considered by the TLBs while finalising the ceiling cases.

The Government stated (February 2019) that whenever action is taken to acquire the surplus land the aggrieved party approach the court, obtain stay and the litigation continues for decades. It is also stated that the SLB would give further directions to all concerned TLBs for speedy disposal of the ceiling cases. The reply is not acceptable as only 38 *per cent* of the total pending cases are *sub judice*. The Government has not furnished details of action taken in any of the cases pointed out by Audit.

#### **4.4.8 Removal of valuables from acquired Surplus land**

As per the KLC Act, it shall not be lawful for any person to destroy, remove or appropriate earth, sand, metal, laterite, lime-shell or such other article of value as may be notified by the Government from any land which is the property of the Government and a person who removes valuables from the Government land is punishable under the Act. During verification, Audit found that three cases of removal of valuables from the acquired surplus lands were identified by the department as detailed in the **Appendix XIV**.

Audit observed that the Department did not protect the valuables in the acquired surplus land due to absence of periodical verification and also did not collect fine/penalty etc., in a time bound manner as per KLC Act and Rules.

The Government stated (February 2019) that the misuse of exempted lands will be verified and ceiling cases initiated accordingly. The reply is not relevant to the point raised by Audit. (September 2019).

#### **4.4.9 Irregular assignment of surplus land**

The surplus land acquired is utilised as per the provisions contained in the KLR/KLA Acts. As per Section 96 of the KLR Act, the acquired surplus land may either be assigned on registry or reserved for public purpose by the SLB. Assignment of acquired surplus land by the SLB shall be subject to the limit of one acre as specified u/s 96(2) of the KLR Act and as per the procedures laid down under Rules 25 to 31 of KLR Rules. There is no provision in the KLR Act/Rules to assign surplus lands above one acre or assign on lease. Assignments from the land reserved for public purpose come under the purview of KLA Act/Rules. As per Section 3 of the KLA Act, Government land may be assigned by the Government or by any prescribed authority either absolutely or subject to such restrictions, limitations and conditions as may be prescribed. The conditions of assignment on registry are provided in the KLA Rules 1964.



Audit observed certain irregularities in the assignment of surplus land like violation of provisions of the KLR/KLA Act/Rules, overlooking of the powers of SLB, assignment of land reserved for public purpose to private parties etc. Four cases noticed by audit in respect of Plantation Corporation of Kerala Ltd., and other institutions (Hosdurg *Taluk*), Indiraji Memorial Society (Nilambur *Taluk*), Deseeya Mahila Samajam (Vythiri *Taluk*) and SN Trust and SNDP Yogum (Meenachil *Taluk*) are detailed in **Appendix XV**.

The Government stated (February 2019) that a detailed enquiry is to be conducted in respect of Indiraji Memorial Society. Further reply is awaited (September 2019) in respect of the remaining three cases.

#### **4.5 Non-levy of building tax due to buildings escaping assessment**

**As per Section 5(1) of the Kerala Building Tax Act, 1975, (KBT Act) building tax shall be charged on every building the construction of which is completed on or after 10 February 1992 based on the plinth area of the buildings at the rates prescribed. Section 7(1) of the KBT Act stipulates that the owner of every building, the construction of which is completed, or to which major repair or improvement is made on or after the appointed day<sup>11</sup> shall furnish to the assessing authority, a return in the prescribed form (Form II) within the prescribed period along with a copy of the plan approved by the local authority or such other authorities as may be specified by the Government in this behalf. As per Rule 3 of the Kerala Building Tax (Plinth Area) Rules, 1992, every Village Officer shall furnish to the assessing authority, within five days of the expiry of each month, a monthly list of buildings liable to assessment, together with an extract from the building application register of the local authority within whose area the buildings included in the list are situated.**

During the audit of *Taluk* Offices in 2017-18, Audit randomly selected some buildings, the construction of which was completed during 2015-16 and 2016-17 from the property assessment register of local authorities. These were cross verified with the assessment records of the respective *Taluk* Offices and it was found that 798 buildings in 24<sup>12</sup> out of 39 *Taluk* Offices checked were not reported for assessment to building tax. Non assessment of the buildings resulted in non-levy of building tax of ₹ 2.70 crore as detailed in **Appendix XVI**. The issue still persists despite being pointed out in previous Audit Reports for the years ended March 2015, 2016 and 2017.

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<sup>11</sup> 10 February 1992.

<sup>12</sup> Changanassery, Chittur, Devikulam, Fort Kochi, Karthikappally, Karunagappally, Kothamangalam, Kunnathur, Kuttanad, Mavelikara, Mukundapuram, Muvattupuzha, Nilambur, Ottapalam, Peermade, Ranni, Thalassery, Thalappilly, Thaliparamba, Thamarassery, Thodupuzha, Vaikom, Vadakara, Vythiri.

On this being pointed out (November 2018), the Government replied (March 2019) that assessment was completed in 227 cases. The reply was however, silent about the realisation of tax in these 227 cases, and the action taken on the remaining 571 cases.

#### **4.6 Short/non levy of Basic Tax**

**As per Section 5 of the Kerala Land Tax (KLT) Act, 1961, basic tax is levied and collected on land in the State of Kerala, other than those having exemptions under Section 2 of the Act. The rate of tax is prescribed in Section 6 of the Act.**

The rate of land tax is given in **Table 4.9**.

**Table 4.9**

Local body	1 April 2012 to 29 September 2014 <sup>13</sup>	30 September 2014 onwards <sup>14</sup>
Corporation	₹ 8/Are for greater than 2 Ares	₹ 1600 + ₹ 20/Are for each Are above 2 Hectares
Municipality	₹ 4/Are for greater than 6 Ares	₹ 800 + ₹ 10/Are for each Are above 2 Hectares
<i>Panchayath</i>	₹ 2/Are for greater than 20 Ares	₹ 400 + ₹ 5/Are for each Are above 2 Hectares

During the audit (2017-18) of 6 *Taluk* offices<sup>15</sup>, scrutiny of basic tax collection details for the period from 2014-15 to 2016-17 furnished by the village officers, revealed that there was short/non collection of basic tax in 15 cases amounting to ₹ 47.33 lakh as detailed in the **Appendix XVII**.

On this being pointed out (November 2018), the Government replied (April 2019) that action has been initiated to collect all dues. Further report was not received (September 2019).

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<sup>13</sup> Revised vide Kerala Finance Act 2012.

<sup>14</sup> Vide KLT (Amendment) Act, 2016 (w.e.f. 30.09.2014).

<sup>15</sup> Chittur, Devikulam, Peermade, Thalassery, Taliparamba and Vaikom.

# **Chapter V**

## **Other Tax Receipts**



## CHAPTER-V OTHER TAX RECEIPTS

### A – STATE EXCISE

#### 5.1 Tax administration

The Additional Chief Secretary to the Government (Excise), is the administrative head of the Excise Department at the Government level. The Department is headed by the Excise Commissioner (EC). The Department is divided into three<sup>1</sup> zones, which are headed by the Joint Excise Commissioners (JEC), South, Central and North zone. The divisions at the district level are working under the Deputy Excise Commissioners (DEC). Besides, Excise Circle Inspectors (ECI) and Excise Inspectors (EI) under the control of the DEC of the respective districts are deputed to oversee collection of excise duties, licence fees, etc.

#### 5.2 Internal audit

The Internal Audit Wing (IAW) in the State Excise Department is monitored by the Excise Commissioner. The Wing consists of one Joint Commissioner of Excise assisted by one Assistant Excise Commissioner, three Superintendents, three Excise Inspectors and six Preventive Officers. The priority for internal audit is given to auditee districts in which more vehicles are seized and huge collectable arrears are pending.

Out of the total 311 units to be audited, the wing planned and audited 47 units during 2017-18. During the year, the Department cleared 1,119 paragraphs out of 2,838 paragraphs which was 39.43 *per cent* of the outstanding objections (June 2018).

#### 5.3 Results of audit

There are 69 auditable units in the State Excise Department. Out of these, 37 units were selected for audit during the year 2017-18. Scrutiny of the records of these units including those of retail licensees (366 licensees) disclosed 30 cases of non/short realisation of excise duty and license fee, interest on delayed payment and loss of excise duty on account of excess wastages of spirit/liquor/beer and other irregularities involving 20.30 crore (17 licensees- approximately five *per cent* of the licensees audited). These cases are illustrative only as these are based on the test check of records. Audit pointed out some of the similar omissions in the earlier years also. Not only do these irregularities persist, but they also remain undetected till the next audit is conducted. Government needed to improve the internal control system including strengthening of internal audit so that occurrences/recurrence of

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<sup>1</sup> South zone (Alappuzha, Kollam, Kottayam, Pathanamthitta and Thiruvananthapuram), Central zone (Ernakulam, Idukki, Palakkad and Thrissur) and North zone (Kannur, Kasargod, Kozhikode, Malappuram and Wayanad).

the lapses can be avoided. Underassessment of tax and other irregularities involving ₹ 20.30 crore in 30 cases which fall under the following categories are given in **Table - 5.1**.

**Table – 5.1**

(₹ in crore)			
Sl. No.	Categories	Number of cases	Amount
1	Non /short levy of Excise duty/License fee	6	4.79
2	Others	24	15.51
<b>Total</b>		<b>30</b>	<b>20.30</b>

During the course of the year, the Department accepted underassessment and other deficiencies involving ₹ 11.40 crore in 27 cases pointed out by Audit. An amount of ₹ 26.11 lakh pointed out during the year 2017-18 was realised in 10 cases.

The Department recovered an entire amount of ₹ five lakhs in one case as pointed by Audit. A few Audit observations involving ₹ 12.23 crore are mentioned in the succeeding paragraphs.

## 5.4 Bottling of other State brands of IMFL in Kerala

As per conditions of licences issued under the Kerala Foreign Liquor (Compounding, Blending and Bottling) Rules (Bottling Rules), 1975 and the Kerala Distillery and Warehouse Rules (Distillery Rules), 1968, the bottling licensee shall not lease out, sub-rent or otherwise transfer the privileges granted to him without the prior permission of the EC. The Distillery Rules or Bottling Rules did not prescribe any provision for job work.

Out of the seven bottling units checked in the selected six districts<sup>2</sup>, five units<sup>3</sup> had undertaken the job work of blending and bottling of IMFL brands owned by other State distilleries. During the period from 2016-17 to 2017-18, in the five units, a total of 60.50 lakh cases of 108 brands of IMFL of other States were blended and bottled.

Audit observed that the job work of bottling of IMFL for other State distilleries was done without the previous sanction of EC under Bottling Rules and amounts to unauthorised transfer of privilege. Further, Audit found that the revenue mobilised through the brand registration fee<sup>4</sup> was ₹ 2.16 crore<sup>5</sup>. If the distilleries outside the State had manufactured the IMFL in their own distilleries and imported into Kerala, a revenue of ₹ 20.42 crore would have been realised as import fee at the rate of ₹ 33.75 per case.

A provision for additional licence fee or bottling fee for according sanction of transfer of privilege for other State brands in the Bottling Rules as in the rules of States like Madhya Pradesh and Uttar Pradesh would yield additional revenue.

Government stated (May 2019) that audit observation was noted for future guidance. Further progress in the matter is awaited (September 2019).

## 5.5 Non-inclusion of import fee element in the purchase cost for levying excise duty

As per Section 18 of the Abkari Act, excise duty<sup>6</sup> at different rate is payable based on the purchase cost of different brands of Indian Made Foreign Liquor (IMFL) by the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited (KSBC), the sole wholesale licensee in the State. However, the purchase cost was not defined in the Abkari Act. According to the Kerala Value Added Tax Act, 2003 of the State, purchase price means the amount of valuable consideration paid or payable by a dealer for any purchase of taxable goods including any sum charged

<sup>2</sup> Ernakulam, Kannur, Kottayam, Palakkad, Thiruvananthapuram and Thrissur.

<sup>3</sup> M/s. Devicolam distilleries Pvt. Ltd, Ernakulam, M/s. Indo-Scotish Distilleries Ltd, Ernakulam, M/s. Empee Distilleries Ltd., Palakkad, M/s. Imperial Spirits Ltd, Palakkad, M/s. SDF Industries Limited, Thrissur.

<sup>4</sup> ₹ 2 lakh per brand as per Rule 3 of the Foreign Liquor (Registration of Brands) Rules, 1995.

<sup>5</sup> 108 brands x ₹ 2 lakh.

<sup>6</sup> The term excise duty means countervailing duty also.

for anything done by the dealer in respect of the goods at the time of or before delivery thereof. Further as per the Excise Manual<sup>7</sup>, the point of levy of duty in the case of all imports into Kerala is the point of entry into Kerala.

During the year 2016-17 and 2017-18, 13,95,393 cases of IMFL were imported from outside the State and excise duty was realised on the basis of cost price which did not include the element of import fee of ₹ 32.40 per case in respect of 180 millilitre bottles and ₹ 33.75 in respect of bottles of other volumes that was paid by the FL-9 licensee i.e., warehouse of KSBC before importing the IMFL.

Thus, the import fee which is required to be paid by the KSBC, before importing IMFL from outside the State which forms an element of purchase cost was not included in the cost for calculating the excise duty. Absence of a precise definition of purchase cost thus led to loss of revenue of ₹ 4.72 crore for the years 2016-17 and 2017-18.

The issue was referred to Government (April 2019). Reply was not received (September 2019).

## **5.6 Non-disposal of Indian Made Foreign Liquor (IMFL) on the stoppage of production**

Rule 33A of the Foreign Liquor Rules stipulates that the EC may take steps to dispose of the liquor kept in any licensed premises in any manner as he deems fit in the event of any exigency warranting such action. The Kerala Foreign Liquor (Compounding, Blending and Bottling) Rules, 1975 do not prescribe a time limit for the licensee to remove the bottled liquor from the store room after it is bottled. The Excise Commissioner directed<sup>8</sup> (October 2016) the DEC's to collect the data on the unsold IMFL kept in various distilleries/bottling units as the Hon'ble High Court quashed the demand of excise on the old unsold stock in a unit.

M/s. United Spirits Limited, Palakkad, a blending and bottling unit of IMFL stopped functioning from 5 November 2016. As on August 2018, 38,158 cases of *MC No.1 Celebration Matured XXX Rum* were lying in the store room for 25 months (July 2016 to August 2018). Further 3,722.44 litres of *Signature Whisky* and 82,552.75 litres of *MC No.1 Celebration Matured XXX Rum* were stored in the tank after completion of compounding and blending and before bottling. Even though the manufacturing unit stopped function from November 2016, no action was taken to sell or dispose of the closing stock of IMFL (August 2018).

The revenue due to the State exchequer in the form of excise duty on *MC No.1 Celebration Matured XXX Rum* and that of blended *MC No.1 Celebration Matured XXX Rum* and *Signature Whisky* works out to ₹ 3.96 crore as given in **Table - 5.2**.

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<sup>7</sup> Para No. 6 of Chapter VIII.

<sup>8</sup> Letter No. XC3-12897/16 dated 18 October 2016.



Table – 5.2

(In ₹)

Name of brand	Mc No.1 Celebration Matured XXX Rum				Signature Whisky
Volume	1000 ml	750 ml	500 ml	180 ml	1000 ml
No. of cases	7,580 + 9,172 <sup>9</sup>	8,942	18,815	2,821	413 <sup>9</sup>
Excise duty <sup>10</sup>	803.72	867.35	818.38	819.22	1,599.75
Excise Duty leviable	1,34,63,917.44	77,55,843.70	1,53,97,819.70	23,11,019.62	6,60,696.75
<b>Total Excise duty</b>					<b>3,95,89,297</b>

A provision in the Bottling Rules fixing a time limit for removal of bottled liquor from the unit as in the rules<sup>11</sup> of the States of Odisha and Rajasthan would protect revenue. In the absence of such a provision in the Act/Rules, the Department was not able to take timely action in non-realisation of revenue and ensure disposal of stock of IMFL. Further, any mishappening due to use of liquor in closed unit cannot be ruled out.

Government stated (May 2019) that the audit observation was noted for future guidance and action is being taken to recover the amount in respect of the stock and dispose the same. Further progress in the matter is awaited (September 2019).

### **5.7 Non-identification of individuals/institutions who are required to take licence for spirituous preparations**

Any medicinal or toilet preparation containing alcohol, whether self-generated or otherwise or any intoxicating drug is a spirituous preparation vide definition 3(k) of the Kerala Spirituous Preparations (Control) Rules, 1969. According to Section 15 of Abkari Act, no liquor or intoxicating drug shall be sold without licence issued by the EC. Rule 11 of the Kerala Spirituous Preparation (Control) Rules 1969 prescribes licence in Form SP VI (for wholesale) and SP VII (for retail sale) for allopathic medicinal preparations, homoeopathic preparations and preparations coming under the indigenous system of medicines, and licence fee is recoverable as detailed in **Table - 5.3**.

<sup>9</sup> Excise Duty on IMFL stored in tank was calculated as if it was sold in cases (i.e. nine litre units) containing bottles of 1000 ml volume. (i.e. No. of cases = total litres/9).

<sup>10</sup> Excise duty per case taken from the price list of KSBC warehouses w.e.f. 1 October 2016.

<sup>11</sup> Under Rule 39(1) of the Board's Excise Rule (BER), 1965 of the Odisha State a licensee should remove the bottled liquor within three months. Similar provision is envisaged in Rule 7 of the Rajasthan Distilleries Rules, 1976.

**Table - 5.3**

Licence Form	Licence fee
Wholesale licence in Form SP VI	₹ 5,000 for a year or part thereof
Retail licence in Form SP VII for Homoeopathic & Ayurvedic preparations	₹ 1,000 for a year or part thereof
Retail licence in Form SP VII for Allopathic preparations	₹ 300 for a year or part thereof

Audit examined the licence issue register of the six selected offices<sup>12</sup> of DEC's for the period 2017-18 and noticed that 157 persons have taken the licence as detailed in **Table-5.4**. However, from the data obtained from the Office of the Drugs Controller in the six districts, Audit noticed that 11,855 persons had not taken licences from the Excise department for the trading of spirituous preparations, but were engaged in the trade. This resulted in loss of revenue in the form of licence fee of ₹ 2.35 crore<sup>13</sup> per year.

**Table - 5.4**

District	Allopathy - Retail		Allopathy-Wholesale		Homoeopathy - Wholesale		Homoeopathy - Retail	
	Total no. of shops	No. of shops for which licence issued	Total no. of shops	No. of shops for which licence issued	Total no. of shops	No. of shops for which licence issued	Total no. of shops	No. of shops for which licence issued
Ernakulam	1,620	3	1,282	2	56	9	56	5
Kannur	791	0	472	0	34	0	64	0
Kottayam	814	0	375	0	35	16	46	12
Palakkad	1,065	3	374	3	17	1	17	2
Thrissur	1,483	0	826	1	35	2	35	3
Thiruvananthapuram	1,731	66	745	27	18	0	21	2
<b>Total</b>	<b>7,504</b>	<b>72</b>	<b>4,074</b>	<b>33</b>	<b>195</b>	<b>28</b>	<b>239</b>	<b>24</b>

[Total No. of shops- 12,012; Total Licences issued – 157].

Source: Details from Controller of Drugs, Kerala as on 1 September 2018 and licence issue register at DEC's.

Audit observed that the licences are issued only to those who approached for licences and no system existed in the Department for identifying the persons engaged in the trade of spirituous preparation by conducting survey or by collecting data available with other licensing agencies such as Office of the Drugs Controller functioning under Health department/ Directorate of Homoeopathy, etc. There is no provision in the Rules to invoke any action against the persons who have not taken licences. The issue still persists despite being pointed out in previous Audit Report for the year ended March 2016.

<sup>12</sup> Ernakulam, Kannur, Kottayam, Palakkad, Thiruvananthapuram and Thrissur.

<sup>13</sup>  $(7,432 \times ₹ 300) + (4,041 \times ₹ 5,000) + (167 \times ₹ 5,000) + (215 \times ₹ 1,000) = ₹ 2,34,84,600$ .

The issue was referred to Government (April 2019). Reply was not received (September 2019).

## **5.8 Unauthorised reconstitution of Board of Directors of companies/firms holding Foreign Liquor licences**

Under Rule 19(iii) of Foreign Liquor Rules, reconstitution of partnership/directors of a company may be allowed on payment of ₹ one lakh. As per Section 67(2) read with 67(3) of Abkari Act, as amended in 2014, the Excise Commissioner (EC) may impose a fine of ₹ three lakh each on any person or persons holding a licence or permit for violation by reconstitution, alteration or modification without the permission of the EC of any deed on the strength of which any licence is granted and the EC may regularise such irregular reconstitution on payment of fine and application from the licensee.

Audit cross verified the data on reconstitution of Board of Directors of companies in Excise Division Offices in selected districts<sup>14</sup> between March 2016 and March 2018 with the data in the Website of Ministry of Corporate Affairs, Government of India. Audit observed that 20 companies, who had neither applied for permission nor regularisation of reconstitution, had modified/reconstituted Board of Directors on 30 occasions by addition/deletion of directors/partners as given in **Appendix XVIII**. Absence of mechanism in the Department to identify the unauthorised reconstitution resulted in non-realisation of revenue.

Non-imposition of fine for unauthorised reconstitution and non-collection of fee for regularisation resulted in non-realisation of revenue of ₹ 1.20 crore<sup>15</sup> from 20 companies during the period 2016-17 and 2017-18.

The issue was referred to Government (April 2019). Reply was not received (September 2019).

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<sup>14</sup> Ernakulam, Kannur, Kottayam, Palakkad, Thiruvananthapuram and Thrissur.

<sup>15</sup> 30 occasions at the rate of rupees four lakh each (fee of rupees one lakh each and fine of rupees three lakh each).

## **B – STAMP DUTY AND REGISTRATION FEES**

### **5.9 Tax administration**

Receipts from stamp duty and registration fee are regulated under the Indian Stamp Act, 1899 (IS Act), Indian Registration Act, 1908 (IR Act) and the Rules framed thereunder as applicable in Kerala and are administered at the Government level by the Secretary to Government, Taxes Department. The Inspector General of Registration (IGR) is the head of the Registration Department. He is assisted by the District Registrars (DR) and Sub-Registrars (SR).

### **5.10 Internal audit**

The IGR, Kerala monitors the functioning of the IAW of the Registration Department. The District Registrar (Audit) and team conduct audit in the districts. The auditee offices are selected after giving special preference to those offices where the Registering Officer is due to retire shortly which itself is a risk analysis aimed at avoiding revenue loss. During 2017-18, IAW audited 294 units out of 303 units planned for audit and pointed out 1,902 observations. During the year 2017-18, 1,822 audit observations could be cleared out of the 5,323 outstanding observations (August 2018).

### **5.11 Results of audit**

Out of the total 328 offices in the Registration Department, 82 offices including 77 SROs were test checked during 2017-18. A total of 10,26,512 number of documents were registered in the 77 SROs out of which 34,000 number of documents were test checked during 2017-18. Non/short levy of stamp duty and registration fee and other irregularities amounting to ₹ 33.58 crore were detected in 126 cases, which fall under the following categories as given in **Table-5.5**

**Table – 5.5**

(₹ in crore)

Sl. No.	Categories	No. of cases	Amount
1	Performance Audit on functioning of OPEN PEARL in Registration Department	1	-
2	Undervaluation of documents	68	2.22
3	Other lapses	57	31.36
<b>Total</b>		<b>126</b>	<b>33.58</b>

During the course of the year, the Department accepted under-valuation and other deficiencies involving ₹ 1.77 crore in 54 cases. An amount of ₹ 39.65 lakh pointed out in 52 cases was realised during the year 2017-18.

In case of a draft paragraph, involving ₹ 2.49 lakh, the Department recovered the entire amount. A Performance Audit (PA) on functioning of OPEN PEARL in Registration Department and a few illustrative cases involving ₹ 12.42 crore are given in the following paragraphs.

## **5.12 Performance Audit on Functioning of OPEN PEARL in Registration Department**

### **Highlights**

- Inordinate delay in achievement of goals due to lack of organisational and management controls over the project and the absence of User Requirement Specification, Service Level Agreements, Government order and detailed project proposal.

*(Paragraph 5.12.7.1)*

- Absence of Business Continuity Plan/Disaster Recovery Plan and failure to test and restore backed up data.

*(Paragraph 5.12.7.2)*

- Delay in completion of the registration process of documents due to additional work of data entry and validation of the data in addition to the preparation of document on stamped or e-stamped paper and its verification.

*(Paragraph 5.12.7.3)*

- Maintenance of soft copy of e-stamp, absence of password protection, facility to take unrestricted printouts renders e-stamps insecure. There are no provisions for capturing serial numbers of e-stamps used for registration and purchase of additional e-stamp in case the e-stamps purchased are found to be insufficient.

*(Paragraph 5.12.7.4)*

- Non-reduction of workload despite computerisation due to manual maintenance of accounts, revenue statements, reconciliation statement of the remittances, manual preparation and delivery of certified copies, list certificates and marriage certificates.

*(Paragraph 5.12.8.1)*

- Incomplete and/or incorrect data in the database resulted in generation of incorrect Management Information System (MIS) reports and control registers.

*(Paragraph 5.12.8.4)*

- Out of the 26 deficiencies pointed out in the Report of the Comptroller and Auditor General of India (Revenue Receipts), Government of Kerala for the year ended 31 March 2009 (Volume I), 20 issues were taken care of in the OPEN PEARL. However, six issues viz., delay in project completion and non-achievement of objectives, non-validation of current data, generation of incorrect/defective reports, non-existence of Business Continuity Plan (BCP)/Disaster Recovery Plan (DRP), deficiencies in Internal Control are still persisting.

