

## CHAPTER I GENERAL

### 1.1 Trend of revenue

The tax and non-tax revenue raised by the Government of West Bengal during the year 2007-08, the State's share of divisible Union taxes and grants-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are mentioned below:

(Rupees in crore)

Receipts		2003-04	2004-05	2005-06	2006-07	2007-08
I.	<b>Revenue raised by the State Government</b>					
	• Tax revenue	8,767.91	9,924.46	10,388.38	11,694.77	13,126.33
	• Non-tax revenue	605.84	1,345.66	1,018.81	1,248.76	1,473.09
<b>Total</b>		<b>9,373.75</b>	<b>11,270.12</b>	<b>11,407.19</b>	<b>12,943.53</b>	<b>14,599.42</b>
II.	<b>Receipts from the Government of India</b>					
	• State's share of net proceeds of divisible Union taxes	5,341.65	6,384.89	6,668.33	8,505.60	10,729.06 <sup>1</sup>
	• Grants-in-aid	1,893.10	2,263.18	5,650.37	4,379.18	4,838.90
<b>Total</b>		<b>7,234.75</b>	<b>8,648.07</b>	<b>12,318.70</b>	<b>12,884.78</b>	<b>15,567.96</b>
III.	<b>Total receipts of the State Government (I+II)</b>	<b>16,608.50</b>	<b>19,918.19</b>	<b>23,725.89</b>	<b>25,828.31</b>	<b>30,167.38</b>
IV.	<b>Percentage of I to III</b>	<b>56</b>	<b>57</b>	<b>48</b>	<b>50</b>	<b>48</b>

The above table indicates that during the year 2007-08, the revenue raised by the State Government was 48 per cent of the total revenue receipts (Rs. 30,167.38 crore) against 50 per cent in the preceding year. The balance 52 per cent of receipts during 2007-08 was from the Government of India.

<sup>1</sup> Figures under the heads 0020 - Corporation tax, 0021 - Taxes on income other than corporation tax, 0032 - Taxes on wealth, 0037 - Customs duty, 0038 - Union excise duties, 0044 - Service tax, 'Share of net proceeds assigned to States' booked in the Finance Accounts under A - Tax revenue have been excluded from revenue raised by the State and included in State's share of divisible union taxes in this statement.

### 1.1.1 Tax revenue

The following table presents the details of tax revenue raised during the period from 2003-04 to 2007-08:

(Rupees in crore)

Sl. No.	Head of revenue	2003-04	2004-05	2005-06	2006-07	2007-08	Percentage of increase (+)/ decrease (-) in 2007-08 over 2006-07
1.	• Sales tax	4,276.12	5,086.33	5,394.81	6,279.83	7,262.92	(+) 15.65
	• Central sales tax	554.46	629.97	713.97	799.20	797.54	(-) 0.21
2.	State excise	619.96	671.56	743.46	817.36	935.46	(+) 14.45
3.	Stamp duty and registration fees	794.52	1,006.54	1,177.59	1,258.57	1,416.96	(+) 12.58
4.	Taxes and duties on electricity	396.16	269.65	382.46	526.35	506.69	(-) 3.74
5.	Taxes on vehicles	535.37	527.66	537.56	508.97	532.07	(+) 4.54
6.	Other taxes on income and expenditure-tax on professions, trades, callings and employment	229.89	237.43	249.15	264.85	295.06	(+) 11.41
7.	Other taxes and duties on commodities and services	366.17	359.68	269.36	284.73	341.18	(+) 19.83
8.	Land revenue	993.26	1,132.55	917.11	952.69	1,039.58	(+) 9.12
9.	Other taxes	2.00	3.09	2.91	2.22	(-) 1.13 <sup>2</sup>	(-) 150.90
<b>Total</b>		<b>8,767.91</b>	<b>9,924.46</b>	<b>10,388.38</b>	<b>11,694.77</b>	<b>13,126.33</b>	<b>(+) 12.24</b>

The reason for variation in receipt for 2007-08 from those of 2006-07 in respect of principal head of revenue was as follows:

- **Sales tax:** The increase (15.65 *per cent*) was mainly due to larger receipts of sales tax from sale of cement, motor cars, foreign liquor, iron and steel.
- **State excise:** The increase (14.45 *per cent*) was mainly due to larger receipts of excise duty from country spirit and foreign liquor.

