

Report of the Comptroller and Auditor General of India on Revenue Sector for the year ended March 2012

The Report has been laid on the table of the State Legislature Assembly on 10-07-2014



Government of West Bengal

Report No. 2 of the year 2013

Report of the Comptroller and Auditor General of India

on

Revenue Sector

for the year ended March 2012

Government of West Bengal

Report No. 2 of the year 2013

TABLE OF CONTENTS

	Reference to	
	Paragraph	Page
PREFACE		v
OVERVIEW		vii
CHAPTER I		
GENERAL		
Trend of revenue receipts	1.1	1
Response of the departments/Government towards audit	1.2	4
Analysis of the mechanism for dealing with the issues raised by Audit	1.3	8
Audit planning	1.4	9
Results of Audit	1.5	10
CHAPTER II		
SALES TAX/VALUE ADDED TA	AX	
Tax administration	2.1	13
Trend of revenue	2.2	13
Cost of collection of VAT per assessee	2.3	14
Arrears in assessment	2.4	15
Working of internal audit wing	2.5	15
Cost of collection	2.6	16
Analysis of collection	2.7	16
Revenue impact of audit reports	2.8	16
Results of audit	2.9	18
e-Services in the Directorate of Commercial Taxes	2.10	19
Audit observations	2.11	39
Short determination of turnover of sales	2.12	40
Non-levy of surcharge and additional surcharge	2.13	42
Non-levy of additional sales tax	2.14	43
Non/short levy of interest	2.15	44
Irregular allowance of deferment of tax and non-realisation of deferred tax	2.16	45
Irregular allowance of remission of tax	2.17	46
Non-levy of minimum penalty on evaded tax	2.18	47
Non-raising of demand	2.19	47

i

	Reference to			
	Paragraph	Page		
Non/short levy of purchase tax	2.20	48		
Short levy of tax on contractual transfer price	2.21	49		
Application of incorrect rate of tax	2.22	50		
Irregular allowance of ITC	2.23	51		
Short levy of tax due to mistake in computation	2.24	51		
Irregular allowance of compounded rate of tax	2.25	52		
CHAPTER III				
LAND REVENUE				
Tax administration	3.1	57		
Trend of revenue	3.2	57		
Cost of collection	3.3	58		
Revenue impact of audit reports	3.4	58		
Working of internal audit wing	3.5	59		
Results of audit	3.6	59		
Management of Government Land	3.7	61		
CHAPTER IV				
MOTOR VEHICLES TAX				
Tax administration	4.1	79		
Trend of revenue	4.2	79		
Cost of collection	4.3	80		
Revenue impact of audit reports	4.4	80		
Working of internal audit wing	4.5	81		
Results of audit	4.6	82		
Audit observations	4.7	83		
Short realisation of composite fee	4.8	83		
Non-realisation of special tax	4.9	84		
Non/short realisation of fitness fee	4.10	85		
Non/short realisation of permit fee	4.11	86		
Non-realisation of audio fee	4.12	87		
Non/short realisation of dealer's tax	4.13	88		

	Reference to			
	Paragraph	Page		
CHAPTER V				
STAMP DUTY AND REGISTRATION FEES				
Tax administration	5.1	91		
Trend of revenue	5.2	91		
Cost of collection	5.3	92		
Revenue impact of audit reports	5.4	93		
Working of internal audit wing	5.5	93		
Results of audit	5.6	94		
Audit observations	5.7	95		
Non-raising of demand and non-realisation of deficit stamp duty and registration fees	5.8	95		
Avoidance of additional stamp duty by splitting of property	5.9	97		
CHAPTER VI				
OTHER TAX RECEIPTS				
Tax administration	6.1	101		
Results of audit	6.2	101		
Audit observations	6.3	103		
Short realisation of annual license renewal fee	6.4	103		
Non-realisation of profession tax due to non-enrolment	6.5	104		
CHAPTER VII				
MINES AND MINERALS				
Tax administration	7.1	109		
Revenue impact of audit reports	7.2	109		
Working of internal audit wing	7.3	110		
Results of audit	7.4	110		
Receipts from Major Minerals	7.5	112		
Audit observations	7.6	135		
Non/short realisation of royalty and cess on brick earth	7.7	135		
Non-imposition of penalty on short extraction of sand/black stone	7.8	136		
Non/short realisation of price of brick earth extracted unauthorisedly	7.9	137		
Short levy of royalty and cess on sand	7.10	138		