*(Paragraph 5.12.9)*

### **5.12.1 Introduction**

The Registration Department (RD) renders specific services to the citizens such as registration of documents (deeds relating to movable and immovable properties such as Sale, Partition, Lease, Will etc.), chitties, societies, firms, non-trading companies, marriage and issue of marriage certificates, encumbrance certificates, certified copy of registered documents and list certificates of registered documents.

Computerisation of the RD was one of the major e-governance initiatives undertaken by the State Government. The PEARL (Package for Effective Administration of Registration Laws) application, developed by National Informatics Centre (NIC) was implemented by the RD during 2000 to 2009 at a cost of ₹ 24.41 crore. As the application was not completed as intended and the project got stuck at the development stage, the Government appointed<sup>16</sup> a High-Level Technical Committee (HLTC) for thorough evaluation and to decide on the future course of action pertaining to the computerisation programme in the Department. The Committee in its meetings held in July 2009 and September 2009 decided to redesign the PEARL application, migrate to a web application and to build a central database. The work was entrusted to NIC in 2009 and the activities relating to registration of documents, marriage and issue of certificates were computerised as OPEN PEARL (Open Source Based Package for Effective Administration of Registration Laws) application, an e-governance project. The Application was implemented in all the 315 Sub Registrar Offices (SRO) in the State between August 2012 and May 2017 and an amount of ₹ 42.20 crore<sup>17</sup> was incurred on the project during 2009-10 to 2017-18.

### **5.12.2 Organisational structure**

The Secretary (Taxes), Government of Kerala is in charge of the Department at the Government level and the Inspector General of Registration (IGR) Kerala, is the head of the Department. There are four zonal offices, 14 District Registrar Offices (DROs) and 315 SROs in the State which are headed by Deputy IGR, District Registrars (DR) and Sub Registrars (SR) respectively.

### **5.12.3 Audit objectives**

The objectives of the Performance Audit (PA) were to assess whether:

- the initiative of e-governance enhanced the efficiency of the Department in delivery of services and augmentation of revenue;
- the people of Kerala reaped the benefits of e-governance through computerisation of registration and allied activities;

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<sup>16</sup> Vide GO(Rt) No.405/09/TD dated 2 May 2009 of Taxes (E) Department.

<sup>17</sup> Hardware - ₹ 1.89 crore, application development - ₹ 1.15 crore, man power and training - ₹ 3.55 crore, networking - ₹ 32.27 crore and bandwidth - ₹ 3.34 crore.

- the OPEN PEARL addressed the weaknesses in the earlier system (PEARL).

#### 5.12.4 Audit criteria

The evaluation was done with reference to the following sources of criteria:

- The Registration Act, 1908;
- Registration Rules (Kerala);
- Kerala Stamp Act, 1959 (KS Act);
- The Kerala Stamp Rules, 1960;
- Indian Registration (filing of True copies) Rules, 1967;
- Registration Manual;
- Kerala State Right to Service Act, 2012;
- Transfer of Registry Rules, 1966;
- Project Proposal of the OPEN PEARL and
- Relevant orders and circulars issued by the Government.

#### 5.12.5 Scope and methodology of Audit

The PA was conducted during May 2018 to August 2018, covering the period from 2013-14 to 2017-18 by selecting four<sup>18</sup> out of 14 DROs. In the 315 SROs under 14 DROs, 49,75,478 documents were registered during the period covered in Audit of which 12,21,224 documents (25 *per cent*) were registered in the 88 SROs under the selected four DROs. Sixteen<sup>19</sup> SROs i.e. four SROs from each DRO were selected using stratified random sampling method in IDEA. Out of 2,77,339 documents (23 *per cent*) registered in the selected 16 SROs during the audit period 37,915 documents were test checked by audit. In addition, 14,332 Encumbrance Certificates processed during March 2018 in the selected SROs were also test checked.

Audit was conducted through test-check of records in the Taxes (E) Department, Secretariat of Government of Kerala; Office of the IGR, Kerala; selected DROs and SROs; analysis of the OPEN PEARL database using SQL<sup>20</sup> queries and CAATs<sup>21</sup> and obtaining replies/confirmation of the extracted data.

<sup>18</sup> Idukki, Palakkad, Pathanamthitta and Thiruvananthapuram.

<sup>19</sup> Kadapra, Kattakkada, Kattappana, Kazhakuttom, Kozhinjampara, Mannarkkad, Navayikulam, Pathanamthitta, Palakkad, Pandalam, Parli, Pattom, Peermade, Perunad, Thodupuzha and Udumbanchola.

<sup>20</sup> Structured Query Language.

<sup>21</sup> Computer Assisted Audit Techniques.

An Entry Conference was conducted on 23 May 2018 with the Secretary, Taxes Department, Government of Kerala, in which the audit objectives, scope and criteria for the PA were discussed. An Exit Conference was also conducted on 14 November 2018 with the Secretary, Taxes Department and the audit findings were discussed in detail.

#### **5.12.6 Acknowledgement**

Indian Audit and Accounts Department acknowledges the co-operation and assistance extended by the Secretary (Taxes), Inspector General of Registration, district and field level functionaries of selected districts during the course of PA. Audit also acknowledges the receipt of replies from the Government to the issues pointed out in this report.

#### **Audit findings**

OPEN PEARL was implemented to address the short comings of the previous PEARL application and the objectives of the project were as detailed in **Appendix XIX**. Out of the 19 project objectives of OPEN PEARL, nine objectives viz. storing scanned copies of registered documents; maintaining data dictionary of various types of transactions and rates of stamp duty and registration fee; details of undervaluation cases; facility for e-stamping, e-payments; transfer of data for automatic transfer of registry in revenue records; providing standard format for document preparation; preparation of encumbrance certificates; automatic preparation of indexes, memos, various accounts, registers etc. were either fully or partially achieved. However, Audit noticed the following.

#### **5.12.7 Non-achievement of project objectives**

##### **Project Implementation**

##### **5.12.7.1 Inordinate delay in achievement of goals due to lack of organisational and management controls over the project**

Orders<sup>22</sup> laying down the broad procedure that should be observed for undertaking e-governance initiatives by various departments were issued by the Government of Kerala in 2009. As per the orders, detailed project proposal, User Requirement Specification (URS) and implementation plan were to be prepared and Service Level Agreements (SLAs) were to be entered into with various agencies.

On scrutiny of the records, Audit noticed the following deficiencies in the implementation of OPEN PEARL:

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<sup>22</sup> GO(P)No.24/2009/ITD dated 29 September 2009 Information Technology (B) Department, Government of Kerala.



- No detailed project proposal was prepared and only the financial proposal was prepared. Though this project was envisaged as a step ahead of the existing PEARL, no URS was prepared for this project. No Government order specifying the services to be rendered after completion of the project was issued by the Administrative Department.
- While entrusting the work to NIC, no Service Level Agreements (SLA) were entered into specifying the scope of work and deliverables with time schedule. An amount of ₹ 5.15 lakh was handed over to NIC in March 2011 for preparation and documentation of flow chart, user manual etc. However, the documents were not yet delivered by NIC even after seven years (September 2018).
- It took about three years for development/migration from the existing PEARL to OPEN PEARL and another four years for its implementation in 315 SROs. Even after six years since the implementation of OPEN PEARL and incurring ₹ 42.20 crore<sup>23</sup>, the software development was not completed and handed over to the Department.

In the absence of specified documents and yardsticks mentioned above, the progress of the project could not be monitored leading to inordinate delay in development and implementation of the application.

The Government stated (February 2019) that necessary arrangements would be made with the NIC and Registration Department officials to have the SLA and ensure timely completion of the project. Further progress is awaited (September 2019).

**Recommendation: Steps may be taken to prepare the URS, enter into SLAs, fix timelines, and ensure handing over the project to the Department along with proper documentation.**

#### **5.12.7.2 Backup and Business Continuity and Disaster Recovery plans**

Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) are essential to ensure that the organization/Department can resume its business in the event of a disaster leading to non-availability of data or information. With this in mind the Government of Kerala ordered<sup>24</sup> that regular back up, restoration and testing of the backup are to be done by the System Administrator or the IT Manager of the departments as part of the BCP.

OPEN PEARL is a mission critical system accessed by around 1,000 officials at a point of time and is also accessed by other stakeholders round the clock. The Application is implemented in all the 315 SROs in the State and the data is

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<sup>23</sup> ₹ 42.20 crore for the period 2009-10 to 2017-18.

<sup>24</sup> GO(MS) No.10/2010/ITD dated 5 March 2010 issued by Information Technology (B) Department.

centralised by co-locating the server at State Data Centre (SDC)-2, Thiruvananthapuram with live streaming and replication to another server co-located at SDC-1 Thiruvananthapuram.

During audit, it was noticed that registration and other allied activities of the Department came to a stand still for two days and three days during the year 2015 and 2017 respectively due to hard disk failure and server issues of the primary server at State Data Centre (SDC-2). The Department could not resume the work immediately by uplinking the backup server at SDC-1.

During the Performance Audit, Audit requested data dump of OPEN PEARL in March 2018. Though the department made earnest attempts from 7 April 2018, the data dump could be furnished to Audit only after 43 days since data dumping from the backup server at SDC-1 failed many times and the dump could be taken only by copying the data from the primary server to another backup server at SDC-1.

Audit found that despite the system failure in 2015 and 2017

- BCP and DRP were not documented and
- no periodical testing or restoration of the backed-up data was done by the Department as directed by the Government.

The Government stated (February 2019) that steps are initiated for creating suitable disaster recovery plan and servers are being installed as part of the business continuity plan. Further progress in the matters was not received (September 2019).

**Recommendation: Necessary steps may be taken to prepare and document BCP/DRP and provision may be made to uplink the backup server.**

### **Delivery of services**

#### **5.12.7.3 Delay in completion of the registration process of documents**

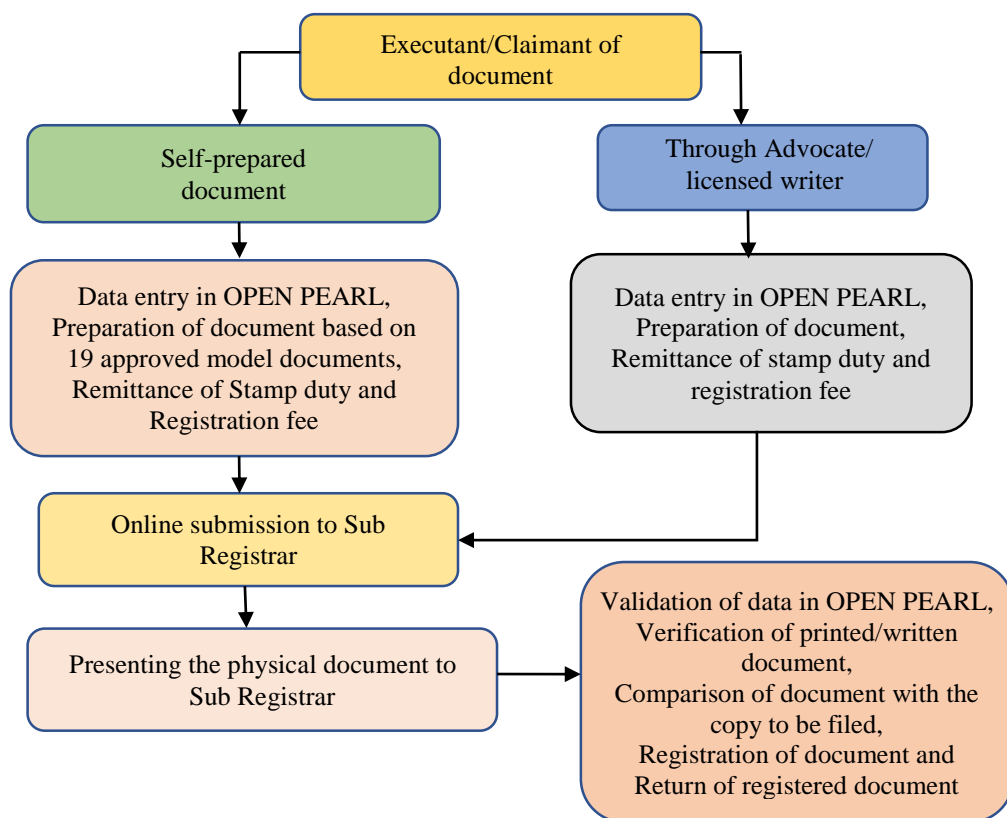
As per notification<sup>25</sup> issued under Section 3 of the Kerala State Right to Service Act, 2012, registered documents are to be returned by the SR to the public on the same day or within a maximum of three days from the date of registration. OPENPEARL envisaged preparation of documents to be registered as electronic<sup>26</sup> documents and retrieval of the registered document in electronic form by the public within one hour after completion of the registration process.

After the introduction of OPEN PEARL, the registration process is as detailed in the chart below:

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<sup>25</sup> No. E1.24510/2011 dated 14 December 2012 (GO (Rt) No. 402/2012/P&ARD dated 20 November 2012).

<sup>26</sup> An electronic document is a document in electronic form which is intended to be used either in electronic form or as printed output.



On an examination of the OPEN PEARL application, database, connected records and the register of return of registered documents of the selected 16 SROs Audit noticed delay in the process of registration and return of registered documents as detailed below:

- There was no provision for delivery of electronic documents. Out of the 19 model documents approved by the Government, only two electronic documents viz., sale deed and settlement deed could be prepared electronically. However, the facility for preparation of these electronic documents has not been extended to the public/stakeholders till date. The public has to manually prepare and submit the documents for registration on stamped or e-stamped paper causing delay in the registration process.

Though the facility of preparing documents by the executants/claimants themselves, based on the model documents, was introduced in the Department in July 2016, only 789 out of 14.38 lakh executants/claimants had prepared their documents on paper from July 2016 to March 2018.

- The executant/claimant had to repeatedly enter his personal details into the system at the time of registration of each new document.
- Full details relating to the document were to be entered in the system in addition to the preparation of the document on a stamped paper.

- Though there was a provision in the database for entering the ready for issue date, the details were not recorded in the database of all test checked SROs except SRO Perunadu and SRO Pattom.

Out of the 16 selected SROs, in the case of 15 SROs (except SRO Perunadu), date of return of the registered documents to the executants/claimants was not recorded in the database and out of the above 15, in the case of six SROs it was neither recorded in the database nor recorded in the manual issue register maintained by the SROs as detailed in the **Appendix XX**. Out of the 6,319 documents registered during March 2018 in 16 selected SROs, the date of return was neither recorded in the OPEN PEARL database nor in the manual issue register in the case of 2,842 (**Appendix XX**) documents registered in six SROs.<sup>27</sup> Out of the remaining 3,477 documents registered in the remaining 10 SROs (including SRO, Perunadu where issue date is available in database), in nine SROs the date of return was not recorded in the manual issue register in case of 1,505 documents. In the case of the remaining 1,972 documents in the 10 SROs, only 231 (12 *per cent*) documents were issued within three days. In the case of the balance 1,741 documents (88 *per cent*), the executants/claimant received back the registered document with endorsements of the SR after a delay ranging from one day to 70 days from the date of registration as detailed in **Appendix XX**.

After the implementation of OPEN PEARL, despite providing e-stamping and e-payment<sup>28</sup> facility, there is delay in the registration process due to absence of provision for delivery of electronic documents, additional work of data entry and validation of the data in addition to the preparation of documents on stamped or e-stamped paper and their verification.

Thus, the objective of preparation of electronic documents and return of documents within three days was not achieved by the project and deprived the people of the benefit of faster registration as envisaged in the objective.

The Government stated (February 2019) that the existing system of preparing documents in descriptive mode is not allowing the facility to prepare and deliver documents electronically. The facility to prepare electronic documents for settlement and sale would be introduced by making necessary amendments in rules and changes in the software. It was decided to make available digitally signed documents, system generated endorsement and registration certificates so as to avoid delay in returning the documents after the registration. The facility for populating the personal details based on Aadhar would be explored. Further compliance in the matter is awaited (September 2019).

The reply was not tenable as preparation and delivery of documents in electronic form was the objective of the OPEN PEARL as declared by the High-Level

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<sup>27</sup> Kazhakkuttom, Palakkad, Pattom, Pathanamthitta, Pandalam and Thodupuzha.

<sup>28</sup> Electronic payment made by means of credit card, debit card, internet banking etc.

Technical Committee and the system of preparing documents in descriptive mode was continuing since the pre-PEARL era.

**Recommendation: Provision may be made in OPEN PEARL for population of personal details of each individual based on the unique identity such as Aadhar, etc., and generate printable electronic documents.**

#### 5.12.7.4 Inadequacies in e-stamping mechanism

The Government accorded approval<sup>29</sup> for implementation of e-stamping<sup>30</sup> in the State (February 2016) which was introduced with effect from 24 May 2017. As per the Kerala Stamp (Amendment) Rules 2017<sup>31</sup>, documents chargeable with stamp duty of above one lakh rupees shall be stamped with e-stamp only. The facility of e-stamping is not available at present (October 2018) for instruments which are chargeable with a stamp duty of one lakh rupees or less.

On an analysis of the e-stamping mechanism, Audit noticed that:

- the soft copy of the e-stamp which was a *pdf* file can be copied on to any media including removable media such as pen drive, etc. The chances of duplicate copies being created cannot be ruled out.
- the *pdf* file can be opened without any password and any number of copies of e-stamped paper can be printed before and even after the registration of a document and its defacement<sup>32</sup>, using the soft copy of the e-stamp, rendering it highly insecure.

Thus, delivery of e-stamps as *pdf* file facilitates unrestricted printouts of e-stamp by its holder/payee. This can result in use of the e-stamps for execution of various documents using the print outs of the same e-stamp, the existence of which cannot be detected unless the documents are registered with any Registrar. An unregistered document executed on a stamped paper can be admitted as evidence in any proceedings of a Criminal Court as per proviso (d) to Section 34 of the KS Act, 1959.

- there was no provision for purchase of additional e-stamp in case the e-stamps purchased are found to be insufficient.

The stamp duty in lieu of the additional e-stamps required was either remitted directly into the treasury or through e-payment and the additional stamp duty paid was recorded as an endorsement in the document. Lack of provision for purchase of additional e-stamps led to non-exhibition of the total stamps used for registration of a document.

<sup>29</sup> Vide GO (MS)No.19/2016/TD dated 9 February 2016.

<sup>30</sup> E-stamp means an electronically generated impression of stamp on a paper to denote the payment of stamp duty.

<sup>31</sup> Vide SRO No.182/2017, GO(P) No. 23/2017/TD dated 7 April 2017.

<sup>32</sup> For preventing registration of another document using the e-stamp.

- serial numbers of the e-stamps used in the registered documents were not recorded in the master tables of the OPEN PEARL database. These details were available only in the PEARL\_PUBLIC database<sup>33</sup>, the records of which were not to be maintained permanently. This can result in re-use of the same e-stamp again.
- In respect of 718 out of the 6,149 documents registered during March 2018 in 15 SROs (i.e. except Perunadu SRO), stamp duty of ₹ 0.93 lakh was paid in excess of the legitimate amount by the executant/claimant (**Appendix XXI**) since stamp paper of exact denomination was not available.

The Government stated (February 2019) that security measures like One Time Password (OTP) based printing of e-stamps are being considered. Provision would be made in the system to capture the serial numbers of the e-stamps, names of both parties and purpose of the document would be incorporated in the e-stamp to prevent misuse of multiple copies. Further progress in the matter is awaited (September 2019).

**Recommendation: Printing of e-stamps be permitted online only and number of prints may be restricted to one. Provision may be made for issue of revised e-stamp in cases where additional stamps are required. Provision for recording the serial number of the e-stamp has to be made in OPEN PEARL.**

#### **5.12.7.5 Non-integration of the Fair Value of Land application with the OPEN PEARL**

Fair value of each piece of land under a survey number or its subdivision in the State is available in the Fair Value of Land (FVL) application maintained by the Registration Department which can be accessed by the public through the Web.

In the OPEN PEARL application there is a provision to select the fair value of the land from the FVL application or to enter the fair value into the system by the user during online submission of the details of the document to be registered.

In this connection Audit noticed that:

- the FVL application was not integrated with the OPEN PEARL application;
- the executant/claimant had to manually enter the details (after ascertaining the fair value from the FVL application or from the Fair Value Register) and the SR had to manually verify the correctness of the fair value of the land applied for the purpose of computation/ascertainment of the correctness of the stamp duty and registration fee;

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<sup>33</sup> PEARL\_PUBLIC database contains data which were initially entered by the stakeholders while making application for registration. When the registration is done by SR, these data (except serial no. of the e-stamp) are transferred/copied to the relevant fields of the OPEN PEARL database. Thus, data in PEARL\_PUBLIC database are of temporary nature.

- reporting of undervaluation (as per Section 45(B) of the KS Act) has to be done through manual intervention in the application.

Because of non-integration of the FVL application, automatic determination and verification of stamp duty, registration fee and reporting of undervaluation could not be done by the OPEN PEARL application.

The Government stated (February 2019) that the fair value of land application is being migrated to the latest technology and necessary modification would be done in OPEN PEARL to integrate it with this. Further progress is awaited (September 2019).

**Recommendation: Steps may be taken to integrate the fair value of land application with OPEN PEARL.**

#### **5.12.7.6 Failure to carryout automatic transfer of registry.**

The OPEN PEARL envisaged automatic transfer of registry after the registration of the document by the Sub-Registrar (SR) through integration with the Revenue Land Information System (ReLIS)<sup>34</sup>.

As per Rule 3 (a)(vi) of the Transfer of Registry Rules, 1966, the applications for transfer of registry are to be forwarded to *Tahsildars*/Village Officers by the Registering Officer.

On analysis of the OPEN PEARL application, Audit noticed that while transferring the application and data of the registered document by the SR to the *Tahsildar*/Village Officer, application fee alone was collected and the transferor or transferee (executant or claimant) had to again approach the Taluk Office/Village Office for remitting the fees for transfer of registry.

Non-collection of fees for transfer of registry by the Department through OPEN PEARL resulted in non-achievement of the objective of automatic transfer of registry.

The Government stated (February 2019) that collection of the fee for Transfer of registry would be considered.

**Recommendation: Provision may be made in OPEN PEARL to collect the fee for transfer of registry and the Government may take steps for updating data in ReLIS database to enable automatic transfer of registry.**

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<sup>34</sup> ReLIS is a Web-based application for the Revenue Department which is integrated with the OPEN PEARL application of the Registration Department to attain the aim of online mutation and management of Land Records. It aims to facilitate a guaranteed conclusive title to immovable properties in the State.



#### **5.12.7.7 Delay in issue of encumbrance certificates and non-provisioning for online issue of other certificates**

As per notification<sup>35</sup> issued under Section 3 of the Kerala State Right to Service Act, 2012, encumbrance certificate and list certificate (both issued under Rule 168 of the Registration Rules (Kerala)) are to be issued by the SR to the public within a maximum of seven days from the date of application even if the details are not available in the system and certified copies (as per Section 57 of the Registration Act, 1908) are to be issued within two days from the date of application.

Presently, the submission of applications for encumbrance certificate, list certificate, certified copy and marriage registration can be made online by the applicants by remitting the required fee online.

OPEN PEARL project envisaged the issue of these certificates online.

On scrutiny of the OPEN PEARL database and the Register of various certificates in respect of the selected 16 SROs it was noticed that:

- digitally signed certificate was issued online in the case of encumbrance certificate only. But out of 14,332 encumbrance certificate applications received during March 2018, encumbrance certificates were not issued within the time limit of seven days from the date of application in 1,620 (11 *per cent*) cases. The delay in issue ranged from one to 112 days as detailed in the **Appendix XXII**;
- due to non-validation of legacy data/non-entry of details of documents registered during pre-computerised period, manual intervention is required for verification of encumbrance in case of list certificate and encumbrance certificate.
- there was no provision for online issue of list certificates, certified copies and marriage certificates.

The Government stated (February 2019) that sanction was accorded to SROs to digitise the previously registered documents and to capture the metadata information so as to facilitate online issue of digitally signed encumbrance certificates, list certificates and certified copies. Further compliance in the matter is awaited (September 2019).

**Recommendation: Steps may be taken for entry and/or validation of details of documents registered in earlier years in OPEN PEARL. Provision may be made in the OPEN PEARL to issue digitally signed list certificates, certified copies and marriage certificates.**

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<sup>35</sup> No. E1.24510/2011 dated 14 December 2012 (GO (Rt) No. 402/2012/P&ARD dated 20 November 2012).



### **5.12.8 Failure to improve efficiency and reduction of workload**

#### **5.12.8.1 Non-reduction of workload of the Department despite computerisation.**

One of the objectives of the OPEN PEARL project was to increase the efficiency in the delivery of services and to reduce the work load of the Department.

Audit however noticed that:

- there was delay in completion of registration process of documents (paragraph 5.12.7.3);
- certified copy, list certificate and marriage certificate were prepared and delivered manually (paragraph 5.12.7.7);
- accounts and revenue statements are still maintained manually (paragraph 5.12.8.3) and
- Fees/amounts relating to encumbrance certificate, certified copy, list certificate, undervaluation etc., are still received in cash in the SROs in addition to e-payment or e-treasury remittance<sup>36</sup>.

Even after six years since the implementation of OPEN PEARL the system has not been made optimal for achievement of enhanced efficiency of departmental operations.

The Government stated (February 2019) that the manual system can be dispensed with only after verifying the accuracy of the database and after streamlining the entire system.

The reply is not convincing since the Department has not made any effort to tally the daily totals of the manual registers or accounts with the system generated accounts or registers and to make necessary provisions/changes in the Application even after a lapse of six years from development of the Application.

