

CHAPTER I GENERAL

1.1 Trend of Revenue Receipts

The tax and non-tax revenue raised by the Government of West Bengal during the year 2002-03, 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 given below:

| Receipts | | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
|--------------------------|--|-----------------|------------------|------------------|------------------|------------------------------|
| <i>(Rupees in crore)</i> | | | | | | |
| I. | Revenue raised by the State Government | | | | | |
| (a) | Tax Revenue | 4,774.46 | 5,100.83 | 5,944.72 | 6,534.48 | 7,077.74 |
| (b) | Non-tax Revenue | 384.50 | 587.22 | 1,214.53 | 775.88 | 654.33 |
| | Total: | 5,158.96 | 5,688.05 | 7,159.25 | 7,310.36 | 7,732.07 |
| II. | Receipts from the Government of India | | | | | |
| (a) | State's share of net proceeds of divisible Union taxes | 2,692.14 | 2,984.41 | 4,208.44 | 4,289.37 | 4,555.40 ¹ |
| (b) | Grants-in-aid | 1,535.62 | 1,538.64 | 3,154.49 | 2,938.69 | 2,237.98 |
| | Total: | 4,227.76 | 4,523.05 | 7,362.93 | 7,228.06 | 6,793.38 |
| III. | Total Receipts of the State Government (I+II) | 9,386.72 | 10,211.10 | 14,522.18 | 14,538.42 | 14,525.45² |
| IV. | Percentage of I to III | 55 | 56 | 49 | 50 | 53 |

1.1.1 Tax Revenue

The details of the tax revenue raised during the year 2002-03 along with the figures for the preceding four years are given below:

| Sl.No. | Head of revenue | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 | Percentage of increase(+)/decrease (-) in 2002-03 over 2001-02 |
|--------|---|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| 1. | (a) Sales Tax | 2,834.22 | 3,158.41 | 3,377.05 | 3,499.80 | 3,668.41 | (+)4.82 |
| | (b) Central Sales Tax | 283.75 | 270.38 | 294.37 | 302.66 | 523.10 | (+)72.83 |
| 2. | State Excise | 400.04 | 442.85 | 461.61 | 512.43 | 566.85 | (+) 10.62 |
| 3. | Stamps and Registration Fees | 372.18 | 411.72 | 474.01 | 555.39 | 720.41 | (+) 29.71 |
| 4. | Taxes and Duties on Electricity | 117.36 | 145.13 | 160.19 | 354.76 | 145.42 | (-) 59.00 |
| 5. | Taxes on Vehicles | 158.07 | 185.57 | 282.53 | 208.65 | 249.40 | (+) 19.53 |
| 6. | Other Taxes on Income and Expenditure-Tax on Professions, Trades, Callings and Employment | 140.01 | 192.19 | 214.91 | 223.04 | 230.51 | (+) 3.35 |
| 7. | Other Taxes and Duties on Commodities and Services | 124.51 | 135.96 | 165.12 | 163.68 | 311.50 | (+) 90.31 |
| 8. | Land Revenue | 325.36 | 148.44 | 510.80 | 711.22 | 658.29 | (-) 7.44 |
| 9. | Other Taxes | 18.96 | 10.18 | 4.13 | 2.85 | 3.85 | (+) 35.09 |
| | Total | 4,774.46 | 5,100.83 | 5,944.72 | 6,534.48 | 7,077.74 | (+) 8.31 |

¹ For details, please see statement No.11 'detailed account of revenue by Minor Heads' in the Finance Accounts of the Government of West Bengal for the year 2002-03.

² Figures under the heads 0020-Corporation Tax, 0021-Taxes on Income other than Corporation Tax, 0032-Taxes on Wealth, 0037-Customs, 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.

