

OVERVIEW

Overview

This Report contains twelve paragraphs including one Subject Specific Compliance Audit on “Department’s oversight on GST payments and Returns filing” and one Performance Audit on “Implementation of Assam Minor Mineral Concession Rules, 2013”. Some of the major findings are mentioned below:

I. GENERAL

- Total Receipts of the State for the year 2020-21 and 2021-22 were ₹ 64,902.19 crore and ₹ 79,815.19 crore respectively. Of this, 31 *per cent* and 29 *per cent* of the total revenue were raised by the State Government through tax revenue and non-tax revenue during 2020-21 and 2021-22 respectively. The balance of total revenue was received from the Government of India in the form of State’s share of net proceeds of divisible Union taxes and Grants-in-Aid.

(Paragraph 1.1)

- Arrears in assessments in respect of the Professions, Trades, Callings and Employments Taxation Act and Electricity duty Act increased over the previous year and 18,558 cases and 1,639 cases respectively are pending for assessment at the end of 31 March 2022.

(Paragraph 1.3)

- At the end of June 2022, 6,460 audit observations pertaining to 1,273 Inspection Reports involving ₹ 2,301.49 crore could not be settled due to non-receipt of replies/ proper replies from the Departments concerned.

(Paragraph 1.6)

II. FINANCE (TAXATION) DEPARTMENT

Subject Specific Compliance Audit on “Department’s oversight on GST payments and Returns filing”.

- The Department lacked an effective risk based standardised system of returns’ scrutiny to facilitate proper officers in selecting high risk taxpayers for scrutiny.

(Paragraph 2.4.6.1)

- No action was taken by the proper officer in respect of non-filer/ late filer of returns.

(Paragraph 2.4.6.3)

- Audit notice deviation from the provision of AGST Act in 124 cases involving a short levy of taxes of ₹ 82.88 crore. Department has intimated that action has been initiated against 105 cases involving tax of ₹ 67.27 crore.

(Paragraph 2.4.7.2)

- 25 taxpayers did not pay interest of ₹ 75 lakh for delayed payment of tax.

(Paragraph 2.4.8.1(a) (i))

- There was mismatch of Input Tax Credit of ₹ 27.01 crore in respect of 37 taxpayers.

(Paragraph 2.4.8.1(b) (i))

- There was mismatch of availment of ISD credit of ₹ 34 lakh by three recipients.

(Paragraph 2.4.8.1(b) (ii))

Compliance Audit Paragraphs

- The Assessing Officer failed to detect wrong declaration of opening stock as well as short declaration of stock received from branch offices which resulted in understatement of stock by the dealer involving tax of ₹ 22.81 lakh. Besides, interest of ₹ 27.89 lakh and penalty not exceeding ₹ 45.62 lakh was also payable.

(Paragraph 2.5)

- The Assessing Officer did not verify utilisation of Form 'C'/delivery notes against goods purchased from outside the State which resulted in concealment of purchase turnover valuing ₹ 1.40 crore involving tax of ₹ 20.26 lakh. Besides, interest of ₹ 19.61 lakh and penalty not exceeding ₹ 40.52 lakh was also payable.

(Paragraph 2.6.1)

- The Assessing Officer (AO) did not take cognisance of utilisation details of delivery notes against goods purchased from outside the State of Assam during best judgement assessment, which led to escape of inter-state purchase turnover to the tune of ₹ 2.68 crore from assessment, thereby causing short levy tax of ₹ 38.80 lakh. Besides, interest of ₹ 48.31 lakh and penalty not exceeding ₹ 77.61 lakh was also payable.

(Paragraph 2.6.2)

- The Assessing Officer failed to levy interest of ₹ 22.43 lakh for deferment of advance tax under Section 35 H of the Assam Agricultural Income Tax Act, 1939 while completing re-assessment of the assessee's accounts.

(Paragraph 2.7)

III. TRANSPORT DEPARTMENT

- Five District Transport Officers did not take timely action to realise Motor Vehicle (MV) tax from owners of 26,214 Transport Vehicles resulted in outstanding of Motor Vehicle Tax of ₹ 8.61 crore besides fine of ₹ 2.85 crore.