**Recommendation: Steps may be taken to dispense with the manual accounts after ensuring the accuracy of generated accounts and to prepare annual revenue collection statements and monthly reconciliation statements online.**

#### **5.12.8.2 Non-elimination of hardcopies of registered documents**

As per Section 52(1)(c) of the Registration Act, 1908 and Rule 4 and 6(i) of the Indian Registration (Filing of True Copies) Rules, 1967 every document admitted for registration shall be accompanied by a true copy of the document prepared in

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<sup>36</sup> Payment made into treasury in cash by using system generated challan.

paper supplied by the Government and is to be filed in the appropriate register by the Registering Officer.

As done earlier, the original document and its true copy are prepared on paper in the OPEN PEARL environment also. A scanned copy of the registered document is prepared and sent to the Revenue Department for transfer of registry purpose and the scanned digital copy is stored in the database. There is provision for preparation of electronic documents of sale and settlement deeds, which can be extended to 17 more approved model documents as discussed in para 5.12.7.3.

On an analysis of the database and records, Audit found that:

- existing scanned digital copies available in the database were not retrieved and tested periodically to ascertain their availability and delivery.
- no legal enablement was made for the use of the electronic document for registration and filing of electronic/digital copy for office copy purpose by amending Rule 4 and Rule 6(i) of the Indian Registration (Filing of the True Copies) Rules, 1967.

This led to maintenance of manual copies of the registered documents, thereby resulting in duplication of work and avoidable use of stationery.

The Government stated (February 2019) that filing sheets would be resized to A4 instead of the existing A3 size and print copy of the scanned registered document attested by the scribes would be kept.

The reply is not tenable since this would also result in maintenance of the manual copies of registered documents and duplication of work.

**Recommendation: Necessary legal enablement for keeping the copies of registered documents in digital format may be made.**

#### **5.12.8.3 Non-provisioning for projection of revenue**

OPEN PEARL envisaged a provision for projection and achievement in collection of revenue by the Department from time to time.

On scrutiny of the Application it was noticed that a monthly revenue collection statement alone was generated by the Application. There was no provision in OPEN PEARL for generation of a report for watching the periodical revenue collection against the target or projection of the revenue expected over a period of time.

In the absence of the above, the Department has to manually prepare the statements for monitoring the quarterly, half yearly and annual revenue collection in the SROs and trend analysis statements. Non- generation of system generated comparative revenue statements based on readily available figures deprived the Department the benefits of computerisation.

The Government stated (February 2019) that a comprehensive Management Information system would be introduced in the system in consultation with NIC.

**Recommendation: Necessary provision may be made in the OPEN PEARL to generate revenue collection statement and trend analysis statement for over a period of time.**

#### **5.12.8.4 Generation of incorrect accounts and registers due to erroneous data**

OPEN PEARL envisages system generated registers of account A to H (detailed in **Appendix XXIII**) to replace the manual registers as required in para 315 of the Registration Manual (Volume I). The revenue collection shown in the account A, B, C, D and H are reflected in the cash book and the cash book would be incorrect to the extent if the system generated account registers are incorrect.

On an analysis of the OPEN PEARL database in respect of the selected 16 SROs, Audit noticed the following deficiencies in the database and errors in the generated accounts:

- the system generated register of account A (Form No. 60) was incorrect due to incomplete database details such as document value, stamp duty and registration fee, etc., in the *maccount* table of the database. Out of document value of ₹ 15,880.44 crore, stamp duty of ₹ 731.73 crore, registration fee of ₹ 1,167.73 crore in 2,77,339 documents registered in the selected 16 SROs during 2013-14 to 2017-18, the document value of ₹ 622.21 crore, stamp duty of ₹ 31.95 crore and registration fee of ₹ 13.19 crore realised in 23,442 documents relating to the period upto 2016-17 (detailed in **Appendix XXIV**) were missing in the database though the details were available in the manual Account A register;
- the system generated register of account A was incorrect due to duplicate or triplicate database entries and/or incorrect document value, stamp duty and registration fee, etc., in the *maccount* table of the database. There was net overstatement in document value of ₹ 657.07 crore, stamp duty of ₹ 14.09 crore and registration fee of ₹ 5.80 crore in the *maccount* table and consequently in the system generated register of account A in respect of 8,154 documents, out of 2,32,987 documents registered during 2013-14 to 2017-18 in 13 SROs, as detailed in **Appendix XXV**;
- there were differences between the amounts in the system generated registers of accounts A, B, C, and D and manual registers of accounts A, B and C and D account receipts issued during the test checked month of March 2018 (detailed in **Appendix XXVI**), though the application was implemented in the test checked SROs between August 2012 and February 2016. The differences were due to non-accountal and/or incorrect accountal of registration fee, sale proceeds of copying sheet, GST realised on sale of copying sheet in the manual accounts or generated accounts, duplicate entries in cash book relating to amounts received in the office, etc.

The cash book was incorrect to the extent the generated accounts were incorrect due to errors and omissions in the database as shown in **Table – 5.6**.

**Table – 5.6**

Name of accounts	Number of SROs with difference	Range of number of days in which difference found ( March 2018)	Range of net difference between cash book and system generated account (₹) <sup>37</sup>	Range of net difference between manual account and system generated account (₹) <sup>38</sup>
Account A	12	1 to 24	- 58,37,004 to 9,215	- 1,85,695 to 2,99,445
Account B	9	1 to 18	- 780 to 3,350	- 7,200 to 2,100
Account C	15	3 to 22	- 700 to 27,697	- 26,638 to 27,697
Account D	10	1 to 14	- 62,815 to 13,520	- 1,080 to 3,435

Sources: Cash book, manual and system generated registers of accounts A, B, C, D and D account receipts.

Incomplete and/or incorrect data in the database resulted in generation of incorrect MIS<sup>39</sup> reports and control registers. As the Department did not comply with the instructions<sup>40</sup> (such as tallying the generated accounts/registers with manual accounts/registers and the manual or generated receipts and ascertaining the correctness of the data entry) issued by the IGR for maintenance of the cash book and accounts mentioned above, the correctness of the system generated accounts which were to replace the manual registers, could not be ascertained over a period of time.

The Government stated (February 2019) that an internal audit would be conducted to identify the errors in database and necessary steps would be taken to rectify and reconcile the system generated accounts with the manual accounts. Further progress is awaited (September 2019).

**Recommendation: Action may be taken to rectify the duplicate and incorrect data entries in the database and tally the system generated accounts with the manual accounts. Steps may be taken to ultimately eliminate manual accounts.**

#### **5.12.8.5 Non-appending of *Bhurekha* and Field Measurement Book**

The OPEN PEARL project proposal envisaged scanning and attaching of *Bhurekha* (RoR<sup>41</sup>) and Field Measurement Book (FMB<sup>42</sup>), issued by the Revenue Department, to the documents registered by the Registering Officer.

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<sup>37</sup> Minus values indicate that system generated figures are more than cash book figures.

<sup>38</sup> Minus values indicate that system generated figures are more than manual register figures.

<sup>39</sup> Management Information System.

<sup>40</sup> Vide Circular No. IT3. /1345/2013 dated 13 November 2014.

<sup>41</sup> Record of Right - Document showing ownership, area and other details of land transacted/owned issued by Revenue department.

<sup>42</sup> Sketch of Land showing the location, borders, etc. of the land.

Audit found that no such provision was made in the OPEN PEARL application for fulfilling the above objective.

Non-appending of RoR and FMB resulted in registration of documents without verifying correctness of the information of the land transacted as per records of the Revenue Department, and failed to guarantee conclusive titles to the immovable properties transacted in the documents.

The Government stated (February 2019) that as and when the features or modules are put in place by the Revenue and Survey Departments in their applications, the same would be integrated with the OPEN PEARL as envisaged.

**Recommendation: Action may be taken to make available the RoR and FMB to the SR so as to enable him to append them to the documents registered.**

#### **5.12.8.6 Lack of provision for recording refund details of duties and fees**

Registrars and SRs may authorise refund of excess stamp duties, remitted penalties, fees and fines, etc., (levied on impounded documents etc.,) which are ordered under Section 38 and 44 of the KS Act and Rule 207 and 209 of the Registration Rule (Kerala).

On an analysis of the OPEN PEARL application, Audit noticed that there was no provision for online submission of application for refund of duties and fees. The refunds authorised by the Registration Department were paid online by the Treasury Department. However, those refunds were not recorded in the Application against the original entries though the e-Treasury application<sup>43</sup> was already integrated with the OPEN PEARL.

Failure to record refunds in OPEN PEARL resulted in over statement of revenue statements generated by the application to the extent of refunds.

The Government stated (February 2019) that a revised work flow for refund of duties and fees is under consideration.

**Recommendation: Necessary steps may be taken to record the refund details against the original receipt entries in the OPEN PEARL.**

### **Internal control**

#### **5.12.8.7 Defective internal control mechanism**

The performance and achievement of targets of any department is mainly based on

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<sup>43</sup> Application of the Department of Treasuries where government transactions are accounted.

the strength of the internal control mechanism it has. Internal audit is an important component of the internal control mechanism.

In this connection Audit noticed that:

- no orders/guidelines were issued by the Government/IGR for conducting audit in the OPEN PEARL environment;
- audit module was also not provided in the OPEN PEARL database despite pointing out the requirement in the Report of the Comptroller and Auditor General of India (Revenue Receipts), Government of Kerala for the year ended 31 March 2009 (Volume I);
- the correctness of the figures in various accounts and other reports generated in OPEN PEARL were not compared with the manual accounts maintained by the SROs.
- no access to the OPEN PEARL (except undervaluation reports generated in the system) has been given to the DRs to monitor the registration activities in the SROs under their control.

The correctness of the system generated accounts and registers with reference to the manual registers, correctness of the duties and fees realised could not be ascertained and the monitoring of the activities in the SROs by the district controlling officers could not be done in the absence of measure to conduct internal audit.

The Government stated (February 2019) that the observation regarding the issue of guidelines and instructions to the line staff for effective internal control mechanism is noted and the Department is planning to review the existing internal control mechanism including auditing in a computerised environment. Further compliance in the matter is awaited (September 2019).

**Recommendation: Necessary orders or guidelines may be issued by the Government/IGR for conducting internal audit in the OPEN PEARL environment. An audit module may also be provided in the application.**

#### **5.12.9 Failure to address the weaknesses in the earlier PEARL**

An Information technology review of 'Package for Effective Administration of Registration Laws (PEARL) in the Registration Department' was conducted in 2009 and included in the Report of the Comptroller and Auditor General of India (Revenue Receipts), Government of Kerala for the year ended 31 March 2009 (Volume I). In the 18<sup>th</sup> Report of the Committee on Public Accounts (2011-14) presented to the State Legislature on 13 December 2012, the Registration Department, Kerala, stated that the deficiencies pointed out or recommendations made in the Report have been sorted out in OPEN PEARL.

Out of the 26 deficiencies pointed out in the report 20 issues were taken care of in the OPEN PEARL. The important issues raised in the report and which were addressed in the OPEN PEARL are as detailed below.

- The deficiencies regarding the sharing of password, unauthorized modification of data, editing of data by ordinary user were addressed by providing separate passwords for each user which are linked to the IP address assigned to the office. Request for corrections in the data are to be made to the IGR through the application itself along with a scanned copy of the registered document and the corrections are made at the IGR Office. Corrections relating to the system functions are made by the NIC only. User logs/ audit trail is provided in the application;
- Absence of electronic copy of the documents in the SROs were solved by keeping a scanned copy of each registered document in the database;
- Non-uniformity in data structure and backup procedure were rectified by keeping the data in a central server and taking the backup through live streaming and replication;
- Computation of incorrect stamp duty and use of obsolete master data were rectified through periodical updation of master table containing the rates of stamp duty and fees and by providing editing facility of the duty and the fees at the time of validation of the data by the SR;
- Non-validation of current data and existence of blank fields were taken care of by providing validation checks for the data before registration of the document;
- Re-entry of data for each module which resulted in mistakes and erosion of user-friendliness were avoided by use of the same data for different modules in a single process in OPEN PEARL;
- Scanners purchased for scanning registered documents which were lying idle are now put to use and the scanned copy is kept in the database.
- The equipments purchased for digital image printing is now put to use for taking photocopies of the documents which are to be issued as photocopies.

However, during the PA it was seen that the six deficiencies such as inordinate delay in completion of the project and non-achievement of objectives (paragraph 5.12.7.1), non-existence of Business Continuity Plan/Disaster Recovery Plan (paragraph 5.12.7.2), non-validation of current data, generation of incorrect/defective reports (paragraph 5.12.8.4), deficiencies in internal control (paragraph 5.12.8.7) which were pointed out in the previous Audit Report are persisting.

The Government stated (February 2019) that non-compliance to the observations were due to the absence of proper project management plan and related



documentation. There was also no base to track the project progress, outputs, deliverables as per defined project plan.

The reply is not convincing as there was ample opportunity of around five years to rectify the shortfalls while introducing the new version namely OPEN PEARL

#### **5.12.10 Conclusion**

The OPEN PEARL was designed to improve the efficiency of the Department, decrease its workload, and provide better services to the public thereby overcoming the weaknesses of the earlier PEARL. However the system has not been optimised to achieve the objectives even after 9 years rendering the expenditure of Rs.42.20 crore unfruitful.

Computerisation of the registration process as OPEN PEARL resulted only in keeping data in a parallel system in addition to the existing manual system as it failed to:

- Ease the registration process: The OPEN PEARL registration process was more time consuming compared to the manual system.
- Reduce the work load of the department: Parallel maintenance of computerized and manual data consumed lot of time and manpower.
- Prepare the documents for registration electronically: Hardcopies were maintained and duplication of data entry increased work load.
- Deliver electronic certificates: except Encumbrance Certificate.
- Dispense with the manual accounts and registers: System generated ones were found to be incorrect and hence unreliable.

It was noticed that internal controls which were inbuilt in the manual system appear to have been dispensed with in OPEN PEARL, thereby compromising the security and the control over the issue and use of E stamps thereby exposing the system to high risk of fraud and misuse.



### **5.13 Loss of revenue due to non-registration of agreements entered into between flat/apartment owners and developers/builders**

**As per Section 17(1)(f) of the Registration Act, 1908 as amended by the Registration (Kerala Amendment) Act, 2012, all instruments purporting or operating to effect a contract for the sale of immovable property of the value of one hundred rupees and upwards shall be registered compulsorily if the property to which it relates is situated in the district where the Registration Act, 1908 is in force. The Registration fee fixed by the State Government under Section 78 (1) (a) of the Registration Act, 1908 is payable on registration of the instrument.**

M/s Tata Realty and Infrastructure Limited executed and registered 237 conveyance documents with various Apartment allottees in respect of the sales of flats/apartments in its TRITVAM Project. These instruments were registered in SRO, Ernakulam between December 2016 and December 2017 and registration fee of ₹ 11.06 crore was realised towards fees. Scrutiny of the sale/conveyance deeds of the flats/apartments revealed that the conveyance deeds were in pursuance of the apartment buyers agreement entered into between the purchasers and M/s Tata Realty and Infrastructure Limited. The apartment buyers agreements were executed on a stamp paper worth ₹ 100 and were not registered with the SRO even though it was a compulsorily registerable document under Section 17 (1) (f) of the Registration Act, 1908. The Sub registrar did not take steps to register the apartment buyers agreements resulting in loss of revenue of ₹ 11.06 crore as detailed in the **Appendix XXVII**.

On this being pointed out (November 2018), the Government replied (February 2019) that the 237 sale documents were registered as sale deeds and proper Registration fees were levied as notified by the Government. It was also stated that the Registering Officer was unable to impose registration fee on the unregistered sale agreements, as these were not presented for registration.

The Government reply is not sustainable as Section 17(1)(f) of the Registration Act, 1908 provides for compulsory registration of all instruments purporting or operating to effect a contract for the sale of immovable property of the value of one hundred rupees and upwards. As the existence of the sale agreements came to the notice of the Registering Officer at the time of registration of the sale documents, the Registering Officer being a Public Officer under Section 84 of the Registration Act, 1908 should have requested for information on the sale agreements and insisted for their registration. Further reply was not received (September 2019).

### **5.14 Short collection of revenue**

**Section 45A (1) of the Kerala Stamp Act (KS Act), 1959 stipulates that the registering officer shall, while registering an instrument transferring any land chargeable with duty, verify whether the value of the land or the consideration set forth in the instrument is the fair value of that land. As per Section 45B (1)**

of the KSA, 1959, if the Registering Officer, while registering any instrument transferring any property, has reason to believe that the value of the property or the consideration, as the case may be, has not been truly set forth in the instrument, he may, after registering such instrument, refer the same to the Collector for determination of the value or consideration, as the case may be, and the proper duty payable thereon.

- **Due to misclassification of land**

Scrutiny of documents (December 2017) in SRO, Kalpetta revealed that 10 documents<sup>44</sup> were registered (November 2015) in which a piece of land at Kottapadi *desam* owned by Sri. N.P. Mohammed Haji and others was divided and transferred to 10 different purchasers. Fair value adopted for these documents was based on the classification “*plots without road access*”. In the previous document<sup>45</sup>, provision of a road was mentioned, but in the present documents, none of the boundaries in any document showed the existence of a road. Hence a joint physical inspection was conducted (January 2018) by the audit team along with the Sub Registrar and Revenue officials which revealed that all the ten plots transacted through the documents stated above had Panchayat road access. Further, from the records in Meppady *Panchayath* relating to construction of the above mentioned road, it was revealed that the road was completed in 2014 itself. Hence the classification of these plots should have been “*plots with PWD/Panchayat road access*” and fair value<sup>46</sup> adopted accordingly. Non adoption of the correct fair value due to misclassification of the property resulted in short collection of revenue of ₹ one crore as shown in **Appendix XXVIII**.

On this being pointed out (November 2018), the Government stated (April 2019) that the Inspector General of Registration has been instructed to impound the documents.

- **Due to misclassification by splitting up of property**

Scrutiny of documents (November 2017) in SRO, Taliparamba revealed that a sale deed<sup>47</sup> was executed on 5 February 2015 by Sri. V K Vijayan and others in favour of Managing Director, Superb Infra Developers (India) Pvt. Ltd. conveying 238.89 Ares of land<sup>48</sup> for a total consideration of ₹ 28.33 lakh at the rate of ₹ 0.12 lakh per Are stating that there was no road access. It was also observed that another sale deed<sup>49</sup> was executed on 16 February 2015 by Sri. V K Vijayan and others in favour of Managing Director, Superb Infra Developers (India) Pvt. Ltd. conveying 8.1

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<sup>44</sup> Doc Nos 3640 – 3649/2015.

<sup>45</sup> Doc No 387/2009.

<sup>46</sup> A5-54018/2010 dated 1 October 2010.

<sup>47</sup> Doc.No.525/2015 dated 10 February 2015.

<sup>48</sup> 189.90 Are of land in Re-survey No. 22/2 and 48.99 Are in Re-survey No.59/5 in Mookunnu *Desam* at Pariyaram village in Taliparamba *Taluk*.

<sup>49</sup> Doc. No. 612/2015 dated 16 February 2015.

Ares of land<sup>50</sup> for a total consideration of ₹ 20 lakh at the rate of ₹ 2.47 lakh per Are. The property has a boundary of a National Highway on the Southern side. Scrutiny of the two sale deeds revealed that the total of 198 Are of land (189.9 + 8.1) in Re-survey No.22/2 at Pariyaram village was a single plot having a boundary of National Highway on the southern side. Audit conducted a joint physical inspection along with the Sub-Registrar and Village Officer and confirmed that the two lands are a single plot having boundary of National Highway on the southern side. Thus a single plot of land was split and sold as two pieces in order to evade stamp duty. In both the cases, the executants and claimants were the same and the documents were registered within a week of each other. Considering the value taken for 8.1 ares of land for 189.9 ares of land, the splitting up of the property resulted in short collection of revenue of ₹ 35.71 lakh<sup>51</sup>.

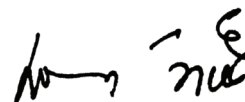
On this being pointed out (November 2018), Government stated (February 2019) that *suo motu* action was initiated and the assessee has paid ₹ 14.93 lakh towards registration fee. Further reply was not received (September 2019).



**Thiruvananthapuram,  
The**

**(K. P. ANAND)  
Accountant General  
(Economic and Revenue Sector Audit)  
Kerala**

**Countersigned**



**New Delhi,  
The**

**(RAJIV MEHRISHI)  
Comptroller and Auditor General of India**

<sup>50</sup> Re-Survey No. 22/2 in Mookunnu Desam at Pariyaram village in Taliparamba Taluk.

<sup>51</sup> Eight *per cent* of ₹ 4,46,36,755 (198 Are x ₹ 2,46,913 = ₹ 4,88,88,774 - ₹ 42,52,019 (189.90 Are x ₹ 11,859 + 8.1 Are x ₹ 2,46,913)).



# Appendix



**Appendix – I**  
**(Reference: Paragraph 1.2)**  
**Arrears of revenue**

(₹ in crore)

Sl. No.	Head of revenue	Total amount outstanding as on 31 March 2018	Amount outstanding for more than 5 years as on 31 March 2018	Remarks of Departments
1.	0040- Tax on sales, trade etc.	9,956.91	4,285.76	In State Goods and Services Tax Department, an amount of ₹ 9,167.22 crore is pending due from individuals, private firms, private companies. An amount of ₹ 640.64 crore is pending due from public sector undertakings of Government of India, ₹ 111.35 crore from public sector undertakings of Government of Kerala, ₹ 37.66 crore from other State Governments and ₹ 0.03 crore from local bodies. An amount of ₹ 5,528.54 crore is under revenue recovery proceedings, recoveries involving ₹ 3,233.75 crore are under stay by High Court and other judicial authorities and by Government. The Department attributed (November 2018) the reason for delay in collection of revenue to stay of proceedings by various authorities, closing of business of dealers and insolvent dealers. However, only ₹ 3,233.75 crore (32.48 <i>per cent</i> ) out of a total of ₹ 9,956.91 crore were covered under judicial intervention.
2.	0041-Taxes on vehicles	2,117.78	590.22	The Department stated (November 2018) that out of the total arrears of ₹ 2,117.78 crore, the dues from the Kerala State Road Transport Corporation is ₹ 1,612.34 crore and the balance of ₹ 505.44 crore is from individuals, private firms and private companies. A demand of ₹ 189.28 crore is covered by Revenue Recovery Certificate and ₹ 1,846.64 crore is under other stages. The Department also stated that demand notices were sent to the registered owners of the respective vehicles.
3.	0043-Taxes and Duties on Electricity	1,537.71	14.55	An amount of ₹ 1,507.84 crore was due from public sector undertakings of Government of Kerala, ₹ 14.13 crore from local bodies and ₹ 15.74 crore was due from individuals, private firms, private companies etc. The Department attributed (June 2018) the reason for delay in collecting the revenue to non-remission of dues regularly by persons/institutions concerned. The Department stated that revenue recovery steps had already been initiated to realise the arrears
4.	0406-Forestry and Wild Life	366.57	245.17	The Principal Chief Conservator of Forests stated (January 2019) that the nature of demand in the Forest Department includes value of timber, teak stumps, lease rent, penal interest, re-auction loss, centage charges etc. An amount of ₹ 0.67 crore pending for more than five years is due from Government of India, ₹ 0.05 crore from other State Governments, ₹ 0.73 crore from Local Bodies, ₹ 4.88 crore from public sector undertakings of Government of India, ₹ 347 crore from public sector undertakings of Government of Kerala and other States and ₹ 13.24 crore from individuals, private companies etc. The Department attributed the reason for delay in collecting the revenue to pending revenue recovery steps against the defaulters, court cases, stay orders etc. The Department stated that necessary action has been

Sl. No.	Head of revenue	Total amount outstanding as on 31 March 2018	Amount outstanding for more than 5 years as on 31 March 2018	Remarks of Departments
				initiated to realise the amount in auction and to realise defaulted arrears of lease rent and other dues from departments and public sector undertakings through discussions at Government level.
5.	0055-Police	187.28	90.57	The nature of demand in the Police Department is cost of police guard. An amount of ₹ 96.08 crore is pending from Government of India, ₹ 13.30 crore from public sector undertakings of Government of India, ₹ 63.32 crore from public sector undertakings of Government of Kerala, ₹ 7.58 crore from other State Governments and ₹ 7 crore from individuals, private firms and private companies. The major defaulters were Southern Railway and KSEB.
6.	0039-State Excise	205.94	204.21	The Excise Commissioner stated (August 2018) that the abkari arrears in the Department are pending from 1952 onwards. The abkari arrears of ₹ 205.94 crore are due from individuals, private firms, private companies etc. Of this, an amount of ₹ 196.75 crore is pending realisation from 354 defaulters from whom rupees one lakh or more is due. The Department attributed the reasons for delay in collection of revenue to pending revenue recovery action and stay by court. The reason furnished by the Commissioner is not acceptable since only ₹ 49.05 crore (23.82 per cent) out of a total ₹ 205.94 crore was covered under judicial intervention. The Department stated that revenue recovery action was initiated and is continuing. Amnesty Scheme was also introduced for speedy recovery of arrears.
7.	0029- Land Revenue	378.57	77.98	In the Revenue and Disaster Management Department, the nature of demand includes land revenue and revenue recovery dues. An amount of ₹ 332.10 crore is under stay by High Courts and other judicial authorities and by Government. The Department attributed (November 2018) the reasons for delay in collection of revenue to stays by Government, Court and appellate authorities and that the Department has taken legal steps to realise the arrears.
8.	0070-60-110- Fees for Government audit	49.22	Not furnished	The Director, Kerala State Audit Department stated (August 2018) that the arrears of revenue pending collection towards audit charge are ₹ 22.64 crore from universities, ₹ 2.86 crore from Devaswom Boards, ₹ 0.69 crore from temples, ₹ 18.07 crore from development authorities and Kerala State Housing Boards and ₹ 4.25 crore from miscellaneous institutions. The Kerala State Audit Department attributed the reasons for pendency to the lack of initiative from auditee institutions in remitting the audit charge. The Director stated that demand notices are being sent to auditee institutions and proposals have been submitted to the Government for realising audit charge from the grants given to the auditee institutions.
9.	0030- Stamps and Registration Fees	32.70	Not furnished	The Registration Department stated (July 2018) that out of ₹ 32.70 crore which was due from individuals, ₹ 5.38 crore is covered by revenue recovery certificates and ₹ 9.61 crore are under stay by courts. The Department