-1.1.2 Non-tax Revenue

The details of major non-tax revenue raised during the year 2002-03 along with the figures for the preceding four years are given below:

(Rupees in crore)

| Sl. No. | Head of revenue | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 | Percentage of increase (+) / decrease (-) in 2002-03 over 2001-02 |
|--------------|---|---------------|---------------|-----------------|---------------|---------------|---|
| 1. | Interest | 48.64 | 110.08 | 673.60 | 122.90 | 102.75 | (-)16.40 |
| 2. | Dairy Development | 54.23 | 59.47 | 53.41 | 56.62 | 59.30 | (+)4.73 |
| 3. | Roads and Bridges | 12.33 | 16.64 | 24.79 | 20.42 | 22.30 | (+)9.21 |
| 4. | Forestry and Wildlife | 19.21 | 24.01 | 22.26 | 26.72 | 56.52 | (+)111.53 |
| 5. | Non-ferrous Mining and Metallurgical Industries | 8.86 | 14.49 | 13.51 | 7.95 | 6.87 | (-)13.58 |
| 6. | Food, Storage and Warehousing | 0.03 | 67.22 | 65.41 | 220.79 | 81.29 | (-)63.18 |
| 7. | Housing | 7.29 | 7.39 | 7.73 | 7.93 | 9.94 | (+)25.35 |
| 8. | Medical and Public Health | 35.18 | 60.41 | 45.91 | 45.63 | 48.62 | (+)6.55 |
| 9. | Education, Sports, Art and Culture | 5.66 | 6.87 | 17.63 | 39.61 | 17.28 | (-)56.37 |
| 10. | Public works | 6.46 | 6.32 | 6.16 | 5.52 | 4.78 | (-)13.41 |
| 11. | Police | 37.56 | 45.13 | 54.75 | 60.99 | 64.30 | (+)5.43 |
| 12. | Others | 149.05 | 169.19 | 229.37 | 160.80 | 180.38 | (+)12.18 |
| Total | | 384.50 | 587.22 | 1,214.53 | 775.88 | 654.33 | (-)15.67 |

The reasons for variations in receipts during the year 2002-03 compared to those of the year 2001-02 as shown in the Finance Accounts are mainly as under:

- State Excise: The increase (10.62 per cent) was due to larger collection of excise duty from the sale of Country Liquor
- Stamp Duty and Registration Fees: The increase (29.71 per cent) was due to escalation of duties on Judicial and Non-judicial Stamp
- Taxes and Duties on Electricity: The decrease (59 per cent) was due to less collection of taxes and duties on Electricity
- Taxes on Vehicles: The increase (19.53 per cent) was due to larger collection of taxes on vehicles
- Other Taxes and Duties on commodities and services: Increase (90.31 per cent) was due to larger collection of Taxes and Duties
- Interest: The decrease (16.40 per cent) was due to less collection of interest from Public Sector and other undertakings
- Forestry and Wild Life: Increase (111.53 per cent) was due to larger collection from Forestry and Wild Life
- Food storage and warehousing: The decrease (63.18 per cent) was due to less collection of taxes from warehousing.
- Education, Sports, Art and Culture: Decrease (56.37 per cent) was due to less collection from Games and Sports

1.2 Initiative for Mobilisation of Additional Resources

In the budget for 2002-03 the Government proposed additional revenue collection of around Rs.351 crore in the form of surcharge and other tax proposal after adjusting Rs.25 crore towards various tax relief proposed therein. Again, as a post budgetary measure the Government proposed additional revenue collection of Rs.500 crore by increasing the rate of various tax and non-tax receipts. But the actual additional collection of revenue during 2002-03 was Rs.422 crore against the expected additional revenue of Rs.851 crore. Thus actual collection of additional revenue was not commensurate with the projection made in the budget.

1.3 Analysis of budget preparation

As per provision of the Budget Manual, the Finance Department shall collect Budget Estimate and related information both for receipts and expenditure from the concerned Administrative Departments and prepare Budget Estimate of the State after necessary changes according to the policy of the Government. In the absence of non-receipt of relevant budgetary material from the Administrative Departments, the Finance Department prescribed a guideline for preparing the budget estimate.

Scrutiny of relevant records revealed that the Finance Department did not receive budgetary materials from Administrative Department for preparation of Budget Estimate for 2002-03 and accordingly prepared the budget estimate on the basis of its guidelines.