<sup>2</sup> Figure includes refund of Rs. 2.60 crore under the head 0022-Taxes on agricultural income.

- **Other taxes and duties on commodities and services:** The increase (19.83 *per cent*) was mainly due to larger receipts of luxury tax and taxes from hotels and restaurants.

The other departments did not intimate (September 2008) the reasons for variation in receipts from those of the previous year despite being requested.

### 1.1.2 Non-tax revenue

The following table presents the details of non-tax revenue raised during the period from 2003-04 to 2007-08:

(Rupees in crore)

Sl. No.	Head of revenue	2003-04	2004-05	2005-06	2006-07	2007-08	Percentage of increase (+)/ decrease (-) in 2007-08 over 2006-07
1.	Interest	110.11	589.31	378.08	683.66	689.96 <sup>3</sup>	(+) 0.92
2.	Dairy development	50.27	38.42	26.44	22.25	26.94	(+) 21.08
3.	Roads and bridges	22.08	19.57	19.98	18.11	13.66	(-) 24.57
4.	Forestry and wildlife	45.97	40.44	38.61	40.87	49.84	(+) 21.95
5.	Non-ferrous mining and metallurgical industries	13.91	18.94	19.88	11.56	7.03	(-) 39.19
6.	Food storage and warehousing	27.67	180.23	191.50	87.67	247.71	(+) 182.55
7.	Housing	11.12	13.96	9.67	10.43	9.68	(-) 7.19
8.	Medical and public health	47.71	71.51	53.16	68.13	42.83	(-) 37.13
9.	Education, sports, art and culture	21.20	30.67	22.64	16.22	21.42	(+) 32.06
10.	Public works	6.39	7.29	6.73	5.42	7.86	(+) 45.02
11.	Police	44.69	56.85	57.05	71.33	63.02	(-) 11.65
12.	Others	204.72	278.47	195.07	213.11	293.14	(+) 37.55
<b>Total</b>		<b>605.84</b>	<b>1,345.66</b>	<b>1,018.81</b>	<b>1,248.76</b>	<b>1,473.09</b>	<b>(+) 17.96</b>

The reasons for variation in receipt for 2007-08 from those of 2006-07 in respect of principal head of revenue was as follows:

- **Food storage and warehousing:** The increase (182.55 *per cent*) was mainly due to subsidy from the Government of India for supply of rice to families belonging to below/above poverty level.

<sup>3</sup> Includes Rs. 3,528.02 lakh, Rs. 124.66 lakh and Rs. 3,160.54 lakh by book adjustment per contra debit to the heads "2700 - Major irrigation", "2701 - Medium irrigation", "2711 - Flood control and drainage" respectively.

- **Public works:** The increase (45.02 per cent) was mainly due to larger receipts on account of leave salary contribution.
- **Education, sports, art and culture:** The increase (32.06 per cent) was mainly due to larger collection from elementary and technical education.

The other departments did not intimate (September 2008) the reasons for variation in receipts from those of the previous year despite being requested.

## **1.2 Initiative for mobilisation of additional resources**

In the budget for the year 2007-08, the Government had emphasised the need for reducing deficit and protecting plan expenditure through mobilisation of additional resources by introducing a modified scheme for settlement of disputes of sales tax till June 2007, enhancing the rate of sales tax on some commodities and by simplifying the procedure of payment/filing of tax return etc. Additional resource of Rs. 150 crore comprising Rs. 50 crore from sales/value added tax on tobacco and tobacco products, Rs. 30 crore from state excise, Rs. 50 crore from motor vehicles tax and Rs. 20 crore from stamp duty was estimated to be raised in the budget for the year 2007-08. The Government also expected that tax compliance would be made easier through a modern and improved tax administration. The actual collection (Rs. 14,599 crore) however, fell short of the budget estimate (BE) for Rs. 15,554 crore by Rs. 955 crore (6.14 per cent) as discussed in the following paragraph.