Sl. No.	Head of revenue	Total amount outstanding as on 31 March 2018	Amount outstanding for more than 5 years as on 31 March 2018	Remarks of Departments
				had not furnished the details of stages of action for the remaining amount of ₹ 17.71 crore.
10.	0230-00-101-Receipts under labour laws	4.47	2.80	The Labour Commissioner stated (October 2018) that the nature of demand in the Labour Department was revenue receipts under labour laws. The amount of arrears of ₹ 0.83 crore is pending collection from individuals, private firms and private companies. The reasons for delay in collection of revenue were non-submission of application for renewal of registration and negligence from the employers in renewing the registration certificates in due time. The Labour Commissioner stated that inspection and follow up action is being taken to realise the arrears.
11.	1051-Ports and Light Houses	5.03	2.46	The Director of Ports stated (October 2018) that the amounts due to the Ports Department are ₹ 2.67 crore from individuals, private firms, private companies etc. and ₹ 2.30 crore from public sector undertakings of Government of Kerala. The Director stated that non-payment by the Departments/offices concerned is the reason for revenue pending collection.
12.	0853-Non-Ferrous Mining and Metallurgical Industries	61.63	0.39	The Director of Mining & Geology stated (June 2018) that the main source of revenue is from the royalty and other fees derived from the grant of mineral concessions and its regulation. The arrears of revenue pending collection are ₹ 0.51 crore from Co-operative Society, ₹ 0.37 crore from public sector undertakings of Government of Kerala and ₹ 60.72 crore from individuals, private firms, private companies etc. The Department stated that the reason for delay in collection of revenue was due to dispute regarding the claims, court stays, appeals and Government stays and that action was being taken to redress the dispute and to vacate the stays.
13.	0230-00-103-Fees for inspection of Steam Boilers	1.10	0.03	The Director of Factories and Boilers stated (October 2018) that the nature of demand of the Department of Factories and Boilers was fee for renewal of licence of factories. An amount of ₹ 1.09 crore is due from individuals, private firms and private companies. The Director stated that the delay in collection was due to the fact that most of the factories, which have arrears, are not working.
	<b>Total</b>	<b>14,904.91</b>	<b>5,514.14</b>	

**Appendix – II**

**(Reference: Paragraph 1.7.3)**

**Statement showing details of Special circles and Works Contract Offices where non production of files were noticed.**

Sl. No.	Name of office	Year in which it was to be audited	Number of assessment cases not submitted		
			KGST	KVAT	Total
1	STO, Special Circle, Kannur	2014-15	-	1	1
		2015-16	-	12	12
2	STO Special Circle, Thiruvananthapuram	2015-16	-	1	1
3	STO, Special Circle II, Kozhikode	2015-16	-	23	23
4	STO, Special Circle, Kasargod	2015-16	-	13	13
5	STO, Special Circle, Kollam	2015-16	-	21	21
6	STO, (WC&LT), Kollam	2015-16	-	6	6
7	STO, (WC&LT), Kasargod	2015-16	-	29	29
8	STO (WC&LT), Pathanamthitta	2015-16	-	21	21
9	STO Special Circle(Produce), Mattancherry	2016-17	-	1	1
10	STO, Special Circle I, Ernakulam	2016-17	-	3	3
11	STO, Special Circle III, Ernakulam	2016-17	-	3	3
12	STO, (WC&LT), Ernakulam	2016-17	-	10	10
13	STO, (WC&LT), Mattancherry	2016-17	1	0	1
<b>Total</b>			<b>1</b>	<b>144</b>	<b>145</b>

## Appendix – III

(Reference: Paragraph 1.7.3)

Statement showing details of files not produced, circle/division with names of heads of offices

Name of office	No. of files /Name of Head of office									
	2013-14		2014-15		2015-16		2016-17		2017-18	
	KGST	KVAT	KGST	KVAT	KGST	KVAT	KGST	KVAT	KGST	KVAT
STO (WC&LT), Kasaragod									Usha Kumari	
	-	-	-	-	-	-	-	-	0	29
STO, Perinthalmanna			M.V.Suresh		Mohd. Ali Pouthukadan				Musthak Ali	
	-	-	0	28	0	29	-	-	0	28
STO Special Circle II, Kozhikode									Rahena P	
	-	-	-	-	-	-	-	-	0	23
STO, Special Circle Kollam	M. Gopalakrishnan		Belraj Kumar G.		M. Gopalakrishnan		Latha A Pillai		Latha A Pillai	
	0	167	0	251	0	28	0	21	0	21
STO (WC&LT), Pathanamthitta	P. Ajith, F. Amina Beevi		P. Ajith, F. Amina Beevi		P. Ajith		Gopakumar P K, Cheriyen Jose		Gopakumar P K, Zahari Muhemmad	
	0	21	0	36	0	55	0	33	0	21
STO, I Circle, Thiruvananthapuram	Sishir SV Sheela Solomon Sheela KK Mohan		Sheela Solomon		Salil.D		Salil.D Vijayakumar Winston .S Jayasree		Winston S	
	0	162	0	95	0	23	0	22	0	18
STO, Attingal									Rameshan Nair	
	-	-	-	-	-	-	-	-	0	17
STO , II Circle, Kalamassery			C.G.Harendranath		C.D. Babu		P.R. Bindu		V.O Shain	
	-	-	0	151	0	98	0	18	0	14
STO Special Circle, Kannur	T.K. Raveendran				Chippy Jayan		Mohammed Ashraf		Mohammed Ashraf Appattillath	
	0	19	-	-	0	14	0	5	0	13
STO Special Circle, Kasaragod	P.V.Sreedharan				Madhu M Panickar		K.V Padmakumar		M. Dinesh Kumar	
	0	1	-	-	0	12	0	16	0	13
STO, II Circle, Thiruvananthapuram	Bindu K		Tharun Roy Y				Luzy George		Lathika Paul.D	
	53	76	0	191	-	-	0	8	0	12
STO, Tirur	Mohammed Salim C.M. Thomas K Malathy		M.R. Suresh		Suresh M.R. T.V. Pramod T.P. Subramanian				Velayudhan K.P	
	0	9	0	12	0	27	-	-	0	12

Name of office	No. of files /Name of Head of office									
	2013-14		2014-15		2015-16		2016-17		2017-18	
	KGST	KVAT	KGST	KVAT	KGST	KVAT	KGST	KVAT	KGST	KVAT
STO, Nilambur					K.Mansoorali		Rajeswari		Subabu V.P	
	-	-	-	-	0	41	0	16	0	11
STO (WC&LT), Ernakulam	P.K. Satheesh Kumar		V.A. Raghunathan, Raji. S, Anil. V. Nair, Anil Kumar A, Bazil L. Kizhekaden, C.J. Johny, C.K. Premji, M.O. Johnson,		Anil V Nair				Jayasankar P	
	0	394	0	736	0	613	-	-	0	10
STO, Kundara									Seena R	
	-	-	-	-	-	-	-	-	0	10
STO, Koothuparamba	VP Kiran				Sreelatha KS CP Pushpavally		K Sree Latha		Suresh B P	
	159	0	-	-	0	40	159	50	0	10
STO , I Circle, Kalamassery	A.G. Jessy		T.V. Charabalu		Veena Krishnan		Veena Krishnan		Meera Bai	
	0	18	0	30	0	30	0	27	0	10
STO, Neyyattinkara	B.N. Jayakumar		S.Sabukumar K. Vijayakumar C.S.Anil		K. Vijayakumar		S.Suresh Kumar D. Latha Pole Ambili		S. Suresh Kumar	
	0	6	0	36	0	55	0	33	0	10
STO I Circle, Alappuzha	Johnson Chacko		Johnson Chacko						Sawdha A Baker	
	0	6	0	17	-	-	-	-	0	9
STO, Ponnani	K.Malathy		K.Malathy				A.V. Babu Yoosaffali		A.V. Babu Yoosaffali	
	0	18	0	3	-	-	0	5	0	9
STO, Nedumangad									A Rafeek	
	-	-	-	-	-	-	-	-	0	7
STO, Hosdurg					P.J. Philip				Merwin Antony	
	-	-	-	-	0	8	-	-	0	5
STO (WC&LT), Kollam									Sheela S	
	-	-	-	-	-	-	-	-	0	6
STO II Circle, Alappuzha			Raveena Rasheed				KK.Shiji, S. Nanadakumar Latha P.J		Seena M. Vijayan	
	-	-	4	2	-	-	0	17	6	0
STO, Ottapalam	P.Vishwanathan		V.Harishankar		V. Harishankar				Suresh P	
	0	2	0	10	0	18	-	-	0	5
STO, II Circle, Mattancherry	C.M. Varghese		C.M. Varghese		C.M. Varghese				Johnson MO	
	140	67	41	0	164	62	-	-	0	4

Name of office	No. of files /Name of Head of office									
	2013-14		2014-15		2015-16		2016-17		2017-18	
	KGST	KVAT	KGST	KVAT	KGST	KVAT	KGST	KVAT	KGST	KVAT
STO, I Circle, Mattancherry	T.R. Vipimachand		Daisy M Thomas		Omana TA		Judee Prasad		Judee Prasad	
	0	53	0	111	0	54	0	6	0	4
STO, III Circle, Thrissur	P.S. Nissar		Shyam Mohan Unni		P.K. Nasima				Jayasree KG	
	132	98	132	99	0	49	-	-	4	0
STO, Chalakudy	Manilal R		Manilal R		K.V. Haridas				K.S Ganesan	
	129	43	113	64	0	46	-	-	0	4
STO, Adimali							Betsy T		Betsy T	
	-	-	-	-	-	-	0	8	0	4
STO Special Circle III, Ernakulam	V.G. Umadevi		V.G. Umadevi		B.T Vijayamohan		C.G. Hareendranath		Issac Benjamin	
	0	27	0	370	41	363	0	21	0	3
STO Special Circle I, Ernakulam	Sudhir				K.L Deepa		Rehna P		B.B Remasan	
	42	220	-	-	0	58	0	10	0	3
STO, II Circle, Ernakulam			M.D. Jayan		Syamalakumari.E		Syamalakumari.E		Jasamme Issac	
	-	-	341	1	346	1	0	3	0	2
STO Special Circle, Thiruvananthapuram	Pratibha Jnanasundram		Suresh Kumar S. Manacaud		Suresh Kumar S Manacaud, Mohammed Shafeer, Sribindu		Sribindu		Lene. S	
	0	344	70	179	24	109	0	21	0	1
STO Special Circle (Produce), Mattancherry	K. Sugathan, E.P. Chandra babu								M.C Agasthi Kutty	
	318	61	-	-	-	-	-	-	0	1
STO (WC&LT), Mattancherry	A.V. Salila N.R. Raghunathan		N. Santhosh Kumar, Johnson Chacko		N Santhosh Kumar				K Anitha, P.R Radhakrishnan Nair	
	19	174	0	226	69	169	-	-	1	0
STO, Kottarakkara									Subash R Pillai	
	-	-	-	-	-	-	-	-	0	1

**Appendix – IV**

**(Reference: Paragraph 1.9)**

**Details of Performance Audits featured in the Reports for the last five years and their status**

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
31 March 2013	Performance Audit on Assessment, levy and collection of VAT on transfer of goods involved in the execution of works/supply contract	6	<p>The Government/Department may ensure that</p> <ul style="list-style-type: none"> <li>• separate identification numbers/code are assigned to work contractors</li> <li>• separate account subhead are provided for accounting receipts under works contracts</li> <li>• regular survey and inter-departmental cross verification of data are conducted to identify the works contractors by strengthening the intelligence wing and suitable measures for registration are taken promptly</li> <li>• valid documents in support of compounding are produced by the applicant timely</li> <li>• internal control mechanism is adequate to plug revenue loss, detecting the defects/deficiencies promptly</li> <li>• various declaration forms in support of claims for concession/exemptions are verified properly.</li> </ul>	PA examined by the Committee on Public Accounts (2016-19) on 25 July 2018 and 10 October 2018.
	Land Management by the Government of Kerala with special focus on land for Aranmula Airport and Smart City	13	<p>Audit recommends for</p> <ul style="list-style-type: none"> <li>• taking steps for effective implementation of the land management policy so as to generate maximum revenue to Government since the supply/availability of land is very limited</li> <li>• identifying and inventorising all government lands on a war footing by surveying and demarcating the land</li> <li>• prescribing and maintaining a register in the <i>Taluk</i>/District/Division level for noting the details of the lease such as order number, area under lease, name of the lessee, date of expiry of lease, periodical renewal details and demand, collection and balance of lease rent etc in respect of each lease</li> </ul>	PA examined by the Committee on Public Accounts (2019-21) on 27 August 2019.

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
	Kochi (Standalone)		<ul style="list-style-type: none"> <li>• developing a mechanism to fix lease rent and renew the lease within the time period stipulated in Act/Rules and fix a mechanism to revise fair value of land at frequent intervals</li> <li>• prescribing a heavy fine and punitive action against those who violate lease conditions and initiate effective action against encroachment and prompt implementation of provisions of KLCA</li> <li>• fixing conditions for assignment of land on registry putting in place a reporting system from village level to Commissioner of Land Revenue level for monthly reporting of lease cases such as total cases, time expired cases, demand, collection and balance of lease rent, resumed cases under resumption procedure etc.</li> <li>• identifying and inventorising all forest lands on a war footing by surveying and demarcating the land</li> <li>• developing a mechanism to monitor and renew the lease/lease rent within the time period stipulated in Act/Rules</li> <li>• putting in place a mechanism to realise lease rent dues promptly</li> <li>• ensuring that agreements are executed in all lease cases.</li> <li>• conducting an in-depth study on the need for a fifth airport in the small state of Kerala and that too at Aranmula which is less than 150 Kms from Thiruvananthapuram and Kochi international airports</li> <li>• conducting an in depth study on the impact of the project on the ecology/environment on the basis of the issues raised in the Reports of the Legislature Committee on Environment, Kerala State Biodiversity Board and the Expert Committee appointed by AAI and take effective action to resolve the impacts</li> <li>• conducting an independent enquiry into the cases of violations of provisions of various Act/Rules including the lapses that has occurred at all levels including that of the secretariat departments which supported the illegal acts of the individual/company</li> </ul>	
	Effectiveness of Kerala Value Added Tax	20	<ul style="list-style-type: none"> <li>• Business Rules regarding registration may be mapped properly to avoid acceptance of multiple registrations by the system unless specifically permitted by Commissioner of Commercial Taxes under Section 20(3).</li> </ul>	Action taken explanatory notes have not been received.

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
	Information System (KVATIS) in the Tax Administration of Commercial Taxes Department (Standalone)		<ul style="list-style-type: none"> <li>• The system be updated to cover the risk of tax evasion by dealers having multiple registration, working out their aggregate turnover as specified in Section 20(4) of KVAT Act.</li> <li>• Department may conduct periodical analysis of dormant registration numbers, other than application for temporary stoppage of business (vide Section 16), and take timely action for issuing notices for renewal or otherwise cancel the registration of dealers who had no business transactions for more than two years, to avoid misuse of Registration Certificate.</li> <li>• System should generate appropriate alerts for renewal of Bank guarantees before its date of expiry and while dealers are effecting transactions.</li> <li>• Necessary modifications may be made to the system to adequately capture the results of manual verification done by Assessing Officers.</li> <li>• The department may provide adequate controls in the software to detect and alert the interstate transactions by cancelled dealers and the dealers who have not renewed their registration.</li> <li>• Entering of valid registration numbers in the field for Consignee TIN/Consignor TIN in the e-declaration format for generating e-token may be made mandatory.</li> <li>• System generated alerts needs to be devised for tracking consignment of goods in bulk quantity to prevent misuse of the facility for transporting consignments 'for own use' without payment of tax.</li> <li>• The system should be enabled to provide information about the non-surrendered transit passes to authorities including the intelligence wing of the department so as to track such vehicle.</li> <li>• Department may ensure that all business Rules are mapped to the system properly, that the system provides all necessary input and that there exists adequate process controls and validation checks to detect shortfalls in payment of tax.</li> <li>• Government may consider strengthening KVATIS for monitoring the scrutiny of returns through it.</li> <li>• The Department may incorporate a provision in the KVATIS to ensure that the closing stock shown in the certified accounts in Form 13-A of a year is correctly taken as the opening stock of the succeeding year.</li> </ul>	



Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
			<ul style="list-style-type: none"> <li>• Proper controls be built into the system so that the system can scrutinise returns collecting details from different databases.</li> <li>• Department/Government may initiate early action for the upgradation of the present server which would be cost effective in terms of improvement of revenue realisation it would fetch.</li> <li>• The Department may operationalise the Audit Assessment Module with suitable modifications for the selection of high risk dealers through KVATIS for detailed audit.</li> <li>• The Department may initiate action to make use of other Modules so that the disposal of appeals, the nature of penalty levied, progress of collecting arrears etc can easily be monitored.</li> <li>• Important/required MIS reports may be made available in the software.</li> <li>• The Department may impart sufficient training to all officers and staff periodically.</li> <li>• The upgradation of the present system/server which is slow, would be cost effective in terms of improvement of revenue realisation, which was one of the primary goals of implementation of KVATIS.</li> <li>• The Department may lay down norms for check of physical records on the basis of reports generated through KVATIS indicating risk areas.</li> </ul>	
31 March 2014	(No Reviews were featured in this Audit Report)			
31 March 2015	System of Assessment under KVAT	8	<ul style="list-style-type: none"> <li>• Department may take measures to bring all dealers into the tax net by utilising the inputs available in KVATIS and with other agencies.</li> <li>• Government may examine the guidelines issued for selection of files for desk review by CBDT/CBEL and similar system of selection with relevant parameters be put in place in the State for VAT cases.</li> <li>• The CCT may issue guidelines to the DCs regarding the aspects to be considered while reviewing the monthly quarterly reports.</li> <li>• Government may consider fixing the time limit for completion of assessments.</li> <li>• Department may prepare a manual detailing all aspects of assessment to ensure uniformity in the system of assessment. Further, it may be ensured that necessary reports are generated automatically from the KVATIS.</li> </ul>	Action taken explanatory notes have not been received.

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
			<ul style="list-style-type: none"> <li>A system may be established to collect the data relating to the taxable events from other departments and transfer the results of analysis to the lower/sub-ordinate level for utilising in the assessment process.</li> <li>Department may ensure that the final assessments are completed by utilising the data captured in KVATIS.</li> <li>Department may ensure the quality of assessments by adopting the system prevailing in Central Receipts as basis so that the number of cases which are failing in judicial review would be on a lower side.</li> </ul>	
	Levy, Collection and Accounting of Electricity Duty, Surcharge and Inspection Fee	5	<ul style="list-style-type: none"> <li>Government may identify all LV installations/cable TV poles which are now left out and instruct licensees not to issue permit to Cable TV operators without production of safety certificate from the Department and work out a practical process of assessing and realising the revenue from the inspection of Cable TV poles.</li> <li>In order to prevent non/short levy, Government may consider taking the following measures: instruct CEI to ensure that the licensees are levying electricity duty/license fee from consumers/persons liable to pay it, licensees may be directed to calculate electricity duty on the price of energy indicated in the invoice and evolve a mechanism to collect the electricity duty/license fee payable by the consumers/persons liable for their payment.</li> <li>Department may expedite revenue recovery proceedings for early realisation of arrears of government revenue. Government may include interest leviable from KSEBL while netting off.</li> <li>Government may: avoid irregular grant of exemptions to railways and for lighting, amend Rule relating to collection charges which should be in line with the Act and in the interest of the Government and objective of the Act and consider amendment of the Act incorporating the treatment of excess T&amp;D loss.</li> <li>Government may take remedial measures to take care of inspection of lifts and escalators under regulations issued by Central Government and to ensure that MV installations and accounts of licensee are inspected as per periodicity prescribed, invoke penal provision on licensees not submitting returns, ensure that receipts involved in netting off with KSEBL were included in Government accounts and ensure that remittances through JSK are reconciled as per Kerala Budget Manual.</li> </ul>	Action taken explanatory notes have not been received.

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
31 March 2016	Disaster Management in the State	16	<ul style="list-style-type: none"> <li>• Instructions may be issued by the Government to prepare the Disaster Management plan at departmental, village and local levels</li> <li>• Government may take steps to submit the Annual Report to the legislature and appoint full time members in KSDMA</li> <li>• Dedicated staff may be provided for DM activities</li> <li>• Instructions may be issued by the Government to set up VDMCs</li> <li>• Government may take steps to establish Civil Defence set up</li> <li>• Government may take steps to constitute NGO coordination committee</li> <li>• SEOC and DEOCs may be made operational 24 x 365 with sufficient communication networks</li> <li>• Infrastructure and DM plans may be put in place for hospital preparedness</li> <li>• Steps may be taken to create awareness of disaster among school children</li> <li>• Steps may be taken to identify buildings other than school buildings to run relief camps</li> <li>• Steps may be taken to implement the annual plan and to refund the unutilised funds before close of the financial year</li> <li>• Dedicated SDR Force may be made functional by recruiting category wise staff</li> <li>• Retrofitting of lifeline buildings in the State may be done at the earliest and necessary amendments be carried out in the regulations to incorporate multi hazard safety measures in new constructions</li> <li>• Government may take steps for preparation of budget after assessing requirements and efficient management of finance related to disaster management activities</li> <li>• Government may take steps to establish mitigation funds as per the prescribed procedure</li> <li>• State Disaster Relief fund should be spent as per SDRF guidelines after due authorization by State Executive Committee</li> </ul>	Action taken explanatory notes have not been received.
31 March 2017	Infrastructure facilities in the Commercial	5	<p>The Department may</p> <ul style="list-style-type: none"> <li>• prepare a time bound plan relating to e-governance activities and ensure funds utilisation by expediting the procurement of IT assets.</li> </ul>	Action taken explanatory notes have not been received.