The actual receipts under both tax and non-tax receipts for 2001-02 was much below the revised estimate of that year. There was a wide difference between the original budget estimate and revised estimate for 2002-03. Moreover, budget estimate/revised estimate prepared by the Government did not appear to be on realistic basis which is evident from the table below:

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| <i>(Rupees in crore)</i> | | | | |
|--------------------------|-----------------|------------------|---------|---|
| Year | Budget Estimate | Revised Estimate | Actuals | Variation (%) of actual collection over budget estimate |
| Tax Revenue | | | | |
| 1998-99 | 5,657 | 5,046 | 4,774 | (-)15.61 |
| 1999-2000 | 5,752 | 5,737 | 5,101 | (-)11.32 |
| 2000-01 | 6,908 | 6,513 | 5,945 | (-)13.94 |
| 2001-02 | 8,044 | 7,341 | 6,534 | (-)18.77 |
| 2002-03 | 8,275 | 7,375 | 7,078 | (-)14.47 |
| Non-tax Revenue | | | | |
| 1998-99 | 521 | 574 | 385 | (-)26.10 |
| 1999-2000 | 532 | 703 | 587 | (+)10.34 |
| 2000-01 | 815 | 1,331 | 1,215* | (+)49.08 |
| 2001-02 | 1,009 | 1,445 | 776 | (-)23.09 |
| 2002-03 | 1,808 | 1,056 | 654 | (-)63.83 |

* Loan of Rs.492.54 crore granted to West Bengal State Electricity Board was contra credited to interest receipt.

1.4 Variations between Budget estimates and actuals

The variations between the Budget estimates and actuals of revenue receipts for the year 2002-03 in respect of the principal heads of tax and non-tax revenue are given below:

| <i>(Rupees in crore)</i> | | | | |
|---|------------------|--------------|--------------------------------------|-------------------------|
| Heads of Revenue | Budget estimates | Actuals | Variations excess(+) or shortfall(-) | Percentage of variation |
| Tax Revenue | | | | |
| 1. Sales Tax | 4,715 | 4,192 | (-)523 | (-)11.09 |
| 2. State Excise | 609 | 567 | (-)42 | (-)6.90 |
| 3. Land Revenue | 1,308 | 658 | (-)650 | (-)49.69 |
| 4. Taxes on Vehicles | 255 | 249 | (-)6 | (-)2.35 |
| 5. Stamps and Registration Fees | 680 | 720 | (+)40 | (+)5.88 |
| 6. Professions Tax | 295 | 231 | (-)64 | (-)21.69 |
| 7. Electricity Duty | 185 | 145 | (-)40 | (-)21.62 |
| 8. Other Taxes and Duties on commodities and services | 209 | 312 | (+)103 | (+)49.28 |
| 9. Others | 19 | 4 | (-)15 | (-)78.95 |
| Total: | 8,275 | 7,078 | | (-)14.88 |
| Non-Tax Revenue | | | | |
| 10. Forest Receipts | 48 | 57 | (+)9 | (+)18.75 |
| 11. Interest Receipts | 887 | 103 | (-)784 | (-)88.38 |
| 12. Dairy Development | 87 | 59 | (-)28 | (-)32.18 |
| 13. Food Storage and Warehousing | 188 | 81 | (-)107 | (-)56.91 |
| 14. Medical and Public Health | 114 | 49 | (-)65 | (-)57.02 |
| 15. Education, Sports, Art and Culture | 36 | 17 | (-)19 | (-)52.78 |
| 16. Public Works | 10 | 5 | (-)5 | (-)50.00 |
| 17. Roads and Bridges | 34 | 22 | (-)12 | (-)35.29 |
| 18. Police | 70 | 64 | (-)6 | (-)8.57 |
| 19. Major and Medium Irrigation | 11 | 3 | (-)8 | (-)72.73 |
| 20. Minor Irrigation | 18 | 7 | (-)11 | (-)61.11 |
| 21. others | 305 | 187 | (-)118 | (-)38.69 |
| Total: | 1,808 | 654 | | (-)63.83 |

The reasons for variation though called for in March 2003, have not been received till November 2003, except in respect of Electricity Duty and State Excise. The reasons for variation as per Government reply in respect of said receipt heads are as under:

- Electricity Duty: Due to non-payment of Electricity Duty by Calcutta Electric Supply Corporation, West Bengal State Electricity Board etc.
- State Excise: Due to preparation of estimate on higher side.