## **1.3 Variations between the budget estimates and actuals**

The variation between the budget estimates and actuals of revenue receipts for the year 2007-08 in respect of the principal heads of tax and non-tax revenue are mentioned below:

(Rupees in crore)

Sl. No.	Head of revenue	Budget estimates	Actuals	Variations excess (+) or shortfall (-)	Percentage of variation
<b>Tax revenue</b>					
1.	Sales tax	8,506	8,060	(-) 446	(-) 5.24
2.	State excise	1,018	935	(-) 83	(-) 8.15
3.	Land revenue	1,110	1,040	(-) 70	(-) 6.31
4.	Taxes on vehicles	646	532	(-) 114	(-) 17.65
5.	Stamp duty and registration fees	1,626	1,417	(-) 209	(-) 12.85
6.	Profession tax	300	295	(-) 5	(-) 1.67
7.	Electricity duty	633	507	(-) 126	(-) 19.91
8.	Other taxes and duties on commodities and services	413	341	(-) 72	(-) 17.43
9.	Agricultural income tax	2	(-) 3	(-) 5	(-) 250.00
10.	Others	2	2	Nil	Nil
<b>Total</b>		<b>14,256</b>	<b>13,126</b>	<b>(-) 1,130</b>	<b>(-) 7.93</b>
<b>Non-tax revenue</b>					
11.	Forest receipts	47	50	(+) 3	(+) 6.38

12.	Interest receipts	457	690	(+) 233	(+) 50.98
13.	Dairy development	44	27	(-) 17	(-) 38.64
14.	Food storage and warehousing	203	248	(+) 45	(+) 22.17
15.	Medical and public health	109	43	(-) 66	(-) 60.55
16.	Education, sports, art and culture	26	21	(-) 5	(-) 19.23
17.	Public works	8	8	Nil	Nil
18.	Roads and bridges	24	14	(-) 10	(-) 41.67
19.	Police	133	63	(-) 70	(-) 52.63
20.	Major and medium irrigation	6	7	(+) 1	(+) 16.67
21.	Minor irrigation	23	20	(-) 3	(-) 13.04
22.	Others	218	282	(+) 64	(+) 29.36
<b>Total</b>		<b>1,298</b>	<b>1,473</b>	<b>(+) 175</b>	<b>(+) 13.48</b>

Thus, it would be seen that the collection of tax revenue fell short of the BE by 7.93 per cent, while in case of non-tax revenue the actuals exceeded the estimates by 13.48 per cent. The short fall in tax revenue was mainly due to less collection from sales tax, electricity duty, stamp duty and registration fees, agricultural income tax, motor vehicles tax, other taxes and duties on commodities and services. The excess collection of non-tax revenue was mainly on account of interest receipts, storage and warehousing and others.

The concerned departments did not intimate (September 2008) the reasons for variation despite being requested.

#### 1.4 Analysis of collection

The break-up of the total collection at pre-assessment stage and after regular assessment of sales tax, agricultural income tax and amusement tax for the year 2007-08 and the corresponding figures for the preceding two years as furnished by the department is as follows:

(Rupees in crore)							
Head of revenue	Year	Amount collected at pre-assessment stage	Amount collected after regular assessment (additional demand)	Penalties for delay in payment of taxes and duties	Amount refunded	Net collection <sup>4</sup>	Percentage of column 3 to 7
1	2	3	4	5	6	7	8
Sales tax	2005-06	5,919.51	86.28	25.44	36.10	5,995.13	99
	2006-07	6,993.04	94.57	31.03	39.62	7,079.02	99
	2007-08	8,223.06	99.87	33.17	32.12	8,323.98	99
Agricultural income tax	2005-06	2.04	0.26	Nil	0.78	1.52	134
	2006-07	0.95	0.17	0.03	0.10	1.05	90
	2007-08	0.05	0.27	0.05	3.02	(-) 2.65	* <sup>5</sup>
Amusement tax	2005-06	57.19	8.51	0.11	7.11	58.70	97
	2006-07	59.09	7.72	0.09	0.03	66.87	88
	2007-08	72.00	6.63	0.16	1.65	77.14	93

<sup>4</sup> The discrepancy in the figures of net collection of revenue furnished by the department with those in the Finance Accounts needs reconciliation.