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
	Taxes Department		<ul style="list-style-type: none"><li>• take steps for timely renewal of the annual maintenance contract of IT infrastructure and to make suitable clauses for preventive maintenance and closely monitor the annual maintenance contract service providers.</li><li>• take steps to ensure uninterruptible power supply to all the offices to facilitate smooth functioning by putting in place uninterruptible power supply in case of power failures from Electricity Board.</li><li>• update the Agricultural Income Tax and Sales Tax Manual and also review the staffing norms.</li><li>• formulate a scheme with a time frame, for creation of modern workstations with space for IT equipment and paper work, efficient file management and space for effective records management.</li></ul>	

## Appendix - V

(Reference: Paragraph 2.4.2)

Dealers who have not filed appeal but paid 20 per cent of the disputed amount for obtaining stay

Sl No	Assessing Circle	No of cases	Balance tax for which no appeal was filed (₹)	Pendency range (in days)
1	STO, II Circle, Alappuzha	1	67,798	837
2	AC, Spl. Circle, Alappuzha	1	18,56,651	577
3	AC, Spl. Circle I, Ernakulam	11	34,59,675	472 to 713
4	STO (WC), Ernakulam	1	9,23,412	547
5	STO, IV Circle, Ernakulam	11	11,32,025	407 to 616
6	STO, IV Circle, Kozhikode	1	67,264	700
7	STO, Vatakara	31	18,23,464	417 to 1069
8	STO, I Circle, Kollam	11	6,23,073	458 to 825
9	STO, Punalur	2	86,427	472 to 708
10	STO, Anchal	3	2,80,860	591 to 1047
11	STO, III Circle, Kollam	33	19,91,738	284 to 1614
12	STO (WC), Kollam	30	72,89,136	396 to 1027
13	AC, Spl. Circle, Kottarakara	1	1,04,544	497
14	STO, Karunagapally	46	76,88,831	155 to 839
15	STO, I Circle, Mattanchery	7	8,12,084	524 to 809
16	STO, Aluva	75	60,50,895	306 to 2222
17	STO, Angamaly	13	25,35,614	496 to 1099
18	STO, North Paravur	1	1,96,097	682
19	AC, Spl. Circle, Mattanchery at Aluva	4	12,02,824	839 to 1158
20	AC, Spl. Circle (P), Mattanchery	9	46,39,000	426 to 1183
21	STO (WC), Mattanchery	16	52,77,440	398 to 761
22	STO (LT) Mattanchery	7	20,49,836	490 to 585
23	IAC, Muvattupuzha	86	1,42,58,479	125 to 1035
24	AC, Spl. Circle, Thrissur	3	4,60,845	414 to 988
25	STO, Attingal	14	21,27,027	182 to 1076
26	STO, I Circle, Thiruvananthapuram	3	66,962	217 to 342
27	STO, II Circle, Thiruvananthapuram	14	26,42,464	192 to 986
28	STO, III Circle, Thiruvananthapuram	2	1,09,429	762 to 867
29	AC (WC), Thiruvananthapuram	1	55,205	680
30	STO, Nedumangadu	35	1,26,47,188	125 to 1008
31	AC, Spl. Circle, Thiruvananthapuram	17	1,34,50,278	244 to 907
32	STO, Neyyatinkara	4	6,56,388	400 to 488
33	STO, II Circle, Kottayam	27	36,08,574	157 to 1040

SI No	Assessing Circle	No of cases	Balance tax for which no appeal was filed (₹)	Pendency range (in days)
34	STO, Ettumanoor	1	7,00,149	670
35	STO, Vaikom	1	83,749	639
36	STO (WC), Palakkad	7	17,20,819	239 to 906
37	STO, II Circle, Palakkad	4	2,52,486	183 to 404
38	STO, Pattambi	6	1,53,737	326 to 767
39	AC, Spl. Circle, Palakkad	4	6,01,198	160 to 1517
40	STO, III Circle, Palakkad	4	11,27,789	211 to 306
41	STO, Mannarkkad	4	1,11,638	595
42	STO, I Circle Palakkad	5	7,16,623	175 to 311
<b>Total</b>		<b>557</b>	<b>10,57,09,715</b>	

**Appendix - VI**  
**(Reference: Paragraph 2.4.3)**  
**Cases pending modification/collection**

Sl No	Assessing Circle	Appellate Authority	No of Cases	Amount (₹)	Remarks
1	STO, II Circle, Kozhikode	AC(A) Kozhikode	1	7,14,792	-
2	STO, V Circle, Kozhikode	AC(A) Kozhikode	1	40,78,676	-
3	STO (WC), Ernakulam	DC(A) Ernakulam	112	93,58,37,924	-
4	AC, Spl. Circle III, Ernakulam	DC(A) Ernakulam	24	8,60,53,944	-
5	AC, Spl. Circle, Kollam	DC(A) Kollam	33	1,03,02,000	-
6	AC, Spl. Circle I, Ernakulam	DC(A) Ernakulam	14	12,26,60,852	-
7	AC, Spl. Circle II, Ernakulam	DC(A) Ernakulam	51	1,46,74,33,288	-
8	AC, Spl. Circle, Kottayam	DC(A) Kottayam	8	17,33,883	-
9	AC, Spl. Circle, Kannur	DC(A) Kozhikode	4	1,12,46,159	-
10	STO, Special Circle I, Kozhikode	DC(A) Kozhikode	3	2,18,41,935	-
11	AC, Spl. Circle II, Kozhikode	DC(A) Kozhikode	3	45,88,789	-
12	AC, Spl. Circle, Palakkad	AC(A) Palakkad	1	9,01,213	-
13	AC, Spl. Circle, Thrissur	DC(A) Ernakulam	17	2,75,85,054	-
14	STO, II Circle, Palakkad	AC(A) Palakkad	3	25,01,000	-
15	STO, III Circle, Palakkad	AC(A) Palakkad	3	10,91,000	-
16	STO, III Circle, Ernakulam	DC(A) Ernakulam	2	56,465	-
17	STO, Kundara	DC(A) Kollam	1	10,00,000	-
18	STO, Neyyatinkara	DC(A) Thiruvananthapuram	1	15,50,848	-
19	STO (LT), Kannur	DC(A) Kozhikode	1	11,94,417	-
20	STO (WC), Kannur	DC(A) Kozhikode	4	52,10,467	-
21	STO (WC), Kozhikode	DC(A) Kozhikode	6	1,31,63,983	-
22	STO, I Circle, Kalamassery	DC(A) Ernakulam	1	0	-
23	STO, I Circle, Thripunithura	AC(A) Ernakulam	1	2,02,979	-
24	STO, Pathanamthitta	DC(A) Kollam	1	1,79,000	-
25	STO, Ranni	DC(A) Kollam	2	3,78,000	-
26	IAC, Kottayam	DC(A) Kottayam	2	49,11,630	-
27	IAC, Pathanamthitta	DC(A) Kollam	3	18,49,224	-
28	STO, I Circle, Kozhikode	AC(A) Kozhikode	2	32,47,255	-
29	STO, III Circle, Kozhikode	AC(A) Kozhikode	15	60,52,709	-
30	STO, IV Circle, Kozhikode	AC(A) Kozhikode	9	37,55,132	-
31	STO (WC), Alappuzha	DC(A) Kollam	10	1,63,60,000	-

SI No	Assessing Circle	Appellate Authority	No of Cases	Amount (₹)	Remarks
32	STO, III Circle, Thiruvananthapuram	DC(A) Thiruvananthapuram	3	62,04,112	-
33	STO (WC), Kottayam	DC(A) Kottayam	1	60,79,115	-
34	STO, II Circle, Kottayam	DC(A) Kottayam	1	40,94,355	-
35	AC, Spl. Circle, Thiruvananthapuram	DC(A), Thiruvananthapuram	1	12,88,142	-
		<b>Total</b>	<b>345</b>	<b>2,77,53,48,342</b>	
<b>Cases pending modification due to misplacement of files</b>					
36	AC, Spl. Circle II, Ernakulam	DC(A) Ernakulam	39	24,89,21,986	not traceable
37	STO, I Circle, Ernakulam	DC(A) Ernakulam	5	10,10,110	not traceable
38	STO, I Circle, Thripunithura	DC(A) Ernakulam	3	1,41,433	not traceable
39	IAC, Kottayam	DC(A) Kottayam	4	1,78,21,490	not traceable
40	AC, Spl. Circle, Mattanchery at Aluva	DC(A) Ernakulam	8	5,76,04,837	not traceable
		<b>Total</b>	<b>59</b>	<b>32,54,99,856</b>	
<b>Cases pending modification due to non receipt of appellate orders</b>					
41	AC, Spl. Circle, Kozhikode	DC(A) Kozhikode	1	9,22,568	dismissed
42	STO (WC), Alapuzha	DC(A) Kollam	1	2,31,000	Modified
43	STO, II Circle, Ernakulam	AC(A) Ernakulam	1	0	dismissed
44	STO (WC), Thrissur	AC(A) Thrissur	1	10,93,706	Modified
45	STO, III Circle, Thrissur	AC(A) Thrissur	1	32,75,670	Modified
46	STO, II Circle, Kalamassery	DC(A) Ernakulam	4	13,16,018	Modified
47	STO, III Circle, Ernakulam	DC(A) Ernakulam	20	64,17,423	dismissed
48	STO, II Circle, Ernakulam	AC(A) Ernakulam	8	0	Modified
49	AC, Spl. Circle, Kannur	DC(A) Kozhikode	1	4,10,00,000	Modified
		<b>Total</b>	<b>38</b>	<b>5,42,56,385</b>	
<b>Dismissed cases pending collection</b>					
50	AC, Spl. Circle, Thrissur	DC(A) Ernakulam	5	39,25,219	not traceable
51	AC, Spl. Circle II, Ernakulam	DC(A) Ernakulam	25	56,37,57,306	not traceable
52	STO, I Circle, Alappuzha	DC(A) Kollam	4	1,91,000	not traceable
53	STO, II Circle, Kalamassery	DC(A) Ernakulam	3	29,71,528	not traceable
		<b>Total</b>	<b>37</b>	<b>57,08,45,053</b>	
		<b>Grand Total</b>	<b>479</b>	<b>3,72,59,49,636</b>	

**Summary**

No of cases	Amount (₹)	Remarks
345	2,77,53,48,342	Cases pending modification
59	32,54,99,856	Cases pending modification due to misplacement of files
38	5,42,56,385	Cases pending due to non receipt of appellate orders
37	57,08,45,053	Dismissed cases pending collection



## Appendix – VII

(Reference: Paragraph 2.6)

## Failure to levy IGST on the import of ENA by Distilleries

Sl. No	Name of the purchaser of ENA in the State and GSTIN	Value of ENA imported (₹)	IGST due @ 18% (₹)	IGST paid (₹)	Non-levy of IGST (₹)
1	Allied Blenders and Distillers Pvt.Ltd C/o Empee Distilleries Ltd 32AAACY3486K1Z6	3,35,46,420	60,38,356	0	60,38,356
2	Amrut Distilleries Private Limited, Kanjikode 32AACCA6529R1ZC	10,65,24,480	1,91,74,406	0	1,91,74,406
3	Amrut Distilleries Pvt. Ltd., C/o United Distilleries, Kozhikode , KERALA 32AACCA6529R1ZC	10,53,38,000	1,89,60,840	0	1,89,60,840
4	Amruth Distilleries C/o SDF 32AACCA6529R1ZC	1,52,62,000	27,47,160	7,65,000	19,82,160
5	Brima Sagar Maharashtra Distilleries Ltd. C/o Empee Distilleries Ltd. 32AADCB4956E1ZY	2,75,12,480	49,52,246	0	49,52,246
6	Cassanova Distilleries Pvt Ltd, Kottayam 32AAACC9033E1Z6	1,84,99,160	33,29,849	0	33,29,849
7	Devicolam Distilleries Ltd,Kakkanad, Kochi 32AABCT4046M1ZC	2,00,23,732	36,04,272	0	36,04,272
8	Devicolam Distilleries Ltd,Kakkanad, Kochi A/c of Saraya Distillery 32AABCT4046M1ZC	1,51,62,444	27,29,240	0	27,29,240
9	Empee Distilleries Ltd. 32AAACE1687N1ZH	4,29,55,000	77,31,900	0	77,31,900
10	India Glycols Ltd C/o SDF Industires Ltd 32AACI7246P1ZA	2,04,81,400	36,86,652	0	36,86,652
11	Indo Scotish Brand Pvt. Ltd, (Distillery), C/o Normandy Breweries and Distilleries Pvt. Ltd., Kasaragod 32AABCI2511E1ZE	1,56,37,000	28,14,660	0	28,14,660
12	Indo Scottish Brand Pvt. Ltd 32AABC12511E1ZE	72,42,000	13,03,560	4,53,600	8,49,960
13	Indo Scottish Brand Pvt. Ltd A/c of M/s Oasis Distilleries, Ernakulam 32AAACO3509R1ZA	2,30,36,000	41,46,480	0	41,46,480
14	K.S Distillery, Kannur 32AADCS2627M1ZC	13,40,17,120	2,41,23,082	1,56,600	2,39,66,482
15	Kaycee Distilleries, Thrissur,32AADFK0631N1ZK	12,70,35,600	2,28,66,408	68,55,100	1,60,11,308
16	Kerala Alcoholic Products Pvt Ltd 32AAACK9860F1ZL	15,39,09,000	2,77,03,620	0	2,77,03,620

Sl. No	Name of the purchaser of ENA in the State and GSTIN	Value of ENA imported (₹)	IGST due @ 18% (₹)	IGST paid (₹)	Non-levy of IGST (₹)
17	MGM Distillery c/o DDL 32AAGCS9705F1ZF	3,64,26,870	65,56,837	0	65,56,837
18	MGM Distillery C/o Empee Distillery 32AAGCS9705F1ZF	1,86,71,250	33,60,825	0	33,60,825
19	Normandy Breweries and Distilleries Pvt Ltd - 32AACCN8334R1Z0	4,19,20,300	75,45,654	12,42,000	63,03,654
20	Oasis Distilleries Limited, C/o United Distilleries, Kozhikode 32AAACK9432G1ZS	4,91,18,000	88,41,240	0	88,41,240
21	Oasis Distilleries Ltd, C/o SDF Industries Ltd 32AAACO3509R1ZA	12,54,49,740	2,25,80,953	0	2,25,80,953
22	Polsons Distillery, 32AAFFP9247F1Z8, A/c of John Distilleries Pvt Ltd, 32AAACJ4322P1ZM	1,00,32,720	18,05,890	0	18,05,890
23	Polsons Distillery, 32AAFFP9247F1Z8, A/c of The Ugar Sugar Works Ltd, 32AAACT7580R1ZQ	2,07,08,400	37,27,512	0	37,27,512
24	Polsons Distillery, Chalakudy, 32AAACA2513K1Z8 A/C of Radico Khaitan Ltd	8,77,30,360	1,57,91,465	0	1,57,91,465
25	Polsons Distillery, Chalakudy, A/c of Tilaknagar Industries Ltd, 32AAACT6047R1ZY	9,18,45,060	1,65,32,111	0	1,65,32,111
26	Radico Khaitan Ltd. C/o Empee Distilleries Ltd. 32AAACA2513K1Z8	3,66,05,000	65,88,900	0	65,88,900
27	S.D. Beverages Pvt. Ltd C/o United Distilleries , Kozhikode 32AALCS7253H1Z7	1,15,58,000	20,80,440	0	20,80,440
28	SDF Industires Ltd. 32AADCS2637K1ZE	8,00,95,000	1,44,17,100	0	1,44,17,100
29	Seven Seas Distilleries Pvt.Limited 32AADCS0200Q1ZN	47,06,58,189	8,47,18,474	45,72,000	8,01,46,474
30	Seven Seas Distillery Pvt. Ltd C/o Imperial Spirits Limited, Govindapuram 32AADCS0200Q1ZN	32,24,56,000	5,80,42,080	1,25,11,800	4,55,30,280
31	Seven Seas Distillery Pvt. Ltd, C/o Elite Distilleries & Beverages Co, Thrissur 32AADCS0200Q1ZN	13,46,88,000	2,42,43,840	7,74,000	2,34,69,840
32	Simbhaoli Sugars Ltd., C/o United Distilleries, Kozhikode 32AABCS9972P1ZM	89,80,000	16,16,400	0	16,16,400

Sl. No	Name of the purchaser of ENA in the State and GSTIN	Value of ENA imported (₹)	IGST due @ 18% (₹)	IGST paid (₹)	Non-levy of IGST (₹)
33	Tilaknager Industries Ltd, C/o Imperial Spirits, Govindapuram 32AAACT6047R1ZY	8,16,00,000	1,46,88,000	0	1,46,88,000
34	Travancore Sugars & Chemicals Ltd. 32AAACT7594F1Z9	25,63,85,840	4,61,49,451	24,39,000	4,37,10,465
<b>Grand Total</b>		<b>2,75,11,10,565</b>	<b>49,51,99,902</b>	<b>2,97,69,100</b>	<b>46,54,30,816</b>

**Appendix - VIII**

**(Reference: Paragraph 3.4.3)**

**Loss of interest due to parking of fund in the non-interest bearing accounts of Implementing Agencies instead of the interest bearing account opened by KRSA in erstwhile SBT at Vazhuthacaud branch**

Sl No	Implementing agency	Name of project	Date of allotment	Amount allotted (₹)	Date of utilisation	No of months	Amount utilised (₹)	Loss of interest @4%	Amount unutilised (₹)	Date of refund	No of months (Till July 2018)	Loss of interest (₹)	Total interest lost (₹)
1	Health	Establishment of Trauma care centers	20-11-09	5,00,00,000	22-03-16	77	2,46,70,059	1,28,33,333	2,53,29,941	5.2.16 (2,25,86,701)	--	0	1,28,33,333
2	Police	Student Police Cadet	09-01-12	1,00,00,000	05-12-14	35	1,00,00,000	11,66,667	0	--	--	0	11,66,667
3	Police	Warning blinker - Sabarimala	03-12-12	2,00,00,000	31-03-17	52	2,00,00,000	34,66,667	0	--	--	0	34,66,667
4	Police	Road safety scheme 11-12	15-11-13	5,00,00,000	30-05-18	55	4,50,13,877	91,66,667	49,86,123	--	2	33,241	91,99,908
5	Police	Road safety scheme 13-14	15-11-13	3,10,00,000	30-05-18	55	3,09,99,997	56,83,333	0	--	--	0	56,83,333
6	Police	Subhayathra 2015	24-02-16	6,00,00,000	27-03-18	25	2,25,60,000	50,00,000	3,74,40,000	--	4	4,99,200	54,99,200
7	Police	Subhayatra – SPC	27-05-15	1,00,00,000	04-04-18	34	1,00,00,000	11,33,333	0	--	0	0	11,33,333
8	Police	Traffic signals at Pothencode, Vembayam etc	01-03-17	42,77,321	14-02-18	11	38,86,252	1,56,835	3,91,069	--	5	6,518	1,63,353
9	Police	Traffic signals at Poojappura Jn	13-04-17	13,92,087	--	--	0	0	13,92,087	--	15	69,604	69,604
10	PWD (NH)	Development of Thalapady Kalikadavu	27-05-15	4,97,75,269	23-01-18	32	2,85,09,062	53,09,362	2,12,66,207	25.5.18	4	2,83,549	55,92,911
11	NATPAC	11 Research Dev. projects	03-06-15	1,25,00,000	09-10-17	28	92,79,616	11,66,667	32,20,384	--	9	96,612	12,63,279
12	NATPAC	12 Research projects	08-02-16	1,87,00,000	--	--	0	0	1,87,00,000	--	30	18,70,000	18,70,000
13	NATPAC	Road safety education through schools	01-03-17	1,00,00,000	--	--	0	0	1,00,00,000	--	17	5,66,667	5,66,667
<b>Total</b>													<b>4,85,08,255</b>

## Appendix - IX

(Reference: Paragraph 3.5 (a))

## Short levy of one time tax on percentage basis on reclassified vehicles

Sl. No.	Name of Office		Audit Period	No. of cases	Amount (₹)
1	RTO	Alappuzha	2016-17	17	95,554
2	RTO	Attingal	2016-17	25	2,22,776
3	RTO	Ernakulam	2016-17	49	6,01,101
4	RTO	Idukki	2015-16 & 2016-17	39	2,92,318
5	RTO	Kannur	2016-17	49	6,04,135
6	RTO	Kasargod	2016-17	37	3,70,933
7	RTO	Kottayam	2016-17	79	7,21,589
8	RTO	Kozhikode	2016-17	37	3,88,864
9	RTO	Malappuram	2016-17	127	9,96,110
10	RTO	Muvattupuzha	2016-17	31	2,14,947
11	RTO	Palakkad	2016-17	21	1,34,785
12	RTO	Pathanamthitta	2016-17	27	2,15,921
13	RTO	Thrissur	2016-17	108	22,48,102
14	RTO	Vadakara	2016-17	15	1,04,331
15	RTO	Wayanad	2016-17	11	1,73,984
16	SRTO	Adoor	2016-17	42	6,62,805
17	SRTO	Alathur	2016-17	13	2,24,588
18	SRTO	Aluva	2016-17	34	4,47,731
19	SRTO	Angamaly	2016-17	8	39,444
20	SRTO	Chalakudy	2016-17	23	3,09,491
21	SRTO	Changanassery	2016-17	25	2,69,247
22	SRTO	Chengannur	2016-17	12	89,855
23	SRTO	Cherthala	2016-17	32	2,25,372
24	SRTO	Devikulam	2015-16 & 2016-17	20	1,98,628
25	SRTO	Guruvayoor	2016-17	51	8,34,952
26	SRTO	Irinjalakuda	2016-17	34	3,18,281
27	SRTO	Kanhangad	2016-17	46	5,72,489
28	SRTO	Kanjirappally	2016-17	16	45,250
29	SRTO	Kayamkulam	2016-17	17	2,42,189
30	SRTO	Kodungallur	2016-17	8	83,605
31	SRTO	Koduvally	2016-17	19	1,74,952
32	SRTO	Kothamangalam	2016-17	15	64,366
33	SRTO	Koyilandy	2016-17	29	2,66,764

Sl. No.	Name of Office		Audit Period	No. of cases	Amount (₹)
34	SRTO	Kuttanad	2016-17	4	16,961
35	SRTO	Mallappally	2016-17	21	2,26,186
36	SRTO	Mannarkad	2016-17	37	3,66,874
37	SRTO	Mattanchery	2016-17	20	1,26,987
38	SRTO	Mavelikara	2016-17	9	1,38,352
39	SRTO	North Paravur	2016-17	20	3,00,852
40	SRTO	Nedumangad	2016-17	172	12,24,998
41	SRTO	Nilambur	2016-17	16	93,536
42	SRTO	Ottappalam	2016-17	25	98,720
43	SRTO	Pala	2016-17	35	1,79,818
44	SRTO	Pattambi	2016-17	18	1,51,956
45	SRTO	Perinthalmanna	2016-17	17	1,47,837
46	SRTO	Perumbavoor	2016-17	27	6,62,949
47	SRTO	Ranni	2016-17	18	73,774
48	SRTO	Sulthan Bathery	2016-17	78	5,22,700
49	SRTO	Thalassery	2016-17	16	2,30,510
50	SRTO	Taliparamba	2016-17	48	5,20,596
51	SRTO	Thiruvalla	2016-17	13	88,738
52	SRTO	Thodupuzha	2015-16 & 2016-17	42	2,63,055
53	SRTO	Thrissur	2016-17	15	48,432
54	SRTO	Tirur	2016-17	62	3,44,869
55	SRTO	Tirurangadi	2016-17	42	3,35,247
56	SRTO	Udumbanchola	2015-16 & 2016-17	51	2,90,319
57	SRTO	Uzhavoor	2016-17	11	50,528
58	SRTO	Vaikom	2016-17	16	99,598
59	SRTO	Vandiperiyar	2015-16 & 2016-17	82	7,27,042
60	SRTO	Wadakkancherry	2016-17	61	8,38,531
<b>Total</b>				<b>2,092</b>	<b>2,06,25,424</b>

## Appendix – X

(Reference: Paragraph 3.5 (b))

## Short levy of one time tax

Sl No	Office		Audit Period	No of case	Amount in ₹
1	RTO	Kozhikode	2016-17	1	17,423
2	RTO	Malappuram	2016-17	3	8,999
3	RTO	Palakkad	2016-17	1	11,280
4	RTO	Thiruvananthapuram	2016-17	14	3,16,764
5	SRTO	Kazhakkuttam	2016-17	2	53,338
6	SRTO	Nedumangad	2016-17	6	64,075
7	SRTO	Parassala	2016-17	2	8,477
8	SRTO	Sulthan Bathery	2016-17	1	2,996
9	SRTO	Tirur	2016-17	2	4,42,670
10	SRTO	Udumbanchola	2015-16, 2016-17	2	34,804
<b>Total</b>				<b>34</b>	<b>9,60,826</b>

**Appendix - XI**

**(Reference: Paragraph 3.6)**

**Non-levy of Green Tax**

Sl. No.	Name of Office		Audit Period	No. of cases	Amount (₹)
1	RTO	Alappuzha	2016-17	204	62,300
2	RTO	Attingal	2016-17	213	70,300
3	RTO	Ernakulam	2016-17	378	1,25,100
4	RTO	Kannur	2016-17	317	94,700
5	RTO	Kasargod	2016-17	355	1,07,500
6	RTO	Kottayam	2016-17	748	2,16,900
7	RTO	Kozhikode	2016-17	551	1,75,100
8	RTO	Malappuram	2016-17	754	2,28,700
9	RTO	Muvattupuzha	2016-17	476	1,34,600
10	RTO	Palakkad	2016-17	654	1,94,200
11	RTO	Vadakara	2016-17	269	68,900
12	RTO	Wayanad	2016-17	91	36,400
13	SRTO	Alathur	2016-17	493	1,27,400
14	SRTO	Aluva	2016-17	225	79,800
15	SRTO	Angamaly	2016-17	17	28,300
16	SRTO	Chalakudy	2016-17	509	1,48,500
17	SRTO	Changanassery	2016-17	239	68,800
18	SRTO	Chengannur	2016-17	136	39,800
19	SRTO	Cherthala	2016-17	312	92,600
20	SRTO	Guruvayoor	2016-17	381	1,11,900
21	SRTO	Irinjalakuda	2016-17	541	1,68,900
22	SRTO	Kanhangad	2016-17	241	70,100
23	SRTO	Kanjirappally	2016-17	194	52,600
24	SRTO	Kayamkulam	2016-17	194	58,100
25	SRTO	Kodungallur	2016-17	271	73,400
26	SRTO	Koduvally	2016-17	244	74,100
27	SRTO	Kothamangalam	2016-17	330	90,100
28	SRTO	Koyilandy	2016-17	408	1,05,100
29	SRTO	Kuttanad	2016-17	53	16,400
30	SRTO	Mallappally	2016-17	8	3,200
31	SRTO	Mananthavady	2016-17	54	18,600
32	SRTO	Mannarkad	2016-17	393	1,04,300
33	SRTO	Mattanchery	2016-17	397	1,33,800
34	SRTO	Mavelikara	2016-17	114	36,200



Sl. No.	Name of Office		Audit Period	No. of cases	Amount (₹)
35	SRTO	North Paravur	2016-17	372	1,11,700
36	SRTO	Nedumangad	2016-17	339	1,10,900
37	SRTO	Nilambur	2016-17	179	48,400
38	SRTO	Ottappalam	2016-17	265	72,400
39	SRTO	Pala	2016-17	293	85,200
40	SRTO	Pattambi	2016-17	418	1,07,100
41	SRTO	Perinthalmanna	2016-17	378	99,800
42	SRTO	Perumbavoor	2016-17	458	1,29,300
43	SRTO	Ranni	2016-17	42	16,800
44	SRTO	Sulthan Bathery	2016-17	312	85,500
45	SRTO	Thalassery	2016-17	530	1,52,300
46	SRTO	Taliparamba	2016-17	136	43,400
47	SRTO	Thiruvalla	2016-17	127	50,800
48	SRTO	Thrippunithura	2016-17	321	1,00,800
49	SRTO	Tirur	2016-17	400	99,300
50	SRTO	Tirurangadi	2016-17	492	1,25,600
51	SRTO	Uzhavoor	2016-17	153	45,000
52	SRTO	Vaikom	2016-17	274	82,900
53	SRTO	Wadakkancherry	2016-17	299	86,000
<b>Total</b>				<b>16,552</b>	<b>48,69,900</b>

**Appendix – XII**

**(Reference: Paragraph 3.7)**

**Non-remittance of tax during the operated period**

Sl. No.	Name of RTO	Audit Period	No of cases	Amount in ₹
1	Attingal	2016-17	2	37,662
2	Ernakulam	2016-17	7	1,73,398
3	Kannur	2016-17	6	2,30,055
4	Kottayam	2016-17	26	10,50,400
5	Kozhikode	2016-17	12	2,52,435
6	Malappuram	2016-17	34	10,08,365
7	Muvattupuzha	2016-17	1	41,400
8	Palakkad	2016-17	16	5,22,052
9	Pathanamthitta	2016-17	3	98,970
10	Thrissur	2016-17	19	5,15,355
11	Vadakara	2016-17	11	4,07,670
12	Wayanad	2016-17	2	41,200
<b>Total</b>			<b>139</b>	<b>43,78,962</b>

## Appendix – XIII

(Reference: Paragraph 4.4.6)

## Delay in finalisation of ceiling cases

## Status of ceiling cases initiated viz-a-viz the selected district

Name of District	No. of cases initiated	Pending cases	
		No. of case	Extent in ha
Kasaragod	8,136	202	1,875.3761
Kottayam	2,637	57	1,362.8910
Malappuram	11,389	232	2,106.7024
Palakkad	16,638	205	6,305.8592
Wayanad	508	213	11,137.4211
<b>Total</b>	<b>39,308</b>	<b>909</b>	<b>22,788.2498</b>

Source: Records of TLBs

## Age wise and stage wise details of cases pending finalisation.

Age wise			Stage wise		
Period of pendency	No. of cases	Area in ha	Reason for pendency	No. of cases	Area in ha
Less than one year	17	173.2586	Pending with Advocate General	6	246.4356
One year to less than two years	35	532.7676	Pending with Court	71	2,952.9830
Two years to less than five years	125	2,681.2038	Pending with Forest Department	22	1,275.2466
Five years to less than 10 years	70	1,019.5866	Pending with Government	2	9.7327
10 years to less than 20 years	169	2,833.2379	Pending with SDT	194	4,894.9187
20 years to less than 30 years	266	4,190.2074	Pending with State Land Board	11	36.8483
30 years to less than 40 years	71	2,904.9524	Pending with Survey	17	179.3027
40 years and above	156	8,453.0355	Pending with Tahsildar/VO	45	506.5565
<b>Total</b>	<b>909</b>	<b>22,788.2498</b>	Pending with TLB for finalisation	541	12,686.2257
			<b>Total</b>	<b>909</b>	<b>22,788.2498</b>

Source: Records of TLBs.