1.5 Analysis of collection

Break-up of total collection at pre-assessment stage and after regular assessment of sales tax, agricultural income tax, amusement tax for the year 2002-03 and the corresponding figures for the preceding two years as furnished by the Department are as follows:

| <i>(Rupees in crore)</i> | | | | | | | |
|--------------------------|---------|--|---|--|-----------------|-----------------------------|-----------------------------|
| 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 ³ | Percentage of column 3 to 7 |
| 1. | 2. | 3. | 4. | 5. | 6. | 7. | 8. |
| Sales Tax | 2000-01 | 3,609.90 | 62.60 | Nil | 7.15 | 3,665.35 | 98 |
| | 2001-02 | 3,656.77 | 79.94 | Nil | 15.13 | 3,721.50 | 98 |
| | 2002-03 | 4,094.81 | 94.95 | Nil | 11.58 | 4,178.18 | 98 |
| Agricultural Income Tax | 2000-01 | 2.85 | 0.51 | Nil | 0.51 | 2.85 | 100 |
| | 2001-02 | 1.70 | 0.83 | Nil | 1.82 | 0.71 | 239 |
| | 2002-03 | 1.46 | 0.97 | Nil | 0.10 | 2.33 | 63 |
| Amusement Tax | 2000-01 | 65.43 | 1.36 | Nil | Nil | 66.79 | 98 |
| | 2001-02 | 59.83 | 2.02 | Nil | Nil | 61.85 | 97 |
| | 2002-03 | 46.73 | 4.39 | Nil | Nil | 51.12 | 91 |

It would be seen from the above table that the amount refunded under agricultural income tax during 2001-02 was much more than the net collection. Though the above details were called for in respect of professions tax etc. those were not made available (November 2003)

1.6 Cost of collection

The gross collection in respect of major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the years 2000-01 to 2002-03 along with the relevant all India average percentage of expenditure on collection to gross collection were as follows:

³ The discrepancy in the net collection of revenue furnished by the department needs reconciliation with the Finance Accounts.

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| <i>(Rupees in crore)</i> | | | | | |
|----------------------------------|---------|------------|--------------------------------------|---|------------------------------|
| Head of Revenue | Year | Collection | Expenditure on collection of revenue | Percentage of expenditure on collection | All India Average percentage |
| Sales Tax | 2000-01 | 3,671.42 | 69.56 | 1.89 | - |
| | 2001-02 | 3,802.46 | 69.50 | 1.83 | 1.26 |
| | 2002-03 | 4,191.51 | 73.53 | 1.75 | - |
| State Excise | 2000-01 | 461.61 | 36.02 | 7.80 | - |
| | 2001-02 | 512.43 | 38.32 | 7.48 | 3.21 |
| | 2002-03 | 566.85 | 37.61 | 6.63 | - |
| Stamp Duty and Registration Fees | 2000-01 | 474.01 | 37.65 | 7.94 | - |
| | 2001-02 | 555.39 | 37.51 | 6.75 | 3.51 |
| | 2002-03 | 720.41 | 35.54 | 4.93 | - |
| Taxes on Vehicles | 2000-01 | 282.53** | 8.26 | 2.92 | - |
| | 2001-02 | 208.65 | 8.52 | 4.08 | 2.99 |
| | 2002-03 | 249.40 | 8.40 | 3.37 | - |

****As per Budget Publication for the year 2002-03 an amount of Rs.94.02 crore was wrongly booked under 0041-Taxes on vehicles**

It would be seen from the above that the expenditure on collection under the respective heads is higher as compared to the national average.

1.7 Collection of Sales Tax per assessee

| Year | No. of assessees | Sales Tax Revenue (Rupees in crore) | Revenue/assessee (Rupees in lakh) |
|-----------|------------------|--|--------------------------------------|
| 1998-99 | 1,76,086 | 3,118 | 1.77 |
| 1999-2000 | 1,71,039 | 3,429 | 2.00 |
| 2000-01 | 1,79,011 | 3,671 | 2.05 |
| 2001-02 | 1,78,273 | 3,802 | 2.13 |
| 2002-03 | 1,85,050 | 4,192 | 2.27 |