<sup>5</sup> Advance tax paid by tea companies for a period of three years from 1 April 2006 was refunded by the Government in 2007-08.

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Thus, the collection of tax at pre-assessment stage during the last three years ranged between 88 and 134 *per cent*. This indicates that voluntary compliance for payment of tax by the dealers was good.

### **1.5 Cost of collection**

The gross collection in respect of major revenue receipts, expenditure incurred on their collection and the percentage of such expenditure to gross collection during the years 2005-06, 2006-07 and 2007-08 along with the relevant all India average percentage of expenditure on collection to gross collection for 2006-07 are mentioned below:

**(Rupees in crore)**

<b>Head of revenue</b>	<b>Year</b>	<b>Gross collection</b>	<b>Expenditure on collection</b>	<b>Percentage of expenditure to gross collection</b>	<b>All India average percentage of expenditure on collection for the year 2006-07</b>
Sales tax	2005-06	6,109.00	80.10	1.31	0.82
	2006-07	7,079.00	83.79	1.18	
	2007-08	8,060.46	92.42	1.15	
State excise	2005-06	743.00	39.38	5.30	3.30
	2006-07	817.00	42.38	5.19	
	2007-08	935.47	49.59	5.30	
Stamp duty and registration fees	2005-06	1,178.00	42.94	3.65	2.33
	2006-07	1,259.00	44.97	3.57	
	2007-08	1,416.96	60.10	4.24	
Taxes on vehicles	2005-06	538.00	9.70	1.80	2.47
	2006-07	509.00	9.89	1.94	
	2007-08	532.07	10.86	2.04	

Thus, the percentage of expenditure on collection of sales tax, state excise and stamp duty and registration fees was higher than the all India average and lower in case of taxes on vehicles. The percentage of expenditure on collection of stamp duty and registration fees showed a rising trend. However, the corresponding percentage for sales tax showed a declining trend though the figures are well above the all India average.

### **1.6 Analysis of arrears of revenue**

The arrears of revenue as on 31 March 2008 in respect of some principal heads of revenue as furnished by the departments amounted to Rs. 82.08 crore, of which Rs. 29.07 crore was outstanding for more than five years as shown in the following table:

(Rupees in crore)		
Head of revenue	Amount outstanding as on 31 March 2008	Amount outstanding for more than five years as on 31 March 2008
Sales tax	NA <sup>6</sup>	NA <sup>6</sup>
Amusement tax	43.30	9.17
Agricultural income tax	23.71	13.37
Excise duty	15.07	6.53
<b>Total</b>	<b>82.08</b>	<b>29.07</b>

The stages at which these are pending were not intimated by the departments concerned despite being requested

### 1.7 Arrears in assessments

The following table shows the details of pending assessment cases in the preceding three years as furnished by the departments:

Year	Opening balance	Cases due for assessment during the year	Total	Cases finalised during the year	Balance at the close of the year	Arrears as percentage of total cases
<b>Sales tax</b>						
2005-06	1,84,198	1,30,038	3,14,236	1,45,160	1,69,076	54
2006-07	1,69,076	80,077	2,49,153	1,34,054	1,15,099	46
2007-08	1,15,099	39,271	1,54,370	1,21,325	33,045	21
<b>Profession tax</b>						
2005-06	1,60,962	61,765	2,22,727	90,614	1,32,113	59
2006-07	1,32,113	54,536	1,86,649	51,514	1,35,135	72
2007-08	1,35,135	88,068	2,23,203	71,951	1,51,252	68
<b>Amusement tax</b>						
2005-06	7,253	3,872	11,125	3,085	8,040	72
2006-07	8,040	3,126	11,166	2,499	8,667	78
2007-08	8,667	4,088	12,755	2,567	10,188	80
<b>Agricultural income tax</b>						
2005-06	2,646	467	3,113	553	2,560	82
2006-07	2,560	665	3,225	676	2,549	79
2007-08	2,549	670	3,219	633	2,586	80