(Paragraph 3.3)

- Five District Transport Officers failed to levy fitness fee of ₹ 78.18 lakh and penalty of ₹ 12.51 crore on 12,040 transport (commercial) vehicles despite availability of information about the defaulters in 'VAHAN' database.

(Paragraph 3.4)

- Eight District Transport Officers did not realise one Time Tax (OTT) from owners of 2,231 personalised (non-Transport) four wheeler vehicles, which led to non-realisation of OTT of ₹ 6.36 crore besides fine of ₹ 0.77 crore.
(Paragraph 3.5)
- District Transport Officer, Kamrup (Metro) failed to realise permit fee of ₹ 51.92 lakh from 1,985 transport vehicles which were plying without valid permits.
(Paragraph 3.6)
- Composite and authorisation fees amounting to ₹ 21.41 lakh was not realised from 669 tourist motor cab plying on roads without renewal of authorisation of tourist permit.
(Paragraph 3.7)

IV. ENVIRONMENT AND FOREST DEPARTMENT

Performance Audit on “Implementation of Assam Minor Mineral Concession Rules, 2013”

- In absence of provisions under the AMMC Rules, 2013 for identification of areas bearing minor minerals, the respective forest divisions prepared preliminary information before initiating bidding process for extraction of minor minerals from a particular area without any scientific assessment.
(Paragraph 4.3.10.1)
- In 2021, against 312 declared MCAs (excluding MCAs under Sixth Scheduled areas), only 128 MCAs were settled with bidders, settlement of 140 MCAs are in progress and remaining 44 MCAs remained idle due to Court cases.
(Paragraph 4.3.10.2)
- The Environment and Forests (E&F) Department, Assam did not take steps to incorporate the recommendations of the Hon’ble Supreme Court (in 2012) and Committee (2011) constituted by the GoI in AMMC Rules, 2013 even though a considerable time has been lapsed since recommendation made.
(Paragraph 4.3.10.5)
- During 2014-21, 13 MCAs under two forest divisions were settled through mining permits (period not exceeding two years) for consecutive two to three times instead of Mining Contract or Lease for a period of five years or more, which is eco-friendly, scientific and sustainable mining practices as recommended by the Hon’ble Supreme Court.
(Paragraph 4.3.11.1)
- NIT in respect of three MCAs were invited stating reserve price below the price calculated by the divisions based on past trends, which had impact on final bidding price and two MCAs were settled with the lowest tenderer instead of highest tenderer. This resulted in minimum loss of Government revenue of ₹ 42.56 lakh.
(Paragraph 4.3.11.5 & 4.3.11.6)

- During e-tendering, the reserve prices were not fixed as per provisions made under the AMMC Rules, 2013 which affected the floor price of e-tenders of respective MCA and resulted in minimum loss of ₹8.89 crore.
(Paragraph 4.3.11.9)
- Deficit in compliance of parameters suggested by the Indian Bureau of Mines (IBM) while preparing the Mining Plan affected the allocation of extractable minor minerals vis-à-vis revenue, scientific mining of minor minerals, restoration and reclamation, etc.
(Paragraph 4.3.12.1)
- 60 mining contract agreements under eight forest divisions were not registered, which not only made those contracts legally unenforceable in case of any default but also led to loss of Government revenue in the form of Stamp Duty and Registration fee.
(Paragraph 4.3.13.4)
- There was an overall short collection of ₹15.38 crore towards MMDRR fund.
(Paragraph 4.3.14.2)
- There is mismatch between fund collected and fund accounted for under DMFT.
(Paragraph 4.3.14.4)

V. REVENUE & DISASTER MANAGEMENT DEPARTMENT

- Sub-Registrars of Kamrup (Sadar) and Rangia registered 18 deeds of sale considering zonal value of agricultural class of land instead of zonal value of non-agricultural (Industrial) class of land. This resulted in under valuation of land and consequent short levy of stamp duty and registration fee of ₹ 66.58 lakh.
(Paragraph 5.3)
- Sub-Registrars considered lower value of land instead of value of land fixed by the Government during registration of 24 deeds of sale. This resulted in short levy of stamp duty, registration fee and surcharge of ₹ 45.50 lakh.
(Paragraph 5.4)