**Appendix – XIV**

**(Reference: Paragraph 4.4.8)**

**Removal of valuables from acquired Surplus land**

<b>Sl No</b>	<b>Surplus land taken from</b>	<b>Taluk/Village Office</b>	<b>Remarks</b>
1	Smt Kanjanamala	Thenkurissi village in Alathur Taluk	M/s Deepam Granites removed 11,764.5 M <sup>3</sup> of metal granites from the surplus land. A land conservancy case was booked and a stop memo was issued to them (18 February 2018).
2	Smt Sarojini Amma	Puthukode village in Alathur Taluk	M/s Global Granites removed granite metals from the surplus land. The Geologist (21 August 2017) calculated removal of 15,712.15 M <sup>3</sup> (39,280 Metric Ton) of Granite Metals and also stated that M/s Global Granites is to pay an amount of ₹ 0.20 crore as seigniorage and fine. As per Hon'ble High Court direction, the Deputy Secretary, Industries Department directed the <i>Tahsildar</i> vide proceedings (19 December 2017) to modify the order and <i>Tahsildar</i> ordered (22 February 2018) M/s Global Granites to pay an amount of ₹ 0.08 crore to the Government which was not paid.
3	Sri CM Chandukutty	Amabalavayal village in Sulthan Bathery Taluk	Quarrying operations were carried out by Shri. C. Luka and five others in the surplus land of 17.3488 ha and it was prohibited by the <i>Tahsildar</i> (7 August 2016).

## Appendix – XV

(Reference: Paragraph 4.4.9)

## Irregular assignment of surplus land

SI No	Name of institution	Taluk/Village Office	Remarks
1	Plantation Corporation of Kerala Ltd., and other institutions	Cheemeni Village in Hosdurg Taluk	The Government handed over (13 June 1977) 513.4409 ha (1,268.74 acres) of surplus land acquired from Smt. Chechamma Thomas, W/o Shri George Thomas to the Plantation Corporation of Kerala Ltd (PCKL) for interim management. The Government again ordered (30 June 2004) to lease out 1,503.2533 ha (3,714.62 acres) to PCKL including that already possessed by PCKL for 99 years with effect from 1977. Audit noticed that these lands were not reserved for public purpose and hence come under the provisions of KLR Act and control of SLB. Thus the transfer of land for interim management/lease to PCKL by the Government overlooking the powers of SLB is irregular and violating the provisions of KLR Act/Rules.
2	Indiraji Memorial Society	Wandoor village in Nilambur Taluk	The Government acquired (25 June 1988) 3.8445 ha (9.50 acres) of surplus land from Smt. Umadevi Antharjanam in Wandoor village of Nilambur taluk. Out of this, 3.0149 ha (7.45 acres) were reserved for public purpose by the Land Board for a Sports School (11 October 2005). The Government ordered (8 August 2014) for assignment of 2.0234 ha (five acres) of land from this reserved land on lease for 30 years to a private organisation, Indiraji Memorial Society, Wandoor under the KLA Act/Rules. The land was de-reserved by the SLB on 31 October 2014. Audit observed that the transfer of land reserved for public purpose to a private society was irregular. It may also be noted that when the land is de-reserved, it shall again become ordinary surplus land and come under the purview of KLR Act. Thus the assignment of more than one acre of surplus land by Government bypassing the powers of SLB becomes irregular.
3	Deseeya Mahila Samajam	Kalpetta village in Vythiri Taluk	Sanction was accorded (10 February 1986) for the assignment of an extent of 0.2023 ha (50 cents) of surplus land vested with the Government in Kalpetta village of Vythiri taluk to the Deseeya Mahila Samajam, Nadakkavu, Calicut for the construction of a Working Women's Hostel at Kalpetta on the basis of the provisions contained in Section 3 of the KLA Act. As per the conditions (Rule 8 (2)(3) of KLA Rules 1964), the land assigned shall be used for the intended purpose and if there is any violation of conditions, the land shall be regained by the Government. During Joint Physical Inspection, it was noticed that a private organisation was functioning at the place. Audit observed that the Department did not identify the violation of conditions.
4	SN Trust and SNDP Yogum	Teekoy village in Meenachil Taluk	The SLB reserved 229.6146 ha (567.39 acres) of surplus lands for public purpose (DDis.18471/81/E5 dated 28 April 1981 of DC, Kottayam) in Teekoy village of Meenachil Taluk. Out of the reserved land, the Government (13 September 2012) assigned 10.1171 ha (25 Acres) of land to two private organisations namely SNDP Yogam assigned with an area of 6.0702 ha (15 acres) for a Temple Complex and to SN Trust assigned with an area of 4.0468 ha (10 acres) for the construction of a Cultural Complex. The assignment of the land reserved for public purpose to private society/trust was irregular.

**Appendix – XVI**

**(Reference: Paragraph 4.5)**

**Non-levy of building tax due to buildings escaping assessment**

<b>Sl. No.</b>	<b>Taluk Office</b>	<b>No. of cases</b>	<b>Total amount due (₹)</b>
1.	Changanassery	29	29,24,400
2.	Chittur	2	2,48,400
3.	Devikulam	25	2,72,400
4.	Fort Kochi	25	18,34,200
5.	Karthikappally	27	3,58,200
6.	Karunagappally	28	14,86,800
7.	Kothamangalam	50	14,93,100
8.	Kunnathur	28	2,80,800
9.	Kuttanad	14	61,500
10.	Mavelikara	29	3,37,200
11.	Mukundapuram	14	2,82,000
12.	Muvattupuzha	72	14,83,500
13.	Nilambur	66	4,93,050
14.	Ottapalam	64	36,40,200
15.	Peermade	17	10,26,900
16.	Ranni	20	2,98,500
17.	Thalassery	15	3,84,000
18.	Thalappilly	10	3,06,000
19.	Thaliparamba	202	78,03,300
20.	Thamarassery	2	38,400
21.	Thodupuzha	42	8,45,700
22.	Vaikom	10	1,60,200
23.	Vadakara	4	2,95,200
24.	Vythiri	3	6,37,200
<b>Total</b>		<b>798</b>	<b>2,69,91,150</b>

**Appendix – XVII**  
**(Reference: Paragraph 4.6)**  
**Short/non levy of Basic Tax**

(Amount in ₹)

SI No	Name and Address	Taluk Office	Village	C/M/GP/ SGP	Area (Hectare)	Area (Are)	Year	Amount Due	Amount collected	Short collection of basic tax
1	M/s Green Acres Estate Pvt Ltd	Chittur	Nelliyampathy	Nelliyampathy GP	237.6142	23,761.4200	2014-17	3,19,376	0	3,19,376
2	Tata Global Beverages Limited	Devikulam	KDH Village, Mankulam, Anaviratty and Pallivasal	Munnar GP	23,715.5300	23,71,553.0000	2014-17	3,20,24,211	2,84,58,638	35,65,573
3	TP 14, Tyford tea company ltd	Peermade	Elappara	Elappara SGP	299.4817	29,948.1700	2014-17	4,02,923	2,99,620	1,03,303
4	Tp 80, Heliberia tea estate company pvt ltd	Peermade	Elappara	Elappara SGP	348.3952	34,839.5200	2014-17	4,68,976	3,88,864	80,112
5	TP 85, Tyford tea company ltd, Tyford estate	Peermade	Elappara	Elappara SGP	552.7546	55,275.4600	2014-17	7,44,945	5,52,850	1,92,095
6	Kora John and others	Peermade	Manjumala	Vandiperiyar SGP	181.7925	18,179.2500	2014-17	2,43,994	0	2,43,994
7	MD KSIDC	Thalassery	Cheruvanchery	Patyam GP	32.0120	3,201.2000	2014-17	41,729	28,814	12,915
8	KSIDC Veliyavelicham	Thalassery	Manatheri	Chittariparamba GP	68.9356	6,893.5600	2014-17	91,591	62,131	29,460
9	Abdul Jabbar, Hotel & Mgmt Pvt Ltd	Thalassery	Paduvilayi	Vengadu GP	13.3546	1,335.4600	2014-17	16,533	0	16,533
10	Rasila A V, Sharifa & others	Thalassery	Thalassery	Thalassery M	9.1300	913.0000	2014-17	21,657	11,540	10,117

SI No	Name and Address	Taluk Office	Village	C/M/GP/ SGP	Area (Hectare)	Area (Are)	Year	Amount Due	Amount collected	Short collection of basic tax
11	Chairman, Devasom Alapadamba	Thaliparrambu	Alapadamba	Kankol-Alapadamba GP	32.0862	3,208.6200	2014-17	41, 829	32,088	9,741
12	Messer's Nives Imports & Exports Company	Thaliparrambu	Korom	Payyanur M	5.5846	558.4600	2014-17	12, 081	5,258	6,823
13	Asst Manager, KINFRA Textiles Park	Thaliparrambu	Panniyur	Panniyur GP	20.1943	2,019.4300	2014-17	25,770	13,539	12,231
14	Glorias Hotel Private Limited, SP Oberoi	Vaikom	Vechoor	Vechoor GP	10.8541	1,085.4100	2014-17	13,157	5,223	7,934
15	M/s Hindustan Newsprint Limited	Vaikom	Vellore	Vellore SGP	276.2529	27,625.2900	2014-17	3,71,554	2,48,634	1,22,920
<b>Total</b>										<b>47,33,127</b>



## Appendix XVIII

(Reference: Paragraph 5.8)

## Unauthorised reconstitution of Board of Directors of companies/ firms holding Foreign Liquor licences

Sl. No.	Name of Company	Date of reconstitution of Board of Directors	No. of occasions
<b>Ernakulam District</b>			
1	Hotel Trident, Wellington Island, Ernakulam (Eih Associated Hotels Ltd.)	05.08.2016	1
2	Vivanta By Taj (Hotel Taj Malabar), Wellington Island, Ernakulam (Oriental hotels Pvt. Ltd.)	12.05.2016, 23.01.2017 25.07.2017, 23.01.2018	4
3	Cochin Heritage Hotel, Eroor, Ernakulam (M Star Hotel Pvt Ltd.)	14.07.2017	1
4	Intercontinental Hotels Group (India) Private Limited (Holiday Inn) Ernakulam	17.11.2017 19.02.2018	2
5	Olive Down Town, Kadavanthra, Ernakulam (Highland Star Hotels and Resorts Private Ltd.)	13.04.2016	1
6	Fragrant Nature, Fort Kochi (Fragrant nature retreat and resort pvt Ltd.)	10.10.2016	1
7	Hotel OG & Blue, 11/588a, Kundanoor, Maradu, Ernakulam (OG Estates Private Ltd.)	16.10.2017	1
8	Le Maritime Kochi (Sea Lagoon Hotels Pvt. Ltd.), XIV/144 A to J, Puthuvype, Vypeen, Ernakulam-682510	02.12.2016	1
9	Taj Kerala Hotels And Resorts Ltd. Gate Way Hotel (Taj Residency)	02.05.2016, 09.08.2017 25.09.2017, 20.02.2018	4
<b>Kottayam District</b>			
10	Hotel Breezeland, Changanacherry	27.01.2017	1
<b>Thiruvananthapuram District</b>			
11	Kovalam Resorts Pvt Ltd., Kovalam	16.11.2016	1
12	Taj Residency, Kovalam (Dodla International Limited)	24.03.2016	1
13	Estuary Island, Poovar (Verdant Estuary Retreat Pvt Ltd.)	06.09.2017	1
14	The South Park, M.G. Road, Thiruvananthapuram (Fortune Park Hotels Ltd.)	21.03.2016 02.02.2018	2
15	Turtle on the Beach, Kovalam (Kovalam Turtle Annexe Pvt Ltd.)	01.07.2016	1
16	Hotel Chola International, Thampanoor, Thiruvananthapuram (Chola Hotels Pvt Ltd)	26.08.2017	1
17	Niraamaya Retreats Pvt Ltd., Kovalam (Niraamaya Retreats Surya Samudra)	20.06.2017, 01.07.2017 13.02.2018	3
<b>Thrissur District</b>			
18	Alankar Elite Inns and Hotels Private Limited	31.08.2017	1
19	Fort Gate Hotels and Resorts Private Limited	31.08.2017	1
20	Hotel Waylord Private Limited	30.09.2017	1
<b>Total</b>			<b>30</b>

**Appendix – XIX**

**(Reference: Paragraph 5.12 – Audit Findings)**

The objectives of OPEN PEARL Project are as follows:

- Complete the registration process and to return the document in one hour;
- Scan the original document and store the image in the database and also separately in compact disc;
- Search and prepare encumbrance certificate;
- Maintain data dictionary of possible types of transactions including rates of stamp duty, registration fee etc;
- Stamp duty and fees are worked out automatically;
- Maintain database complete in all respects about documents registered;
- Maintain details of undervaluation cases reported;
- Projection and achievement of revenue collection;
- Issue marriage certificates, list certificate;
- Automatic preparation of indexes, memos, various accounts, registers, revenue collection statements, monthly statement and other reports;
- Reduce departmental work load and prevent loss and damage of documents;
- Eliminate bound volumes and facilitate electronic document retrieval;
- E-stamping;
- Standard format for document preparation for ensuring availability of document in electronic form for registration;
- Issue of digitally signed document after registration;
- Scanning and attaching to the document the record of right (RoR) or *thandapper pakarppu* (maintained using *bhurekha* software) and FMB sketch of the land transacted (maintained using *collabland* software);
- Transfer of data to village offices for enabling automatic transfer of revenue registry;
- Collection of transfer fee for transfer of registry;
- Provision for e-payment (proposed in the budget 2013-14).

## Appendix – XX

(Reference: Paragraph 5.12.7.3, bullet 4)

## Details of delay in return of registered documents

Sl. No.	Name of District	Name of SRO	Total documents registered (March 2018)	Whether date of issue recorded in Open Pearl database	Whether date of issue recorded in manual issue register	Number of cases where documents issue date not identifiable in manual register	Registered documents issued in time (within 3 days)	Registered documents not issued in time	Range of delay in days
1	Idukki	Peerumed	452	No	Yes	78	10	364	1 to 45
2		Kattappana	572	No	Yes	412	52	108	1 to 70
3		Udumpanchola	343	No	Yes	64	81	198	1 to 9
4		Thodupuzha#	435	No	No	NR	NR	NR	NR
5	Palakkad	Palakkad#	683	No	No	NR	NR	NR	NR
6		Parli	265	No	Yes	0	0	265	1 to 36
7		Mannarkad	784	No	Yes	679	16	89	1 to 21
8		Kozhinjampara	242	No	Yes	0	9	233	1 to 14
9	Pathanamthitta	Pathanamthitta#	378	No	No	NR	NR	NR	NR
10		Kadapra	95	No	Yes	7	9	79	1 to 21
11		Perunadu*	170	Yes	No@	0	2	168	1 to 27
12		Pandalam#	350	No	No	NR	NR	NR	NR
13	Thiruvananthapuram	Pattom#	551	No	No	NR	NR	NR	NR
14		Kazhakuttom#	445	No	No	NR	NR	NR	NR
15		Navaikulam	268	No	Yes	85	7	176	1 to 31
16		Kattakada	286	No	Yes	180	45	61	1 to 10
Total			6,319			1,505	231	1,741	

\* In case of SRO Perunadu the documents became ready for issue with a delay of 7 to 20 days in case of 168 documents as per database.

# The date of return is neither recorded in OPEN PEARL database nor in manual issue register in these six SROs and the total number of documents registered were 2,842.

@ As the date of issue was already recorded in the database, it was not recorded in manual register.

**Appendix – XXI****(Reference: Paragraph 5.12.7.4, bullet 5)****Details of payment of excess stamp duty**

Sl. No.	Name of District	Name of SRO	Number of cases (March 2018)	Number of cases where excess SD paid	Excess amount (₹)
1	Idukki	Peerumedu	452	42	1,566
2		Kattappana	572	70	8,904
3		Udumpanchola	343	32	1,220
4		Thodupuzha	435	64	9,369
5	Palakkad	Palakkad	683	97	16,875
6		Parli	265	54	8,691
7		Mannarkad	784	113	14,615
8		Kozhinjampara	242	33	5,594
9	Pathanamthitta	Pathanamthitta	378	43	5,065
10		Kadapra	95	9	814
11		Pandalam	350	33	1,946
12	Thiruvananthapuram	Pattom	551	28	6,686
13		Kazhakuttom	445	47	6,639
14		Navaikulam	268	43	4,160
15		Kattakada	286	10	654
Total			6,149	718	92,798

## Appendix – XXII

(Reference: Paragraph 5.12.7.7, bullet 1)

## Delay in issue of Encumbrance Certificate (EC)

Sl. No.	Name of District	Name of SRO	Total number of EC applications received in March 2018	Number of ECs issued within 7 days	Number of ECs issued beyond 7 days	ECs not issued due to additional ownership, for want of information from other SROs etc.	Range of delay in issue of ECs referred in column 6 (days)
1	2	3	4	5	6	7	8
1	Idukki	Peerumedu	1,158	904	181	73	1 to 112
2		Kattappana	1,429	1,207	178	44	1 to 40
3		Udumpanchola	858	813	37	8	1 to 27
4		Thodupuzha	1,017	299	702	16	1 to 50
5	Palakkad	Palakkad	1,901	1,710	178	13	1 to 57
6		Parli	957	894	45	18	1 to 70
7		Mannarkad	1,436	1,360	53	23	1 to 69
8		Kozhinjampara	495	469	23	3	1 to 28
9	Pathanamthitta	Pathanamthitta	729	706	15	8	1 to 51
10		Kadapra	224	218	3	3	2 to 17
11		Perunadu	516	495	17	4	1 to 25
12		Pandalam	539	510	21	8	1 to 67
13	Thiruvananthapuram	Pattom	974	854	101	19	1 to 58
14		Kazhakuttom	930	898	21	11	2 to 67
15		Navaikulam	521	504	10	7	1 to 58
16		Kattakada	648	609	35	4	1 to 65
Total			14,332	12,450	1,620	262	

**Appendix – XXIII**

**(Reference: Paragraph 5.12.8.4)**

**Details of Accounts A to H**

<b>Account Name</b>	<b>Purpose</b>
Account A	Account of Stamp duty and Registration fee relating to documents registered in Book1 <sup>1</sup> , Book3 <sup>2</sup> and Book 4 <sup>3</sup>
Account B	Account of miscellaneous fees (fee for private attendance, safe custody fees etc.)
Account C	Account of fees relating to Deficit Stamp duty and penalty, undisbursed pay and allowances, batta and travelling allowances for attendances at private residences and VAT realised on sale of priced forms
Account D	Account of the search fees and copying fees
Account F	Gist of all the various transactions conducted each day in a Sub Registry Office
Account G	Account of the number of documents admitted to registration, pending admission to registration, copied, uncopied, returned, unclaimed, applications for copies and encumbrance certificates accepted and complied with etc.
Account H	Daily account showing the total collection under each account and the total cash balance at the close of the day

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<sup>1</sup> Book 1 - Register of non –testamentary documents, such as deeds relating to Sale, Partitions, Settlement etc., relating to immovable property.

<sup>2</sup> Book 3 - Register of wills and Authorities to adopt.

<sup>3</sup> Book 4 - Miscellaneous register such as deeds relating to Power of Attorney etc.

## Appendix – XXIV

(Reference: Paragraph 5.12.8.4, bullet 1)

Details of document value, Stamp duty and Registration fee of registered documents missing in the database

(₹ in lakh)

Sl. No.	Name of District	Name of SRO	Total number of documents registered as per mdocument table between 2013-18	Number of document missing in maccount table	Value of documents missing	SD missing	RF missing
1	Idukki	Peerumedu	17,526	2,363	6,539.87	238.34	118.39
2	Idukki	Katappana	19,804	2,775	5,496.27	180.47	86.79
3	Idukki	Udumpanchola	11,673	1,746	3,929.18	124.47	58.46
4	Idukki	Thodupuzha	15,742	725	239.47	10.30	6.99
5	Palakkad	Palakkad	37,177	3,886	9,364.11	404.05	168.67
6	Palakkad	Parli	15,383	2,025	4,051.20	128.64	67.90
7	Palakkad	Mannarkkad	34,846	103	339.53	9.99	5.53
8	Palakkad	Kozhinjampara	10,995	723	1,355.90	44.71	23.20
9	Pathanamthitta	Pathanamthitta	16,624	513	2,387.64	80.28	9.75
10	Pathanamthitta	Kadapra	5,725	71	291.17	8.63	4.60
11	Pathanamthitta	Perunad	9,165	2,239	5,996.64	151.76	84.18
12	Pathanamthitta	Pandalam	14,601	1,389	996.57	17.76	15.39
13	Trivandrum	Pattom	22,114	2,129	3,235.86	1,048.21	365.87
14	Trivandrum	Kazhakuttom	22,551	2,092	16,890.59	712.69	286.51
15	Trivandrum	Navaikulam	11,998	541	902.87	31.02	13.82
16	Trivandrum	Kattakada	11,415	122	204.68	3.66	3.10
<b>Total</b>			<b>2,77,339</b>	<b>23,442</b>	<b>62,221.55</b>	<b>3,194.98</b>	<b>1,319.15</b>

**Appendix – XXV**

**(Reference: Paragraph 5.12.8.4, bullet 2)**

**Details of variation in document values, Stamp Duty and Registration Fee in the database due to duplicate, triplicate and/or incorrect database entries**

(₹ in lakh)

Sl. No.	Name of district	Name of SRO	Total number of documents registered as per mdocument table between 2013-18	Total number of duplicate/ triplicate/ incorrect entries found in maccount table	Number of cases in which duplication/tri plication/ incorrect entries found in maccount table	Overstated/un derstated value of documents duplicated/ triplicated/ incorrect entries	Overstated/ understated stamp duty in database	RF overstated/ understate d in database
1	Idukki	Peerumedu	17,526	338	169	234.18	17.11	5.88
2		Udumpanchola	11,673	20	10	19.93	0.16	0.03
3		Thodupuzha	15,742	26	13	4,780.10	1.21	1.56
4	Palakkad	Palakkad	37,177	43	40	886.40	1.25	0.57
5		Mannarkkad	34,846	610	293	426.34	14.35	-9.45
6		Kozhinjampara	10,995	42	24	55.96	3.29	2.21
7	Pathanamthitta	Pathanamthitta	16,624	9,666	4,579	28,108.99	698.34	359.90
8		Kadapra	5,725	4,935	2,439	9,414.66	261.48	127.21
9		Pandalam	14,601	60	30	228.45	3.72	4.81
10	Thiruvanantha puram	Pattom	22,114	111	54	2,020.62	126.10	42.64
11		Kazhakuttom	22,551	176	87	18,723.53	52.79	27.92
12		Navaikulam	11,998	775	378	736.54	28.14	15.07
13		Kattakada	11,415	75	38	70.94	201.41	1.23
Total			2,32,987	16,877	8,154	65,706.64	1,409.35	579.58



## Appendix – XXVI

(Reference: Paragraph 5.12.8.4, bullet 3)

## Details of differences between Cash Book, Manual Accounts Registers and System Generated Accounts Registers.

(Amount in ₹)