1.8 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2003 in respect of some principal heads of revenue as furnished by the Departments amounted to Rs.1514.71 crore of which in two cases Rs.74.77 crore out of Rs.1,313.40 crore were outstanding for more than five years as detailed in the following table:

| <i>(Rupees in crore)</i> | | |
|--------------------------|--|--|
| Head of Revenue | Amount outstanding as on 31 March 2003 | Amount outstanding for more than five years as on 31 March |
| Sales Tax | 1,304.09 | 68.35 |
| Electricity Duty | 148.59 | NA |
| Amusement Tax | 22.78 | NA |
| Agricultural Income Tax | 29.94 | NA |
| Excise Duty | 9.31 | 6.42 |
| Total: | 1,514.71 | 74.77 |

1.9 Arrears in assessments

The details of cases pending assessment at the beginning of the year, cases becoming due for assessment during the year, cases disposed of during theyear

and number of cases pending finalisation at the end of each year during 2000-01 to 2002-03 as furnished by the Departments are given below:

| Year | Opening Balance | Cases due for assessment during the year | Total | Cases finalised during the year | Balance at the close of the year | Arrears in percentage (against total cases) |
|--------------------------------|-----------------|--|----------|---------------------------------|----------------------------------|---|
| Sales Tax | | | | | | |
| 2000-01 | 1,87,041 | 1,11,645 | 2,98,686 | 1,60,965 | 1,37,721 | 46 |
| 2001-02 | 1,37,721 | 1,12,541 | 2,50,262 | 85,326 | 1,64,936 | 66 |
| 2002-03 | 1,64,936 | 1,64,673 | 3,29,609 | 1,74,576 | 1,55,033 | 47 |
| Professions Tax | | | | | | |
| 2000-01 | 1,98,729 | 86,661 | 2,85,390 | 78,790 | 2,06,600 | 72 |
| 2001-02 | 2,06,600 | 41,151 | 2,47,751 | 67,519 | 1,80,232 | 73 |
| 2002-03 | 1,80,232 | 59,899 | 2,40,131 | 72,726 | 1,67,405 | 70 |
| Electricity Duty | | | | | | |
| 2000-01* | 250 | 89 | 339 | 57 | 282 | 83 |
| 2001-02* | 282 | 360 | 642 | 159 | 483 | 75 |
| 2002-03* | 483 | 82 | 565 | 54 | 511 | 90 |
| Amusements Tax | | | | | | |
| 2000-01 | 3,344 | 839 | 4,183 | 979 | 3,204 | 77 |
| 2001-02 | 3,204 | 1,423 | 4,627 | 753 | 3,874 | 84 |
| 2002-03 | 3,874 | 3,204 | 7,078 | 1,863 | 5,215 | 74 |
| Agricultural Income Tax | | | | | | |
| 2000-01 | 2,355 | 306 | 2,661 | 398 | 2,263 | 85 |
| 2001-02 | 2,263 | 441 | 2,704 | 607 | 2,097 | 78 |
| 2002-03 | 2,097 | 564 | 2,661 | 416 | 2,245 | 84 |

* Revised figures as furnished by the Department.

It would be seen from the above table that percentage of cases pending disposal at the end of each financial year was significantly large.

1.10 Evasion of Tax

The details of cases of evasion of tax detected by the Finance and State Excise Departments, cases finalised and the demands for additional tax raised as reported by the Departments are given below:

| Name of tax/duty | Cases pending as on 31 March 2002 | Cases detected during 2002-2003 | 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 2003 |
|------------------|-----------------------------------|---------------------------------|-------|---|--------------------------------|---|
| | | | | No. of cases | Amount demand (Rupees in lakh) | |
| Sales Tax | 43 | 59 | 102 | 49 | 42.00 | 53 |
| State Excise | 7 | Nil | 7 | Nil | Nil | 7 |
| Amusement Tax | 17 | 13 | 30 | 9 | NA | 21 |

NA: Not available.

1.11 Results of Audit

Test check of records of sales tax, land revenue, stamp duty and registration fees, motor vehicles tax, state excise, electricity duty, other tax receipts, forest receipts and other non-tax receipts conducted during the year 2002-03 revealed under-assessment/short levy/loss of revenue amounting to Rs.532.72 crore in 1,309 cases. During the course of the year the departments accepted under-assessment of Rs.168.29 crore in 998 cases of which 682 cases involving Rs.137.42 crore were pointed out in audit during 2002-03 and the rest in earlier years and recovered Rs.2.26 crore. No replies have been received in respect of the remaining cases.

