

CHAPTER 8 ELECTRICITY DUTY

8.01 Results of audit

Test check of records of electricity duty conducted in audit during the year 2000-2001, revealed underassessments etc. of tax amounting to Rs.2.77 crore in 6 cases, which broadly fall under the following categories:

(Rupees in crore)

Sl. No.	Categories	Number of cases	Amount
1.	Non-assessment/non-realisation of electricity duty	2	2.68
2.	Short realisation of assessed duty	1	0.03
3.	Non-levy of interest	1	0.03
4.	Non-realisation of assessed electricity duty	2	0.03
Total		6	2.77

During the course of the year 2000-2001, the concerned department accepted underassessments etc. of Rs.5.38 crore involved in 6 cases of which 3 cases involving Rs.2.73 crore had been pointed out in audit during the year 2000-2001 and the rest in earlier years.

A few illustrative cases involving Rs.3.44 crore highlighting important observations are given in the following paragraphs :

8.02 Non-assessment/non-realisation of electricity duty

Under the West Bengal Duty on Inter-State River Valley Authority Electricity Act, 1973, if a consumer fails to pay the electricity duty due for any period, he shall pay the same as may be assessed by the District Collector. Moreover, proposal for assessment of duty sent by the Senior Inspecting Officer, Electricity Duty functioning under the Chief Electrical Inspector, West Bengal

is required to be approved by the Collectors concerned and demand raised accordingly.

Scrutiny of records of the Chief Electrical Inspector, West Bengal and Collector, Burdwan revealed (between November 1999 and September 2000) that 3¹ consumers of Damodar Valley Corporation failed to pay electricity duty for various consumption periods falling between 1 April 1991 and March 2000. At the instance of audit, Senior Inspecting Officer, Electricity Duty estimated duty payable at Rs.3.23 crore up to March 2000 in respect of two consumers. In respect of the other one unassessed dues up to March 2000 came to Rs.20.96 lakh on the basis of average duty payable during the previous periods. The total unrealised dues amounted to Rs.3.44 crore as of March 2000, out of which Rs.33 lakh had been realised (between October 1999 and November 2000).

On this being pointed out (between November 1999 and September 2000), the Collector, Burdwan agreed (March 2001) to realise the balance dues. Report on realisation has not been received (October 2001).

The cases were reported to Government between December 1999 and November 2000 followed by reminders issued up to July 2001; their reply has not been received (October 2001).

¹ Bharat Aluminium Company Ltd., Indian Iron and Steel Company (Burnpur Works) and Indian Iron and Steel Company (Kulti Works)