Thus, the percentage of pending cases in sales tax has come down considerably. Immediate action needs to be taken to finalise the remaining cases as value added tax has been introduced in the state from 2005-06. However, the number of pending cases in profession and amusement tax is

<sup>6</sup> The department did not furnish these figures on the ground that the scheme for settlement of disputes of sales tax is in currency.

large and has been increasing over the years. The department should initiate concrete steps to complete the assessments within a definite time frame.

### **1.8 Evasion of tax**

The details of cases of evasion of tax detected, finalised and the demands for additional tax raised as reported by the departments is mentioned below:

Name of tax/duty	Cases pending <sup>7</sup> as on 31 March 2007	Cases detected during 2007-08	Total	No. of cases in which assessments/investigations completed and additional demand including penalty etc. raised		No. of cases pending finalisation as on 31 March 2008
				No. of cases	Amount demanded (Rs in crore)	
Sales tax	153	2,276	2,429	2,231	48.70	198
State excise	8	Nil	8	Nil	Nil	8
Amusement tax	29	Nil	29	7	NA <sup>8</sup>	22

### **1.9 Refunds**

The number of refund cases pending at the beginning of the year 2007-08, claims received and refunds made during the year and balance at the close of the year 2007-08, as reported by the departments are mentioned below:

	Sales tax		Amusement tax		Agricultural income tax	
	No. of cases	Amount (Rs. in crore)	No. of cases	Amount (Rs. in crore)	No. of cases	Amount (Rs. in crore)
Claims outstanding at the beginning of the year	284	1.40	Nil	Nil	35	5.76
Claims received during the year	319	31.92	7	1.67	13	0.34
Refunds made during the year	351	32.12	7	1.67	42	3.02
Balance outstanding at the end of the year	252	1.20	Nil	Nil	6	3.08

Thus, there was improvement in processing the refund cases in respect of sales tax and agricultural income tax but the position in respect of amusement tax remained static.

### **1.10 Results of audit**

Test check of the records of sales tax, land revenue, stamp duty and registration fees, motor vehicles tax, state excise, electricity duty, other tax

<sup>7</sup> The figures in respect of sales tax and state excise as shown in the Audit Report of 2006-07 have since been modified by the departments after inclusion of old cases.

<sup>8</sup> Not available.



receipts, forest receipts and other non-tax receipts conducted during the year 2007-08 revealed underassessment/short levy/loss of revenue amounting to Rs. 665.35 crore in 731 audit observations. During the course of the year, the departments accepted underassessment of Rs. 232.02 crore in 308 audit observations pointed out in 2007-08 and recovered Rs. 2.11 crore at the instance of audit. No replies have been received in respect of the remaining cases.

This Report contains 43 paragraphs including two reviews relating to non/short levy of taxes, duties, interest and penalties etc., involving Rs. 616.07 crore. The departments accepted audit observations involving Rs. 193.74 crore of which Rs. 47.52 lakh had been recovered. The departments have contested paragraphs involving Rs. 1.69 crore and no reply has been furnished in respect of the remaining cases.

In respect of the observations not accepted by the department, a gist of the reasons for the department's non-acceptance has been included in the concerned paragraph along with further comments of audit.