This Report contains 47 paragraphs including two reviews relating to non-levy/short levy of taxes, duties, interest and penalties etc., involving Rs.204.77 crore. The Department/Government have accepted audit observations involving Rs.150.96 crore of which Rs.0.28 crore had been recovered upto November 2003. No reply has been received in other cases.

1.12 Departmental Audit Committee Meetings

For prompt settlement of very old outstanding Inspection Reports through discussion among senior officers of the concerned Administrative Department, the Finance Department and the officers of the office of the Accountant General, West Bengal, Departmental Audit Committees were constituted by the Government in the year 1985.

For this purpose, meetings of Audit Committees consisting of the Secretary of the Administrative Department concerned, a senior officer of the Finance Department not below the rank of the Joint Secretary and representative of the office of the Accountant General, West Bengal should be convened by the Administrative Department concerned.

During last three years total number of meetings held and number of paras settled are given below:

| <i>(Rupees in crore)</i> | | | | |
|--------------------------|-------------------------------|----------------------------------|-------------------------------------|--|
| Year | Name of the Department | Number of meeting(s) held | Number of paragraphs settled | Money Value of the paragraphs settled |
| 2000-01 | State Excise | 1 | 39 | NA |
| | Public Works Department | 1 | 6 | 0.02 |
| 2001-02 | Sales Tax | 1 | 21 | 0.21 |
| | State Excise | 1 | 16 | 7.66 |
| | Public Works Department | 1 | 06 | 0.10 |
| 2002-03 | Public Works Department | 1 | Nil | Nil |

The other departments did not respond to hold Audit Committee Meeting although reminded several times till November 2003.

1.13 Failure of senior officials to enforce accountability and protect interest of the Government

Accountant General (Local Bodies Audit) arranges periodical inspection of Government Departments to test check the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed up with Inspections Reports (IRs). When important irregularities detected during inspection are not settled on the spot, these are included in IRs issued to the heads of offices inspected with copies to next higher authorities for taking prompt corrective action. Government have provided that first replies to the IRs may be furnished within three weeks of receipt thereof by the heads of offices. The heads of offices/ 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 AG 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 AG.

Inspection Reports issued up to December 2002 disclosed that 2,687 paragraphs involving money value of Rs.629.52 crore relating to 963 IRs remained outstanding at the end of June 2003. Of these, 221 IRs containing 414 paragraphs involving money value of Rs.56.99 crore had not been settled for more than 10 years by the Finance Department in respect of sales tax, amusements tax, agricultural income tax, professions tax, electricity duty and stamp duty and registrations fees, by the Forest Department in respect of forest receipts, by the Commerce and Industries Department in respect of mines and minerals, by the Transport Department in respect of taxes on motor vehicles, by the Land and Land Reforms Department in respect of land revenue and other Departments in respect of other departmental receipts. Even the first replies, required to be received from the heads of offices within three weeks from the date of issue of the IRs, were not received in respect of 1,332 paragraphs of 398 IRs issued between March, 1984 and December 2002. As a result, the serious irregularities commented upon in these IRs had not been settled as of 30 June 2003.

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-Department-wise break-up of IRs and audit observations outstanding as on 30 June 2003 is given below:

(Rupees in crore)