Sl. No.	Name of District	Name of SRO	Accounts	Number of days in which Difference noticed	Amount collected as per Cash Book accounts (March 2018)	Amount collected as per manual registers (March 2018)	Amount collected as per system generated accounts (March 2018)	Net difference between Cash Book accounts and system generated accounts	Net difference between manual accounts and system generated accounts
1	Idukki	Thodupuzha	Account A	18	78,02,390	77,68,355	79,54,050	-1,51,660	-1,85,695
2		Peerumed	Account A	24	12,281	58,49,285	58,49,285	-58,37,004	0
3		Peerumed	Account B	4	10,650	10,650	8,550	0	2,100
4		Thodupuzha	Account B	16	14,700	4,150	11,350	3,350	-7,200
5		Thodupuzha	Account C	14	34,961	34,961	33,651	0	1,310
6		Peerumed	Account C	18	63,144	81,544	63,844	-700	17,700
7		Kattappana	Account C	22	97,925	97,925	74,630	23,295	23,295
8		Udumpanchola	Account C	22	1,78,320	1,78,320	1,55,280	0	23,040
9		Thodupuzha	Account D	6	1,80,125	1,79,925	1,80,125	0	-200
10	Palakkad	Parli	Account A	1	15,43,940	15,43,940	15,43,680	260	260
11		Kozhinjampara	Account A	11	0	19,76,693	20,28,353	-20,28,353	-51,660
12		Mannarkad	Account A	19	47,11,392	47,10,655	47,11,392	0	-737
13		Palakkad	Account A	21	1,11,59,217	1,14,58,662	1,11,59,217	0	2,99,445
14		Mannarkad	Account B	1	26,900	26,900	26,903	-3	-3
15		Palakkad	Account B	18	17,600	17,600	17,600	0	0
16		Mannarkad	Account C	15	8,923	8,923	6,300	2,623	2,623
17		Parli	Account C	19	16,120	16,120	2,800	13,320	13,320
18		Palakkad	Account C	20	1,42,047	1,42,047	1,14,350	27,697	27,697
19		Kozhinjampara	Account D	1	54,410	54,260	54,410	0	-150
20		Palakkad	Account D	4	4,93,705	4,93,355	4,93,705	0	-350
21		Parli	Account D	4	1,95,995	1,94,915	1,95,995	0	-1,080
22		Mannarkad	Account D	14	2,71,350	2,74,785	2,71,350	0	3,435
23	Pathanamthitta	Pathanamthitta	Account A	9	30,96,197	30,76,710	31,04,932	-8,735	-28,222
24		Pandalam	Account A	10	29,51,305	29,50,715	29,51,305	0	-590
25		Pandalam	Account B	5	11,000	11,000	11,000	0	0
26		Pathanamthitta	Account B	14	18,450	14,200	18,450	0	-4,250
27		Kadapra	Account C	3	9,720	9,720	6,960	2,760	2,760
28		Pandalam	Account C	4	5,308	5,308	4,100	1,208	1,208

Sl. No.	Name of District	Name of SRO	Accounts	Number of days in which Difference noticed	Amount collected as per Cash Book accounts (March 2018)	Amount collected as per manual registers (March 2018)	Amount collected as per system generated accounts (March 2018)	Net difference between Cash Book accounts and system generated accounts	Net difference between manual accounts and system generated accounts
29		Perunadu	Account C	11	23,230	23,230	15,300	7,930	7,930
30		Pathanamthitta	Account C	15	31,815	3,037	29,675	2,140	-26,638
31		Pandalam	Account D	2	1,67,045	1,67,255	1,67,045	0	210
32		Pathanamthitta	Account D	6	1,39,800	1,39,670	1,39,800	0	-130
33	Thiruvananthapuram	Kattakada	Account A	5	15,39,490	15,39,270	15,39,490	0	-220
34		Pattom	Account A	15	2,02,40,049	2,03,92,589	2,02,40,049	0	1,52,540
35		Kazhakuttom	Account A	16	1,02,51,440	1,02,41,906	1,02,42,225	9,215	-319
36		Navaikulam	Account A	19	10,07,303	9,12,168	10,07,303	0	-95,135
37		Pattom	Account B	2	23,970	23,970	23,970	0	0
38		Kazhakuttom	Account B	2	24,450	23,400	24,850	-400	-1,450
39		Navaikulam	Account B	5	6,770	7,770	7,550	-780	220
40		Navaikulam	Account C	9	28,725	28,725	24,270	4,455	4,455
41		Kazhakuttom	Account C	14	60,560	60,560	47,060	13,500	13,500
42		Pattom	Account C	17	2,55,408	2,55,408	2,30,768	24,640	24,640
43		Kattakada	Account C	20	33,085	33,085	23,570	9,515	9,515
44		Pattom	Account D	2	3,34,195	3,33,875	3,34,195	0	-320
45		Navaikulam	Account D	4	1,52,495	1,51,755	1,52,495	0	-740
46		Kazhakuttom	Account D	9	2,03,790	2,03,240	2,03,790	0	-550

## Appendix XXVII

(Reference: Paragraph 5.13)

## Loss of revenue due to non-registration of agreements entered into between flat/apartment owners and developers/builders

Sl. No.	Year	Document No.	Trans. Date	Doc. Amount in ₹	Regn. Fee in ₹	Stamp Duty in ₹	Village	Survey No.	Claimant	Claimant Address	Tower No/ Apartment No
1	2016	4586	31/12/2016	1,62,08,868	3,24,178	6,48,400	Ernakulam	843	Jahamgir Ebrahimkutty	Kanjiramkuzhiyil	I/3C
2	2017	208	20/01/2017	1,44,89,100	2,89,782	5,79,600	Ernakulam	843	Mathew Joseph Thonikadavil	Thonikadavil	IV/12C
3	2017	209	20/01/2017	1,25,79,300	2,51,586	5,03,200	Ernakulam	843	Stephen Menachery George	Menachery	II/18C
4	2017	210	20/01/2017	2,47,39,868	4,94,798	9,89,600	Ernakulam	843	Sumith Mohan Cheeran	Cheerans House	II/16A
5	2017	211	20/01/2017	1,98,54,076	3,97,082	7,94,200	Ernakulam	843	Ravi John Mathai	4/1710	I/14D
6	2017	212	20/01/2017	1,71,19,076	3,42,382	6,84,800	Ernakulam	843	Sunitha Sara Alex	466/11 Defence Officers Enclave	I/7C
7	2017	213	20/01/2017	2,26,52,750	4,53,056	9,06,200	Ernakulam	843	Sebastian Madona Joseph	Madona House	III/12A
8	2017	214	20/01/2017	2,58,37,148	5,16,744	10,33,500	Ernakulam	843	Rajiv Zachariah	Vathollore	II/23A
9	2017	215	20/01/2017	1,78,25,800	3,56,516	7,13,100	Ernakulam	843	Chelakara Subramanian Venkiteswaran	B 307 Ashok Towers	IV/5D
10	2017	216	20/01/2017	2,18,03,181	4,36,064	8,72,200	Ernakulam	843	V P Vinod	Valayanchira	III/15B
11	2017	450	10/02/2017	2,00,13,800	4,00,276	8,00,600	Ernakulam	843	Perumal Gie Mathew	Mulamoottil Padippurackal	II/6D
12	2017	451	10/02/2017	3,07,57,725	6,15,156	12,30,400	Ernakulam	843	Joshua Easow	Alackal	I/18B
13	2017	452	10/02/2017	1,55,28,400	3,10,568	6,21,200	Ernakulam	843	V A Raviendran	Sree Krishna Leela	IV/20C
14	2017	453	10/02/2017	1,38,87,400	2,77,748	5,55,500	Ernakulam	843	Renji John	Pathackattil	IV/5C
15	2017	454	10/02/2017	1,66,02,708	3,32,056	6,64,200	Ernakulam	843	Liza Elizabeth Varghese	41/2271	III/2D

Sl. No.	Year	Document No.	Trans. Date	Doc. Amount in ₹	Regn. Fee in ₹	Stamp Duty in ₹	Village	Survey No.	Claimant	Claimant Address	Tower No/ Apartment No
16	2017	455	10/02/2017	2,32,24,250	4,64,486	9,29,000	Ernakulam	843	Philiph Plamootil Joseph	Pulinchimootil Milly Villa	III/17A
17	2017	456	10/02/2017	2,12,94,866	4,25,898	8,51,800	Ernakulam	843	Yazir Parambathkandy Moideen	Parambathkandy	IV/18B
18	2017	457	10/02/2017	2,19,10,880	4,38,218	8,76,500	Ernakulam	843	P K Vijayakumar	Peraketh	I/17D
19	2017	556	20/02/2017	1,86,00,352	3,72,008	7,44,100	Ernakulam	843	Sudheendran alias Sudheendran Achuthan	Saguna Cottage	I/11C
20	2017	557	20/02/2017	2,45,11,268	4,90,226	9,80,500	Ernakulam	843	Shaju Devassykutty Thattil	Thattil	II/14A
21	2017	558	20/02/2017	1,50,90,800	3,01,816	6,03,700	Ernakulam	843	Dr Vinod V Thomas	P16 NITK Quarters	III/12C
22	2017	559	20/02/2017	1,59,00,630	3,18,014	6,36,100	Ernakulam	843	C G S Mani	27/401 NRI Complex Sea Wood Estates Ltd	II/16B
23	2017	560	20/02/2017	1,83,48,732	3,66,976	7,34,000	Ernakulam	843	Dr Sridhar Kalyanasundaram	H207 S And P Living Spaces Chennai	IV/6D
24	2017	561	20/02/2017	3,28,64,720	6,57,296	13,14,600	Ernakulam	843	Yohannan Daniel	Kurunkattil Garderns	I/22B
25	2017	562	20/02/2017	1,84,66,076	3,69,322	7,38,700	Ernakulam	843	Manu Venkitesh Kesavan	Gayathri	I/12C
26	2017	563	20/02/2017	1,92,71,260	3,85,426	7,70,900	Ernakulam	843	John Daniel	74 H Block	II/10C
27	2017	689	04/03/2017	2,20,39,888	4,40,798	8,81,600	Ernakulam	843	Manikantadas Vallikkat Thachaparambil	Madampath	I/23D
28	2017	690	04/03/2017	1,84,58,132	3,69,164	7,38,400	Ernakulam	843	Anit Abraham Antony	3838/37 Skyline Orion Park	IV/7D
29	2017	691	04/03/2017	1,96,52,780	3,93,056	7,86,200	Ernakulam	843	Dr Chinnamma George	Kadungamparambil	II/24C
30	2017	692	04/03/2017	2,53,15,940	5,06,320	10,12,700	Ernakulam	843	Kollody Madhavan Sudhakaran	Raj Bhavan	III/14B

Sl. No.	Year	Document No.	Trans. Date	Doc. Amount in ₹	Regn. Fee in ₹	Stamp Duty in ₹	Village	Survey No.	Claimant	Claimant Address	Tower No/ Apartment No
31	2017	693	04/03/2017	1,45,43,800	2,90,876	5,81,800	Ernakulam	843	Afsal Musaliar Jalaluddin	Maison Armitage	III/7C
32	2017	694	04/03/2017	1,99,21,904	3,98,440	7,96,900	Ernakulam	843	Siddharth Prashant	101 Gulmohanr Building	I/13D
33	2017	695	04/03/2017	3,27,42,109	6,54,844	13,09,700	Ernakulam	843	Mohamed Iqubal Poovath Hassan	Poovath	I/24B
34	2017	696	04/03/2017	1,82,85,280	3,65,706	7,31,500	Ernakulam	843	Tinku V J	Valiyakunnam	III/17D
35	2017	697	04/03/2017	1,54,19,000	3,08,380	6,16,800	Ernakulam	843	Vinay Nair Harikumar	A26 Kanaka Nagar	III/15C
36	2017	698	04/03/2017	1,83,72,800	3,67,456	7,35,000	Ernakulam	843	Surej Babykutty John	Thunduvilayil	IV/10D
37	2017	732	07/03/2017	3,01,85,996	6,03,720	12,07,500	Ernakulam	843	H Ramdas Nayak	5C Skyline Amity Park	I/13B
38	2017	733	07/03/2017	1,95,73,800	3,91,476	7,83,000	Ernakulam	843	Isaac Cherian	7A2 Orchid Meadow	II/7A
39	2017	734	07/03/2017	1,48,81,160	2,97,624	5,95,300	Ernakulam	843	Koyakutty Nazar	36/1300B Judges Avenue	II/6D
40	2017	735	07/03/2017	2,36,19,728	4,72,396	9,44,800	Ernakulam	843	Dr N V Radhakrishnan	62/1806 Bhakti Vilas	II/6B
41	2017	736	07/03/2017	1,63,64,300	3,27,286	6,54,600	Ernakulam	843	Silvi Xavier Valliamukath	Sandhram	II/5C
42	2017	737	07/03/2017	1,79,60,581	3,59,212	7,18,500	Ernakulam	843	Dr Joseph Kurien	36/1741	I/6D
43	2017	738	07/03/2017	1,60,20,700	3,20,414	6,40,900	Ernakulam	843	Sheela Antony	3C Regency Manor	II/11C
44	2017	739	07/03/2017	1,68,56,516	3,37,132	6,74,300	Ernakulam	843	Saira Naushad	Wood Grove	II/9D
45	2017	740	07/03/2017	2,40,92,930	4,81,860	9,63,800	Ernakulam	843	M K Obaidulla	Shangri La	II/18B
46	2017	741	07/03/2017	1,89,87,628	3,79,754	7,59,600	Ernakulam	843	Vidya Prabhakaran Menon	Vrindavan Arthanatt	III/23C
47	2017	742	07/03/2017	1,58,28,480	3,16,570	6,33,200	Ernakulam	843	Minu Sebastian	Pynadath	II/19D
48	2017	792	10/03/2017	2,14,00,992	4,28,020	8,56,100	Ernakulam	843	Dilip Radhakrishnan	Aiswarya	I/24D
49	2017	793	10/03/2017	2,41,58,310	4,83,168	9,66,400	Ernakulam	843	Neethi Varghese	Nechupadam	III/17B
50	2017	794	10/03/2017	2,79,61,350	5,59,228	11,18,500	Ernakulam	843	Latha K Nair	Rohini	I/3B

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51	2017	795	10/03/2017	1,55,43,800	3,10,876	6,21,800	Ernakulam	843	Philip Jose Urasala	Oorasala	IV/11C
52	2017	796	10/03/2017	2,25,53,995	4,51,080	9,02,200	Ernakulam	843	Arun Jagadeesan Pillai	3E White Waters	II/23B
53	2017	797	10/03/2017	2,31,78,530	4,63,572	9,27,200	Ernakulam	843	Kuriappillil Parameswaran Jayalal	Kuriappillil	II/10B
54	2017	798	10/03/2017	1,42,15,600	2,84,312	5,68,700	Ernakulam	843	Samuel Thomas Managalasseril	S6 Compound Kristal Tiara	IV/8C
55	2017	799	10/03/2017	2,80,29,422	5,60,590	11,21,200	Ernakulam	843	Saju Paul	Palathullil	II/8A
56	2017	800	10/03/2017	1,49,60,900	2,99,218	5,98,500	Ernakulam	843	Dr Joseph Sebastian	Manickanamparambil	IV/9C
57	2017	807	10/03/2017	1,31,73,565	2,65,236	5,30,600	Ernakulam	843	Jacob Antony Kalloor	Kalloor	IV/6C
58	2017	820	13/03/2017	1,65,02,060	3,30,042	6,60,100	Ernakulam	843	Mathai Panachakalayil Thomas	A2/137 Paschim Vihar	III/19C
59	2017	821	13/03/2017	1,94,11,219	3,88,226	7,76,500	Ernakulam	843	Bibu Johny	Puthenpurayil	II/1D
60	2017	822	13/03/2017	1,81,10,240	3,62,206	7,24,500	Ernakulam	843	Anupama Rajan Babu	Panikassery	III/22C
61	2017	823	13/03/2017	2,70,64,252	5,41,286	10,82,600	Ernakulam	843	Kozhikkattil Bava Faisal	44/1211A	I/15B
62	2017	824	13/03/2017	2,48,93,030	4,97,862	9,95,800	Ernakulam	843	Kurian Varkey Nellikunnel	NMV 11/338	II/25B
63	2017	825	13/03/2017	1,55,96,228	3,11,926	6,23,900	Ernakulam	843	Sajini Thampi	Pandialackal	III/1C
64	2017	826	13/03/2017	3,01,94,750	6,03,896	12,07,800	Ernakulam	843	Lynus Kalister Vadassery	Vadassery	I/10B
65	2017	827	13/03/2017	2,30,94,966	4,61,900	9,23,800	Ernakulam	843	Balasubramoniam Kavumkal Rajagopalan	Kavumkal	IV/25B
66	2017	828	13/03/2017	1,46,68,600	2,93,372	5,86,800	Ernakulam	843	Dharmarajan Hariharan	C4 Ashoka Amoga	IV/3C

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67	2017	829	13/03/2017	3,52,89,132	7,05,784	14,11,600	Ernakulam	843	Shobha Gopinathan Nair	34/1039C	I/14A
68	2017	830	13/03/2017	1,94,90,868	3,89,818	7,79,700	Ernakulam	843	Raju Pattathil Sasidharan	Sundarsanam	III/24C
69	2017	831	13/03/2017	1,44,34,400	2,88,688	5,77,400	Ernakulam	843	Vivek Anilkumar Saraf	Saraf Apartments 52/6	III/6C
70	2017	832	13/03/2017	1,49,81,400	2,99,628	5,99,300	Ernakulam	843	Anand Venkatachalam	F3/10 Godrej Hillside Colony	IV/15C
71	2017	833	13/03/2017	2,93,60,640	5,87,214	11,74,500	Ernakulam	843	Nirmala Nair	Sea Shell House	I/6A
72	2017	834	13/03/2017	2,16,56,054	4,33,122	8,66,300	Ernakulam	843	Hazra Hadee	VII/375	IV/10A
73	2017	885	15/03/2017	3,35,42,164	6,70,844	13,41,700	Ernakulam	843	Samia Ayyaril Sidhik	8c Swapnil Enclave	I/19A
74	2017	886	15/03/2017	3,13,53,196	6,27,064	12,54,200	Ernakulam	843	Mibu Jose	2A Link Heritage	I/21B
75	2017	887	15/03/2017	1,51,06,200	3,02,124	6,04,300	Ernakulam	843	Thomas John	Mechankara	III/3C
76	2017	888	15/03/2017	1,73,26,936	3,46,540	6,93,100	Ernakulam	843	Subramania Iyer	Manjakal	II/7C
77	2017	889	15/03/2017	1,97,31,064	3,94,622	7,89,300	Ernakulam	843	Rosh Varghese	9C Skyline Topaz	I/7D
78	2017	890	15/03/2017	1,36,95,950	2,73,920	5,47,900	Ernakulam	843	Biju Thomas	Kunnel Valiyaveedu	II/3C
79	2017	891	15/03/2017	3,25,26,746	6,50,536	13,01,100	Ernakulam	843	Rajeev Rajagopal	Thiruvathira	I/22A
80	2017	892	15/03/2017	1,32,62,983	2,65,260	5,30,600	Ernakulam	843	Gemmy Joseph	Keezheth	II/7C
81	2017	893	15/03/2017	1,56,37,800	3,12,756	6,25,600	Ernakulam	843	Manoj Kumar Viswam	Krishna Kripa	IV/21C
82	2017	913	16/03/2017	1,82,31,960	3,64,640	7,29,300	Ernakulam	843	Venkataraman S	12 B Skyline Oak Wood Apartments	IV/14D
83	2017	914	16/03/2017	2,44,05,783	4,88,116	9,76,300	Ernakulam	843	Ambareesh Vedantam Murty	401 B Wing Tina Bliss	III/13B
84	2017	915	16/03/2017	1,83,81,405	3,67,630	7,35,300	Ernakulam	843	Teresa Antony Alangaden	1C Avenue Crest	IV/6B
85	2017	916	16/03/2017	2,00,61,936	401,240	8,02,500	Ernakulam	843	Binu Thomas Mathews alias Thomas Binu	Manappallil	II/22C
86	2017	917	16/03/2017	1,55,83,100	3,11,662	6,23,400	Ernakulam	843	Joseph Abraham	Thekkekara	IV/22C

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87	2017	918	16/03/2017	1,69,06,840	3,38,138	6,76,300	Ernakulam	843	Biju Cherian Oommen	Karimplavelil	IV/11D
88	2017	919	16/03/2017	2,20,81,250	4,41,626	8,83,300	Ernakulam	843	Kesavath Parambil Abdul Hameed	K P House 5/416	III/7A
89	2017	920	16/03/2017	2,02,54,480	4,05,090	8,10,200	Ernakulam	843	Nitin Singhal	F81 Jaga Puri	I/11D
90	2017	921	16/03/2017	1,99,16,700	3,98,334	7,96,700	Ernakulam	843	Deepa Mariam Joseph	Jessy Villa 17/17B	II/10A
91	2017	922	16/03/2017	1,99,37,304	3,98,748	7,97,500	Ernakulam	843	Bindu Elizabeth George	Mamootil	I/4D
92	2017	925	16/03/2017	1,96,94,666	3,93,894	7,87,800	Ernakulam	843	Xavior Puthen Parambil Joseph	Puthen Parambil	IV/4B
93	2017	931	17/03/2017	1,83,37,876	3,66,758	7,33,600	Ernakulam	843	Pullooruthikary Varkey Alexander	Pullooruthikary	I/9C
94	2017	932	17/03/2017	1,99,08,920	3,98,180	7,96,400	Ernakulam	843	Ambalathu Veettil Eravalappil Aminu	K P House	III/7B
95	2017	933	17/03/2017	2,24,24,150	4,48,484	8,97,000	Ernakulam	843	Thomas Abraham	805 Green Gardens	III/10A
96	2017	934	17/03/2017	2,09,45,400	4,18,908	8,37,900	Ernakulam	843	Aneena Paul	Kayyalath	II/19A
97	2017	935	17/03/2017	2,30,87,090	4,61,742	9,23,500	Ernakulam	843	Suraj Thomas	Pazhukkaniyil	II/11B
98	2017	936	17/03/2017	1,49,42,100	2,98,842	5,97,700	Ernakulam	843	Sabitha Ansari	Mini Home	IV/7C
99	2017	937	17/03/2017	1,93,07,076	3,86,142	7,72,300	Ernakulam	843	Thomas Kuriakose Chennikara	Chennikara Ebenezer	I/9D
100	2017	962	18/03/2017	3,12,77,828	6,25,558	12,51,200	Ernakulam	843	Honey Antony	Koyithra	I/10A
101	2017	963	18/03/2017	1,71,91,280	3,43,826	6,87,700	Ernakulam	843	Asha Jose	75 Basha Street	III/7D
102	2017	964	18/03/2017	1,66,12,773	3,32,256	6,64,600	Ernakulam	843	Suresh Warriar	Ushus	III/21C
103	2017	965	18/03/2017	1,52,00,200	3,04,004	6,08,100	Ernakulam	843	Angelo Behin Justus	Smilin House	III/13C
104	2017	966	18/03/2017	2,12,36,892	4,24,738	8,49,500	Ernakulam	843	Sethu Madhavan Nair	Rajesh Bhavan	II/18D



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105	2017	967	18/03/2017	2,34,96,284	4,69,926	9,39,900	Ernakulam	843	Nikhil George Poonthottam	Poonthittathil	III/18B
106	2017	968	18/03/2017	1,93,74,904	3,87,500	7,75,000	Ernakulam	843	John Joseph	2 Pachayappas Hostel Road	I/8D
107	2017	969	18/03/2017	1,87,66,640	3,75,334	7,50,700	Ernakulam	843	Dr George Varghese Alias George C Varghese	Thundathil	II/10D
108	2017	970	18/03/2017	3,13,64,868	6,27,298	12,54,600	Ernakulam	843	Babu Kandamkulathy Lonappan	Kandamkulathy	I/20B
109	2017	971	18/03/2017	1,61,41,040	3,22,822	6,45,700	Ernakulam	843	Aju Abraham	Kochapillil	III/4C
110	2017	972	18/03/2017	1,92,30,900	3,84,618	7,69,300	Ernakulam	843	Priya Anil Kumar Varma	Sree Vihar	II/4A
111	2017	973	18/03/2017	2,15,08,204	4,30,166	8,60,400	Ernakulam	843	Cyriac Babu Joseph	1032 Casa Paradiso	II/23D
112	2017	974	18/03/2017	2,67,22,848	5,34,458	10,69,000	Ernakulam	843	Xavier Sebastian	C102 Ceebros Grayshott Bishop Garden Extn	II/22A
113	2017	975	18/03/2017	1,76,76,420	3,53,530	7,07,100	Ernakulam	843	Kannan V Gopinath	9C Heera Palace	II/13A
114	2017	977	20/03/2017	1,47,19,934	2,94,400	5,88,800	Ernakulam	843	Haseena Sadick	Alathattuparambil	III/17C
115	2017	978	20/03/2017	1,99,36,079	3,98,722	7,97,500	Ernakulam	843	Mariyambi Abdul Khader	Mezhukkattil	IV/23C
116	2017	979	20/03/2017	2,61,97,068	5,23,942	10,47,900	Ernakulam	843	Arun Kollenethu Thomas	Paranickal Green View	II/20A
117	2017	980	20/03/2017	1,32,62,982	2,65,260	5,30,600	Ernakulam	843	Anu Garg	18 Presteege Palmgreen Garden Villas	II/6C
118	2017	981	20/03/2017	1,82,40,304	3,64,808	7,29,700	Ernakulam	843	Sunil Kumar Pankajakshan	407C Venus Co Op Housing Society	III/8D
119	2017	982	20/03/2017	1,99,59,100	3,99,182	7,98,400	Ernakulam	843	Prathap Sukumaran	Karippurathu	II/2D