### **1.11 Status of recovery against audit observations accepted by the Government**

A review of the replies of the Government to the paragraphs of the Audit Reports for the last five years from 2002-03 to 2006-07 shows that against the revenue effect of Rs. 2,255.66 crore of the audit observations accepted by the departments, the actual recovery is very low at Rs. 324.32 crore (14.38 per cent). Year-wise break-up of the recovery of revenue till September 2008 is mentioned below:

(Rupees in crore)

Year of Audit Report	Revenue effect of the Audit Report	Amount accepted by the departments	Amount recovered
2002-03	204.77	150.96	0.29
2003-04	1,335.20	483.13	29.44
2004-05	554.93	442.16	285.10
2005-06	711.36	170.81	0.08
2006-07	2,483.81	1,008.60	9.41
<b>Total</b>	<b>5,290.07</b>	<b>2,255.66</b>	<b>324.32</b>

### **1.12 Departmental audit committee meetings**

For prompt settlement of old outstanding inspection reports (IRs), departmental audit committees were constituted by the Government in the year 1985. The administrative department is required to convene meetings of the audit committees comprising the Secretary of the administrative department concerned, a senior officer of the Finance Department not below the rank of Joint Secretary and a representative of the office of the Accountant General, West Bengal.

The number of meetings held and the paragraphs settled during the last three years are mentioned below:

(Rupees in crore)

Year	Name of the department	Number of meeting(s) held	Number of paragraphs settled	Money value of the paragraphs settled
2005-06	State excise	2	45	2.17
2006-07	State excise	1	59	2.83
2007-08	State excise	1	33	39.37

Thus, out of eight departmental audit committees, only one committee held meetings regularly during the last three years and settled 137 paragraphs involving money value of Rs. 44.37 crore. The other departments did not hold any audit committee meeting till September 2008 despite several reminders.

### **1.13 Failure to enforce accountability and protect interest of the Government**

The Accountant General (Receipt, Works and Local Bodies Audit), West Bengal arranges periodic inspection of the Government departments to test check the transactions and verify the maintenance of accounts and other records as per the prescribed rules and procedures. Following the inspections, IRs are issued to the heads of offices inspected with copies to the higher authorities for taking prompt corrective action. The Government have provided that first replies to the IRs should be furnished within three weeks of receipt. The heads of the offices and the Government are required to comply with the observations contained in the IRs and rectify the defects and omissions promptly and report their compliance to the office of the Accountant General within two months from the dates of issue of the IRs. Serious irregularities are also brought to the notice of the heads of the departments by the office of the Accountant General.

Of the IRs issued upto December 2007, 3,292 paragraphs relating to 1,188 IRs involving Rs. 4,181.67 crore remained outstanding at the end of June 2008. Of these, 258 IRs containing 491 paragraphs involving Rs. 89.42 crore had not been settled for more than 10 years. The concerned departments were the Finance Department (sales tax, amusements tax, agricultural income tax, profession tax, electricity duty and stamp duty and registration fees), Forest Department (forest receipts), Land and Land Reforms/Commerce and Industries Department (mines and minerals), Transport Department (taxes on motor vehicles), the Land and Land Reforms Department (land revenue) and other departments. In respect of 1,765 paragraphs of 516 IRs issued between April 1982 and December 2007 even the first replies were not furnished. As a result, the serious irregularities commented upon in these IRs remained unattended as of 30 June 2008.

Department wise break-up of the IRs and audit observations outstanding as on 30 June 2008 is given in the following table:

(Rupees in crore)