| Sl. No. | Department | Position of Inspection Reports issued up to December 2002 but not settled at the end of June 2003 | | | Position of Inspection Reports and paragraphs not settled for more than 10 years | | | Position of Inspection Reports in respect of which first reply not 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 | Finance | | | | | | | | | |
| | (a) Sales Tax | 138 | 405 | 32.50 | 9 | 24 | 0.42 | 35 | 176 | 1999-2000 |
| | (b) Professions Tax | 92 | 196 | 12.47 | 25 | 32 | 3.98 | 44 | 56 | 1998-99 |
| | (c) Stamp Duty and Registration Fees | 79 | 135 | 25.13 | 26 | 44 | 1.72 | 73 | 116 | 1994-95 |
| | (d) Electricity Duty | 44 | 76 | 11.97 | 13 | 20 | 3.14 | 8 | 35 | 1998-99 |
| | (e) Agricultural Income Tax | 12 | 19 | 1.79 | 1 | 3 | 0.12 | 4 | 5 | 1991-92 |
| | (f) Amusements Tax | 74 | 146 | 20.64 | 13 | 15 | 0.13 | 52 | 135 | 1982-83 |
| | (g) Luxury Tax | 10 | 18 | 0.14 | 2 | 3 | 0.05 | 5 | 9 | 2000-01 |
| 2. | Forest | | | | | | | | | |
| | Forest Receipts | 80 | 160 | 18.29 | 12 | 15 | 0.52 | 43 | 139 | 1995-96 |
| 3. | Commerce and Industries | | | | | | | | | |
| | Mines and Minerals | 102 | 330 | 18.54 | 24 | 56 | 2.63 | 21 | 89 | 1990-91 |
| 4. | Land and Land Reforms | | | | | | | | | |
| | Land Revenue | 114 | 583 | 355.55 | 46 | 141 | 14.83 | 18 | 120 | 1984-85 |
| 5. | Excise | | | | | | | | | |
| | State Excise | 45 | 105 | 20.30 | -- | -- | -- | 15 | 47 | 1991-92 |
| 6. | Transport | | | | | | | | | |
| | Motor Vehicles | 116 | 293 | 10.83 | 30 | 29 | 0.16 | 62 | 344 | 1998-99 |
| 7. | Other | | | | | | | | | |
| | Departmental Receipts | 57 | 221 | 101.37 | 20 | 32 | 29.29 | 18 | 61 | 1994-95 |
| | Total | 963 | 2,687 | 629.52 | 221 | 414 | 56.99 | 398 | 1,332 | |

The above position indicates the failure of departmental offices to initiate action in regard to the defects, omissions and irregularities pointed out in the IRs of the AG. The Principal Secretaries/Secretaries of the Departments, who were informed of the position through half-yearly reports, also failed to ensure that the concerned officers took prompt and timely action.

1.14 Follow up on Audit Reports-summarised position

As per the Rules of Procedure of the Committee on Public Accounts of the West Bengal Legislative Assembly (Internal Working) framed in 1997, the concerned Department shall take necessary steps to send its Action Taken Notes (ATN) on the recommendations contained in the Report of the Public Accounts Committee (PAC) on the Audit Report within six months from the date of its presentation to the House. The position of outstanding ATNs due from the departments is shown below:

| Particulars of the PAC Report | Date of presentation in the Assembly | Name of the department | Year of Audit Report | No. of ATNs due |
|----------------------------------|--------------------------------------|--------------------------|--|------------------|
| Sixth Report of 1987-88 | 20 April 1988 | Excise | 1978-79 1980-81 | 3 3 |
| Seventeenth Report of 1988-89 | 5 May 1989 | Irrigation and Waterways | 1978-79 1983-84 | 3 1 |
| Twentysecond 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 1982-83 1983-84 1984-85 | 4 1 1 1 |
| Seventh Report of 1991-93 | 23 March 1993 | Finance | 1981-82 1982-83 1983-84 | 1 2 1 |
| Seventeenth Report 1993-94 | 31 March 1994 | Land and Land Reforms | 1981-82 1985-86 1986-87 | 1 2 2 |
| Twentysecond Report of 1994-95 | 17 April 1995 | Excise | 1984-85 | 2 |
| Twentythird Report of 1994-96 | 1 August 1995 | Finance | 1981-82 | 1 |
| Twentyfifth 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 | 1 |
| | | | 1990-91 | 1 |
| | | | 1992-93 | 1 |
| Twentyfourth Report of 1998-99 | 16 July 1999 | Forest | 1992-93 | 1 |
| Twenty ninth Report of 1999-2000 | 2 December 1999 | Irrigation and Waterways | 1990-91 | 1 |
| Eighth Report of 2001-02 | 8 July 2002 | Forest | 1996-97 | 6 |
| Total: | | | | 44 |

In respect of the Audit Reports from 1992-93 to 2000-01 departmental replies to 32 selected and 125 unselected paragraphs out of total 61 selected and 548 unselected paragraphs have been received (November 2003).

Department failed to submit ATNs within six months in respect of 44 paragraphs included in the Audit Reports upto the year ended March 2002.