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120	2017	983	20/03/2017	2,10,66,266	4,21,326	8,42,700	Ernakulam	843	Thomas jacob	Kalekattil	IV/16B
121	2017	984	20/03/2017	1,75,50,590	3,51,012	7,02,100	Ernakulam	843	Liju Sunil Vachaparambil	9A Silver Oak	II/6A
122	2017	985	20/03/2017	1,87,86,416	3,75,730	7,51,500	Ernakulam	843	Santhakumar Raghavan Pillai	Raadham	IV/23C
123	2017	986	20/03/2017	3,30,33,964	6,60,680	13,21,400	Ernakulam	843	Rajesh Venugopal Kumbalath	Anirudha	I/21A
124	2017	987	20/03/2017	1,57,47,200	3,14,944	6,29,900	Ernakulam	843	George Poonthottam	Poonthottathil	III/18C
125	2017	988	20/03/2017	2,06,18,110	4,12,694	8,25,000	Ernakulam	843	Sindha Percy Jacob	Thekkanattu	IV/7B
126	2017	1004	20/03/2017	1,47,62,600	2,95,252	5,90,600	Ernakulam	843	Jayajith Sreedharan	Padeetharayil House	II/13C
127	2017	1005	20/03/2017	1,32,62,982	2,65,260	5,30,600	Ernakulam	843	Jith John John	Kallupalam House	II/9C
128	2017	1006	20/03/2017	1,98,67,204	3,97,346	7,94,700	Ernakulam	843	Jabson Varghese	Kuzhivila Puthen Veedu	II/17D
129	2017	1007	20/03/2017	1,47,07,900	2,94,158	5,88,400	Ernakulam	843	Sulaiman Muhammad Haneef	Heritage Apartments	IV/14C
130	2017	1009	20/03/2017	2,59,51,448	5,19,030	10,38,100	Ernakulam	843	Satyan Abraham	Oasis	II/24A
131	2017	1010	20/03/2017	2,01,13,640	4,02,274	8,04,600	Ernakulam	843	Sureshvenunathan Kottapurath	Kottapurath	II/15D
132	2017	1011	20/03/2017	1,64,58,300	3,29,166	6,58,400	Ernakulam	843	Mathews Varghese	Thachedath	II/15C
133	2017	1012	20/03/2017	2,14,87,766	4,29,756	8,65,600	Ernakulam	843	Tini Mathews	Chellattu Madhu Bhavan	IV/21B
134	2017	1013	20/03/2017	1,87,42,572	3,74,852	7,49,800	Ernakulam	843	Gladson Jose	Palamittath	I/24C
135	2017	1014	20/03/2017	2,13,73,466	4,27,470	8,61,000	Ernakulam	843	Siva Prakash Kumar	Sreemangalathu	IV/20B
136	2017	1015	20/03/2017	1,68,84,960	3,37,700	6,75,400	Ernakulam	843	Biji Sukumar	Thandayamgattil	IV/9D
137	2017	1016	20/03/2017	2,18,65,280	4,37,306	8,74,700	Ernakulam	843	Vimala Hariharan	Sreekrishna	IV/23B
138	2017	1017	20/03/2017	2,23,85,459	4,47,710	8,95,500	Ernakulam	843	Vimala Hariharan	Sreekrishna	IV/23A

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139	2017	1018	20/03/2017	3,20,91,450	6,41,830	12,83,700	Ernakulam	843	Arvind Bansi	Door No Tc 36/1308	I/23B
140	2017	1019	20/03/2017	3,14,61,162	6,29,224	12,58,500	Ernakulam	843	M.R. Sreenivas Bhat	Memana	I/5A
141	2017	1020	20/03/2017	1,46,53,200	2,93,064	5,86,200	Ernakulam	843	Nowfal Salam	Pattathil	III/8C
142	2017	1021	20/03/2017	1,52,00,200	3,04,004	6,08,100	Ernakulam	843	Nowfal Salam	Pattathil	IV/17C
143	2017	1037	21/03/2017	2,29,49,930	4,59,000	9,18,000	Ernakulam	843	Keshavas Hospitality Pvt Ltd rep by its Director V K Muralidharan	202 Raheja Arcade	II/8B
144	2017	1038	21/03/2017	1,76,76,420	3,53,530	7,47,100	Ernakulam	843	Poovalil Govindan Nair Ramakrishnan	Peeyush	II/15A
145	2017	1039	21/03/2017	1,46,53,200	2,93,064	5,86,200	Ernakulam	843	Viswanath Sankara Warriar	Vijaya Sadan	III/10C
146	2017	1040	21/03/2017	2,02,79,379	4,05,588	8,11,200	Ernakulam	843	Jiju George	Nechupadam	I/19D
147	2017	1041	21/03/2017	2,35,51,148	4,71,024	9,42,100	Ernakulam	843	Shaj Ulahannan Thayil	501 A Wing Deepali Cooperative Housing Society Limited	III/11A
148	2017	1042	21/03/2017	1,83,48,816	3,66,978	7,34,000	Ernakulam	843	Salim Eden Dar Al Salam	Thekkumparambath	I/19C
149	2017	1043	21/03/2017	2,22,38,527	4,44,772	8,89,600	Ernakulam	843	Ragesh Radhakrishnan Nair	A9 nanddham C H S	II/20B
150	2017	1044	21/03/2017	1,98,51,714	3,97,036	7,94,100	Ernakulam	843	Gokul Thotikamath	Ganges	III/10B
151	2017	1045	21/03/2017	2,65,75,846	5,31,518	10,63,100	Ernakulam	843	Sunoj Mathew Dan	103 Vijayeta	I/8B
152	2017	1046	21/03/2017	1,74,47,820	3,48,958	6,98,000	Ernakulam	843	Antony Thomas	Kottaram	II/11A
153	2017	1047	21/03/2017	2,39,32,910	4,78,660	9,57,400	Ernakulam	843	George Varkey Thalody	Thalody	II/22B
154	2017	1048	21/03/2017	1,80,03,028	3,60,062	7,20,200	Ernakulam	843	Koshy Philip	Pleasant Villa	II/5D
155	2017	1049	21/03/2017	2,09,06,504	4,18,132	8,36,300	Ernakulam	843	Aju Jacob	Nechuppadam	I/22D

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156	2017	1050	21/03/2017	2,42,30,090	4,84,602	9,69,300	Ernakulam	843	Jayakrishnan Nedunghat	Priya	II/21B
157	2017	1051	21/03/2017	3,03,31,896	6,06,638	12,13,300	Ernakulam	843	Nitha Mohankumar	Mazhuvancherry	I/14B
158	2017	1052	21/03/2017	2,92,70,328	5,85,408	11,70,900	Ernakulam	843	Thomachan Kalapura	Kizhakkal	I/17A
159	2017	1053	21/03/2017	1,76,74,828	3,53,498	7,07,000	Ernakulam	843	K J Varkey	1702 Apire Towers	III/20C
160	2017	1054	21/03/2017	1,79,77,560	3,59,552	7,19,200	Ernakulam	843	Thomas K Mathai	36/906	III/18D
161	2017	1055	21/03/2017	2,30,77,946	4,61,560	9,23,200	Ernakulam	843	Tina Mary George	A1 Nirmi Homes	II/12B
162	2017	1056	21/03/2017	2,01,71,620	4,03,434	8,06,900	Ernakulam	843	Saji Varkey Cherian	Purackal	I/18D
163	2017	1057	21/03/2017	1,65,21,990	3,30,440	6,60,900	Ernakulam	843	Meenu Antony	Kottaram	II/15B
164	2017	1058	21/03/2017	1,98,60,640	3,97,214	7,94,500	Ernakulam	843	Jolly Kurien Thekilkandathil	Lavany Door No 3/974A	II/20D
165	2017	1059	21/03/2017	2,42,82,668	4,85,654	9,71,400	Ernakulam	843	Texcel Engineers Private Limited	Ganapathy Colony Anna Nagar East	II/12A
166	2017	1060	21/03/2017	1,58,95,140	3,17,904	6,35,900	Ernakulam	843	Lovely Joseph	Kottaram	II/13B
167	2017	1083	22/03/2017	2,22,69,720	4,45,396	8,90,800	Ernakulam	843	Lekshmi Seemanthini	Ponnattil	III/12B
168	2017	1084	22/03/2017	1,32,62,982	2,65,260	5,30,600	Ernakulam	843	Philip Idicula Regie	Pazhangeril Mandirom	II/14C
169	2017	1085	22/03/2017	2,17,86,080	4,35,722	8,71,500	Ernakulam	843	Sakeer Hussain	Aikkapadath	I/25D
170	2017	1086	22/03/2017	2,04,94,766	4,09,896	8,19,800	Ernakulam	843	Thomas John	Pavureth Villa	IV/11B
171	2017	1087	22/03/2017	1,55,28,400	3,10,568	6,21,200	Ernakulam	843	Saju Augustine	Kooran Kallukaran House	III/16C
172	2017	1088	22/03/2017	1,89,74,500	3,79,490	7,59,000	Ernakulam	843	Mathew P Thomas	Grace Villa	II/11D
173	2017	1089	22/03/2017	2,42,78,096	4,85,562	9,71,200	Ernakulam	843	Sheela Thomas	Parokkaran	III/9A
174	2017	1090	22/03/2017	3,62,65,474	7,25,310	14,50,700	Ernakulam	843	George Arakal Joseph alias George Joseph	A92 Riviera Retreat	I/20A

Sl. No.	Year	Document No.	Trans. Date	Doc. Amount in ₹	Regn. Fee in ₹	Stamp Duty in ₹	Village	Survey No.	Claimant	Claimant Address	Tower No/ Apartment No
175	2017	1091	22/03/2017	2,06,87,704	4,13,756	8,27,600	Ernakulam	843	Achma Asokan Foster	Thekekanampuram	I/20D
176	2017	1092	22/03/2017	2,47,47,998	4,94,960	9,90,000	Ernakulam	843	Thomas George Mullackal	301 Kristal Ruby	II/19B
177	2017	1093	22/03/2017	1,75,19,480	3,50,390	7,00,800	Ernakulam	843	Abraham Joseph	Vattathara	III/11D
178	2017	1094	22/03/2017	2,98,37,284	5,96,746	11,93,500	Ernakulam	843	Susmitha Subu	802 Nellai Heights	I/16B
179	2017	1095	22/03/2017	1,88,27,904	3,76,560	7,53,200	Ernakulam	843	Ashok Bhat M R	Memana	I/3D
180	2017	1096	22/03/2017	3,15,37,670	6,30,754	12,61,600	Ernakulam	843	K N Madhusoodanan	Sreenikethan	I/19B
181	2017	1097	22/03/2017	2,88,67,060	5,77,342	11,54,700	Ernakulam	843	Silvan Varghese	Silex 3/69	I/9B
182	2017	1098	22/03/2017	1,82,31,958	3,64,640	7,29,300	Ernakulam	843	Joseph Manak	Manak Kannankeril	I/9D
183	2017	1099	22/03/2017	2,35,93,325	4,71,868	9,43,800	Ernakulam	843	Nibu Mathew Varghese	Parayirikum Pokayil	III/20B
184	2017	1100	22/03/2017	1,73,44,440	3,46,890	6,93,800	Ernakulam	843	Marylin Johnson	Kodinjoor	IV/15D
185	2017	1101	22/03/2017	1,74,62,592	3,49,252	6,98,600	Ernakulam	843	Roy Kondoor Chacko	C28 Namaskar Apartments	IV/24C
186	2017	1102	22/03/2017	3,04,07,764	6,08,156	12,16,400	Ernakulam	843	Shaju Jose Thaliath	806 C Kanjanjunga Apartments	I/3A
187	2017	1103	22/03/2017	2,36,35,730	4,72,716	9,45,500	Ernakulam	843	Bapoo Safeer Kavungada Basheer	Kavungada	II/14B
188	2017	1104	22/03/2017	1,53,25,000	3,06,500	6,13,000	Ernakulam	843	Porupunchail Cherian Abraham	Mayur Vihar Phase 2	III/5C
189	2017	1676	06/05/2017	1,88,69,476	3,77,390	7,54,800	Ernakulam	843	Arun Babu Panackal	Panackal	I/5D
190	2017	1961	31/05/2017	5,39,50,205	10,79,006	21,58,012	Ernakulam	843	Dr. Vallavanthara Joseph Sebastian	Flat No.14A Express Estate	IT/14B
191	2017	1962	31/05/2017	2,77,60,376	5,55,208	11,10,416	Ernakulam	843	Thomas Thysseril	Thysseril House	IT/7B
192	2017	2274	27/06/2017	3,92,67,820	7,85,358	15,70,716	Ernakulam	843	Navin Baby Mazhuvancherry	Mazhuvancherry	IT/7A
193	2017	2275	27/06/2017	3,62,63,108	7,25,264	14,50,528	Ernakulam	843	Augustine Renny Thomas	Vivarea 3103A	IT/21C
194	2017	2276	27/06/2017	5,20,93,055	10,41,862	20,83,724	Ernakulam	843	Akhila Sujith	2/103 Hakimi Niwas	IT/22B

Sl. No.	Year	Document No.	Trans. Date	Doc. Amount in ₹	Regn. Fee in ₹	Stamp Duty in ₹	Village	Survey No.	Claimant	Claimant Address	Tower No/ Apartment No
195	2017	2277	27/06/2017	3,08,83,385	6,17,668	12,35,336	Ernakulam	843	Roy Philip Sebastian	Panachayil	IT/8B
196	2017	2328	30/06/2017	3,89,01,116	7,78,024	15,56,048	Ernakulam	843	Iykkera Leela Mohandas	2003 Norita Towers	IT/24A
197	2017	2329	30/06/2017	3,13,26,365	6,26,528	12,53,056	Ernakulam	843	Thomas Markose	Mackal	IT/4B
198	2017	2330	30/06/2017	4,25,42,714	8,50,856	17,01,712	Ernakulam	843	Reghu Kumar Palayil Bhaskaran Pillai	Palayil	IT/11C
199	2017	2331	30/06/2017	5,32,24,819	10,64,498	21,28,996	Ernakulam	843	Bobby Thomas	Thomas Villa	IT/12B
200	2017	2332	30/06/2017	3,16,57,689	6,33,154	25,32,616	Ernakulam	843	Valiya Peedikakkal Mohammed Miandad	Valiya Peedikakkal	I/12B
201	2017	2333	30/06/2017	2,10,38,148	4,20,764	16,83,056	Ernakulam	843	Shrikant Pandey	B2/258A 32B Lane No 16	IV/14B
202	2017	2369	04/07/2017	4,22,27,300	8,44,546	16,89,092	Ernakulam	843	Hardeep Kaur Sagoo Berry	B4 Hauz Khas	IT/25A
203	2017	2370	04/07/2017	4,00,76,750	8,01,536	16,03,072	Ernakulam	843	Siby Kottarathil Thomas	Kottaram	IT/20C
204	2017	2472	12/07/2017	4,23,70,670	8,47,414	16,94,828	Ernakulam	843	Nandakumar K	TC 5/2527 3 TKV Nagar	IT/18C
205	2017	2520	15/07/2017	3,12,15,620	6,24,314	12,48,628	Ernakulam	843	Gopalakrishna Subraya Bhat	Kavanal	IT/11B
206	2017	2521	15/07/2017	3,92,62,206	7,85,246	15,70,492	Ernakulam	843	Srinivas Chidambaram	S283 Greater Kailash II	IT/12A
207	2017	2522	15/07/2017	5,02,91,620	10,05,834	20,11,668	Ernakulam	843	Julie Elizabeth Roy	Puthiaparambil	IT/24B
208	2017	2523	15/07/2017	3,82,12,940	7,64,260	15,28,520	Ernakulam	843	Sandhya Ashok	Aramathumadom	IT/7C
209	2017	2524	15/07/2017	4,03,63,490	8,07,270	16,14,540	Ernakulam	843	John Kurien	Melathethil	IT/4C
210	2017	2590	20/07/2017	3,79,40,537	7,58,812	15,17,624	Ernakulam	843	Suresh K Menon	B/7 Adinath Coop Housing Society	IT/16C
211	2017	2591	20/07/2017	4,25,14,040	8,50,282	17,00,564	Ernakulam	843	Joseph John Kottackal	7F DD Nest	IT/19C

Sl. No.	Year	Document No.	Trans. Date	Doc. Amount in ₹	Regn. Fee in ₹	Stamp Duty in ₹	Village	Survey No.	Claimant	Claimant Address	Tower No/ Apartment No
212	2017	2592	20/07/2017	3,11,04,875	6,22,098	12,44,196	Ernakulam	843	Geo Sea Food rep by its Mg Partner Kuttathiparambil George Lawrence	Door No 18/1905	IT/10B
213	2017	2593	20/07/2017	4,10,80,659	8,21,614	16,43,228	Ernakulam	843	Kattakath Syed Mohamed Rasheed	Kattakath Choolakada	IT/23A
214	2017	2594	20/07/2017	2,94,43,700	5,88,874	11,77,748	Ernakulam	843	Subash Chandran Nair	301 Vijaya Sree Durga Cooperative Housing Society	IT/5B
215	2017	2605	21/07/2017	4,62,80,176	9,25,604	18,51,208	Ernakulam	843	Nishad Azeem Konekkat Azeem	Lake Avenue	IT/18B
216	2017	2606	21/07/2017	4,03,63,490	8,07,270	16,14,540	Ernakulam	843	Ushasree Kunjulekshmi Amma Raghava Pillai	Hari Sree	IT/12C
217	2017	2607	21/07/2017	4,22,27,300	8,44,546	16,89,092	Ernakulam	843	Antony Pulikkal Verghese	Pulikkal	IT/25C
218	2017	2608	21/07/2017	4,06,50,230	8,13,006	16,26,012	Ernakulam	843	Rajeshwari Prabhakar	4 IRIS Kalyani Nagar	IT/24C
219	2017	2609	21/07/2017	3,86,74,910	7,73,500	15,47,000	Ernakulam	843	Jain Kuttappan Ayyappan	Thacheril	IT/9A
220	2017	2610	21/07/2017	3,76,50,207	7,53,006	15,06,012	Ernakulam	843	Annie Verghese	Paraikkamannil	IT/14C
221	2017	2611	21/07/2017	4,09,59,900	8,19,198	16,38,396	Ernakulam	843	Blue Water Foods Exports P Ltd MD Memana Ramachandra Sreenivasa Bhat	281/282 Industrial Area	IT/5C
222	2017	2617	22/07/2017	3,79,63,173	7,59,264	15,18,528	Ernakulam	843	Reeba Elizabeth Chacko	D-211 Century Park Apartments	IV/5A
223	2017	2817	07/08/2017	2,33,38,550	4,67,102	18,67,288	Ernakulam	843	Raju Nedumparambil Anthappan	Nedumparambil	III/18A
224	2017	2818	07/08/2017	2,49,10,050	4,98,532	19,93,008	Ernakulam	843	Jacob Kurian	Ayrumala	III/23A

Sl. No.	Year	Document No.	Trans. Date	Doc. Amount in ₹	Regn. Fee in ₹	Stamp Duty in ₹	Village	Survey No.	Claimant	Claimant Address	Tower No/ Apartment No
225	2017	2838	09/08/2017	1,77,82,040	3,55,962	14,22,768	Ernakulam	843/N/I/L	Veena S Bhat	Memana	II/19C
226	2017	2879	11/08/2017	1,93,09,264	3,86,516	15,44,944	Ernakulam	843	Jose Devassy Pekkattil	Pekkattil	I/10D
227	2017	3421	28/09/2017	2,52,78,532	5,05,572	20,22,488	Ernakulam	843	Sunil Kumar N	Palaplackel	III/23B
228	2017	3422	28/09/2017	1,81,75,880	3,63,848	14,54,272	Ernakulam	843	Prasannan Pozhakadavil Damodaran	51/1166	III/9C
229	2017	3423	28/09/2017	2,27,21,230	4,54,426	18,17,704	Ernakulam	843	Iyoob V A alias Valiyaveettil Ali Iyoob	30/934 C	IV/17B
230	2017	4206	30/11/2017	2,70,25,868	5,40,518	21,62,072	Ernakulam	843	Oppo Electronics Kerala Pvt Ltd rep by its Director CEO Liang Mingjun	No.180 Capital Tower	III/22A
231	2017	4207	30/11/2017	2,39,85,031	4,79,702	19,18,808	Ernakulam	843	Oppo Electronics Kerala Pvt Ltd rep by its Director CEO Liang Mingjun	No.180 Capital Tower	III/22B
232	2017	4219	30/11/2017	2,36,33,444	4,72,670	18,90,680	Ernakulam	843	Mishal Thomas Mathew	Kadavumbagom	IV/12A
233	2017	4220	30/11/2017	2,33,29,406	4,66,590	18,66,360	Ernakulam	843	Mishal Thomas Mathew	Kadavumbagom	IV/12B
234	2017	4517	29/12/2017	2,30,46,856	4,60,938	18,43,752	Ernakulam	843	Rahul Gopinath	Kalayil	II/5B
235	2017	4518	29/12/2017	3,04,96,763	6,09,936	24,39,800	Ernakulam	843	Megha Hanil Das	Chettiparan	I/7B
236	2017	4519	29/12/2017	1,60,75,400	3,21,508	12,86,032	Ernakulam	843	Mahesh Jaishankar	Pranam	IV/19C
237	2017	4538	30/12/2017	1,49,26,700	2,98,534	11,94,136	Ernakulam	843	Manish Kumar Gupta	Vrindavan	IV/16C
<b>Total</b>					<b>11,06,13,796</b>						



## Appendix – XXVIII

(Reference: Paragraph 5.14, bullet 1)

## Short collection of revenue due to misclassification of land

(Amount in ₹)

Sl. No.	Document No	Area in Are	Value at the rate of ₹ 1,12,500 per Are	Stamp duty due (6 %)	Stamp duty paid	Short payment of stamp duty	Regn. fee due (2%)	Regn. fee paid	Short payment of Regn. fee	Total short payment
1	3640/2015	148.12	1,66,63,500	9,99,810	2,00,500	7,99,310	3,33,270	66,880	2,66,390	10,65,700
2	3641/2015	153.79	1,73,01,375	10,38,083	2,08,000	8,30,083	3,46,028	69,300	2,76,728	11,06,810
3	3642/2015	158.65	1,78,48,125	10,70,888	2,15,000	8,55,888	3,56,963	71,530	2,85,433	11,41,320
4	3643/2015	146.50	1,64,81,250	9,88,875	2,00,000	7,88,875	3,29,625	66,580	2,63,045	10,51,920
5	3644/2015	151.36	1,70,28,000	10,21,680	2,05,000	8,16,680	3,40,560	68,220	2,72,340	10,89,020
6	3645/2015	159.86	1,79,84,250	10,79,055	2,16,000	8,63,055	3,59,685	72,080	2,87,605	11,50,660
7	3646/2015	161.48	1,81,66,500	10,89,990	2,18,500	8,71,490	3,63,330	72,780	2,90,550	11,62,040
8	3647/2015	113.72	1,27,93,500	7,67,610	1,53,600	6,14,010	2,55,870	51,280	2,04,590	8,18,600
9	3648/2015	99.96	1,12,45,500	6,74,730	1,35,000	5,39,730	2,24,910	45,080	1,79,830	7,19,560
10	3649/2015	97.54	1,09,73,250	6,58,395	1,32,000	5,26,395	2,19,465	43,980	1,75,485	7,01,880
<b>Total</b>										<b>1,00,07,510</b>



# Glossary



## Glossary of Abbreviations

1	AC	Assistant Commissioner
2	BCP	Business Continuity Plan
3	CA	Compliance Audit
4	CLR	Commissioner of Land Revenue
5	CST	Central Sales Tax
6	DC (SGSTD)	Deputy Commissioner
7	DC	District Collector
8	DEC	Deputy Excise Commissioner
9	DPC Act	Duties, Powers and Conditions of Service Act
10	DR	District Registrar
11	DRO	District Registrar Office
12	DRP	Disaster Recovery Plan
13	DRSC	District Road Safety Council
14	E & RSA	Economic and Revenue Sector Audit
15	EC	Excise Commissioner
16	ECI	Excise Circle Inspector
17	EI	Excise Inspector
18	ENA	Extra Neutral Alcohol
19	FMB	Field Measurement Book
20	GST	Goods and Services Tax
21	HMV	Heavy Motor Vehicle
22	HSN	Harmonised System of Nomenclature
23	IAW	Internal Audit Wing
24	IDEA	Interactive Data Extraction and Analysis
25	IGR	Inspector General of Registration
26	IGST	Integrated Goods and Services Tax
27	IMFL	Indian Made Foreign Liquor
28	IR Act	Indian Registration Act
29	IS Act	Indian Stamp Act
30	JEC	Joint Excise Commissioner
31	JPI	Joint Physical Inspection
32	KBT Act	Kerala Building Tax Act
33	KELTRON	Kerala State Electronics Development Corporation Limited
34	KGST	Kerala General Sales Tax
35	KLA Act	Kerala Land Assignment Act
36	KLC Act	Kerala Land Conservancy Act

37	KLR Act	Kerala Land Reforms Act
38	KLT Act	Kerala Land Tax Act
39	KRR Act	Kerala Revenue Recovery Act
40	KRSA	Kerala Road Safety Authority
41	KRSF	Kerala Road Safety Fund
42	KS Act	Kerala Stamp Act
43	KSBC	Kerala State Beverages (Manufacturing and Marketing) Corporation Limited
44	KSWAN	Kerala State Wide Area Network
45	KVAT Act	Kerala Value Added Tax Act
46	KVATIS	Kerala Value Added Tax Information System
47	LMV	Light Motor Vehicle
48	MMV	Medium Motor Vehicle
49	MVD	Motor Vehicles Department
50	NATPAC	National Transportation Planning and Research Centre
51	OPEN PEARL	Open Source Based Package for Effective Administration of Registration Laws
52	PA	Performance Audit
53	PAC	Public Accounts Committee
54	PCKL	Plantation Corporation of Kerala Limited
55	R&DM	Revenue & Disaster Management
56	ReLIS	Revenue Land Information System
57	RTO	Regional Transport Office
58	SDC	State Data Centre
59	SDT	Special Deputy <i>Tahsildar</i>
60	SGSTD	State Goods and Services Tax Department
61	SLA	Service Level Agreement
62	SLB	State Land Board
63	SP	Spirituous Preparations
64	SR	Sub Registrar
65	SRO	Sub Registrar Office
66	SRTO	Sub Regional Transport Office
67	STO	State Tax Office
68	TC	Transport Commissioner
69	TLB	<i>Taluk</i> Land Board
70	TO	<i>Taluk</i> Office
71	URS	User Requirement Specification
72	VO	Village Office