Sl. No.	Department	Position of IRs issued upto December 2007 but not settled at the end of June 2008			Position of IRs and paragraphs not settled for more than 10 years			Position of IRs in respect of which even the first reply has not been received		
		No. of IRs	No. of Paragraphs	Money value	No. of IRs	No. of Paragraphs	Money value	No. of IRs	No. of Paragraphs	Earliest year to which IR relates
1.	<b>Finance</b>									
	Sales tax	123	584	75.07	10	18	0.38	93	468	2000-01
	Profession tax	94	240	11.26	20	27	0.16	44	116	2000-01
	Stamp duty and registration fees	266	447	56.72	28	32	1.70	145	221	1996-97
	Electricity duty	53	100	9.19	21	25	1.85	7	28	1998-99
	Agricultural income tax	17	24	1.84	4	7	0.06	5	6	1992-93
	Amusement tax	69	127	25.31	26	37	1.00	24	49	1982-83
Luxury tax	17	25	0.69	Nil	Nil	Nil	10	12	2002-03	
2.	<b>Forest</b>									
	Forest receipts	107	245	63.39	22	31	0.13	50	156	1996-97
3.	<b>Land and Land Reforms/Commerce and Industries</b>									
	Mines and minerals	78	249	104.40	21	43	1.61	33	204	1992-93
4.	<b>Land and Land Reforms</b>									
	Land revenue	100	545	154.19	42	165	31.80	37	215	1992-93
5.	<b>Excise</b>									
	State excise	39	115	38.67	1	1	10.07	29	181	1992-93
6.	<b>Transport</b>									
	Motor vehicles	121	347	12.52	26	46	0.21	5	12	2003-07
7.	<b>Other</b>									
	Departmental receipts	104	244	3,628.42	37	59	40.45	34	97	1994-95
	<b>Total</b>	<b>1,188</b>	<b>3,292</b>	<b>4,181.67</b>	<b>258</b>	<b>491</b>	<b>89.42</b>	<b>516</b>	<b>1,765</b>	

The above indicates the failure of the departmental officials in initiating action to correct the defects, omissions and irregularities pointed out in the IRs. The Principal Secretaries/Secretaries of the departments were informed of the position through half yearly reports, but there was no improvement in the position.

#### 1.14 Settlement of paragraphs of the Audit Reports

The Committee on Public Accounts (PAC) discusses the Receipt Audit Reports and presents its own reports and recommendations for compliance by the Government. Normally 20 per cent of the total numbers of paragraphs of the Audit Report are selected every year for discussion. The remaining paragraphs are disposed of on the basis of replies of the Government.

### *Audit Report (Revenue Receipts) for the year ended 31 March 2008*

As of 31 March 2008, the Government had not furnished explanatory notes in respect of 42 selected and 1,222 unselected paragraphs including 422<sup>9</sup> sub-paragraphs of Audit Reports from 1981-82 to 1991-92. The lack of response from the Government would adversely impact the revenue realisation.

#### **1.15 Follow-up on Audit Reports - summarised position**

As per the Rules of Procedure of the PAC of the West Bengal Legislative Assembly (Internal Working) framed in 1997, the concerned department shall send action taken notes (ATN) on the recommendations contained in the Report of the PAC within six months from the date of its presentation to the House. The position of outstanding ATNs due from the departments is mentioned below:

<b>PAC Report</b>	<b>Date of presentation in the Assembly</b>	<b>Name of the department</b>	<b>Year of Audit Report</b>	<b>No. of ATNs due</b>
Seventeenth Report of 1988-89	5 May 1989	Irrigation and Waterways	1978-79 1983-84	3 1
Twenty second Report of 1990-91	26 March 1991	Transport	1979-80 1980-81	1 1
Second Report of 1991-92	9 April 1992	Board of Revenue	1980-81 1983-84	2 1
Seventh Report of 1991-93	23 March 1993	Finance	1983-84	1
Seventeenth Report of 1993-94	31 March 1994	Land and Land Reforms	1985-86 1986-87	1 1
Twenty fifth Report of 1994-96	1 August 1995	Transport	1983-84	1
		Home (Police)	1988-89	1
Seventeenth Report of 1998-99	28 June 1999	Land and Land Reforms	1988-89 1992-93	1 1
Twenty ninth Report of 1999-2000	2 December 1999	Irrigation and Waterways	1990-91	1
Sixteenth Report of 2002-03	8 July 2003	Finance	1997-98 1998-99	1 2
Twenty second Report of 2003-04	7 July 2004	Finance	1998-99	8
Thirty fifth Report of 2004-05	8 July 2005	Land and Land Reforms	1999-2000	5
<b>Total</b>				<b>33</b>

Thus, the departments failed to submit ATNs within the stipulated six months in respect of 33 paragraphs included in the Audit Reports upto the year ended 31 March 2000.

<sup>9</sup> Sub-paragraphs of Audit Reports for the years 1981-82 to 1991-92 which remained unselected have since been included in the outstanding list awaiting replies from the Government.