

## Appendix 1

## Review on efficiency of summary assessment scheme and process of selection of cases for scrutiny

Data on records requisitioned by audit, records produced and not produced  
(Refer Para No.1.7.3)

State	Total no. of records requisitioned by audit			Total no. of records produced to audit			Total no. of records not produced to audit			No. of units selected for review
	summary	scrutiny	total	summary	scrutiny	total	summary	scrutiny	total	
Andhra Pradesh	2665	1873	4538	2665	1873	4538	NIL	NIL	NIL	16
Assam	2000	1176	3176	2000	1176	3176	NIL	NIL	NIL	30
Bihar	1068	307	1375	1048	294	1342	20	13	33	5
Chandigarh	1509	455	1964	1509	433	1942	NIL	22	22	6
Delhi	7524	2414	9938	4285	1476	5761	3239	938	4177	44
Goa	766	142	908	766	142	908	NIL	NIL	0	4
Gujarat	1085	1073	2158	1065	1043	2108	20	30	50	15
Haryana	2255	545	2800	2246	533	2779	9	12	21	9
Himachal Pradesh	887	140	1027	887	140	1027	NIL	NIL	0	2
Jharkhand	1254	144	1398	1254	144	1398	NIL	NIL	0	5
Karnataka	1980	1028	3008	1630	999	2629	350	29	379	12
Kerala	2361	733	3094	2216	697	2913	145	36	181	11
Madhya Pradesh	744	505	1249	744	505	1249	NIL	NIL	NIL	6
Maharashtra	2396	4739	7135	1939	4611	6550	457	128	585	29
Orissa	2254	699	2953	1385	485	1870	869	214	1083	5
Punjab	18824	720	19544	18824	720	19544	NIL	NIL	0	41
Rajasthan	4241	1015	5256	4042	998	5040	199	17	216	14
Tamil Nadu	5016	1665	6681	4994	1646	6640	22	19	41	20
Uttar Pradesh	3792	1761	5553	3757	1721	5478	35	40	75	24
Uttaranchal	1464	424	1888	1464	424	1888	NIL	NIL	0	4
W Bengal	6751	2691	9442	6035	2460	8495	716	231	947	33
Total	70836	24249	95085	64755	22520	87275	6081	1729	7810	335

## Appendix-2

**Position of workload of the department in terms of returns received for the charges  
for which information was made available  
(Refer Para No.1.9.5)**

State	Financial year 2002-03					Financial year 2003-04				
	Total returns received	Current returns of new assessees	Current returns of old assessees	Arrear returns of old assessees	Revised returns of old assessees	Total returns received	Current returns of new assessees	Current returns of old assessees	Arrear returns of old assessees	Revised returns of old assessees
Assam	359586	16485	229231	113802	68	240320	5325	193916	40985	94
Andhra Pradesh	1448757	187852	944006	315420	1479	1212398	81963	1069168	59320	1947
Bihar	726058	51242	651750	23066	NA	671854	4322	649360	18172	NIL
Chandigarh	163811	20009	129097	14705	NA	151639	650	146001	4988	NA
Delhi	1760005	356,923	1403082	NA	NA	1637021	174055	1462966	NA	NA
Gujarat	16787	312	12362	4090	23	12556	218	11988	317	33
Haryana	689933	134619	555314	NA	NA	720739	73595	647144	NA	NA
Himachal Pradesh	1418	202	1055	145	16	1387	27	1271	73	16
Jharkhand	810592	32986	498676	278930	NA	596114	6596	470997	118521	NA
Kerala	590057	53132	536925	NA	NA	562708	24097	538611	NA	NA
Madhya Pradesh	967248	110100	856453	NA	695	894122	14,048	879732	NA	342
Maharashtra	1348818	49474	1206388	92227	729	1232919	6826	1199633	25460	1000
Orissa	611383	50839	332067	228477	NA	397771	18435	339077	40259	NA
Punjab	1706092	161996	1094115	449442	539	1378919	53719	1154406	170058	736
Rajasthan	1167284	170915	916388	79261	720	1143222	99479	1009025	33056	1662
Tamil Nadu	1753791	264426	1275553	213812	NA	1559591	98538	1360204	100849	NA
Uttaranchal	194105	32988	115829	44966	322	167019	10513	147370	8805	331
West Bengal	1989395	114207	1101548	772531	1109	1443993	72111	1104564	266164	1154
<b>Total</b>	<b>16305120</b>	<b>1808707</b>	<b>11859839</b>	<b>2630874</b>	<b>5700</b>	<b>14024292</b>	<b>744517</b>	<b>12385433</b>	<b>887027</b>	<b>7315</b>

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**Position of workload of the department in terms of returns received for the charges  
for which information was made available  
(Refer Para No.1.9.5)**

State	Financial year 2004-05					CIT Charges	CCIT Charges
	Total returns received	Current returns of new assesseees	Current returns of old assesseees	Arrear returns of old assesseees	Revised returns of old assesseees		
Assam	137902	981	98337	38547	37	4	
Andhra Pradesh	1413837	118009	1172028	122066	1734	12	
Bihar	691957	18121	662059	11777	NIL	1	2
Chandigarh	175554	358	149196	26000	NA		1
Delhi	1672889	136317	1536572	NA	NA		1
Gujarat	14089	476	12816	772	25		5
Haryana	758256	66389	691867	NA	NA		1
Himachal Pradesh	1500	90	1186	204	20		1
Jharkhand	637446	5478	492808	139160	NA		2
Kerala	542253	5085	537168	NA	NA		2
Madhya Pradesh	725763	26,019	699517	NA	227	7	
Maharashtra	1301493	3642	1262976	34019	856	11	
Orissa	413530	18738	353487	41305	NA		1
Punjab	1500808	129710	1152494	217999	605		3
Rajasthan	1200936	158469	968887	72829	751	9	
Tamil Nadu	1611659	73889	1424861	112909	NA		12
Uttaranchal	251060	24120	219863	6751	326	2	
West Bengal	1585123	40030	1166130	378173	790	15	
<b>Total</b>	<b>14636055</b>	<b>825921</b>	<b>12602252</b>	<b>1202511</b>	<b>5371</b>	<b>61</b>	<b>31</b>

**Appendix 3**  
**Disposal of returns received by the department in the charges for which information was made available**  
**(Refer para 1.10.1)**

State	OB of cases pending disposal		Cases marked		Total returns for disposal		Disposal		Disposal as a % of total returns for disposal			Balance pending at the end of the year	
	summary	scrutiny	summary	scrutiny	summary	scrutiny	summary	scrutiny	summary	scrutiny	total	summary	scrutiny
<b>Financial year 2002-03</b>													
Assam	166599	415	233321	1270	399920	1685	333686	768	83.44	45.58	83.28	63805	832
Andhra Pradesh	412304	2625	941038	11173	1353342	13798	1282092	7020	94.74	50.88	94.29	71250	6778
Bihar	456127	643	643285	3282	1099412	3925	990453	809	90.09	20.61	89.84	108959	3116
Chandigarh	14705	460	149106	641	163811	1101	158814	519	96.95	47.14	96.62	4997	582
Delhi	1066363	3132	1710005	31277	2776368	34409	2645557	17267	95.29	50.18	94.74	130811	17142
Gujarat	6175	358	14300	910	20475	1268	18572	585	90.71	46.14	88.11	1028	681
Haryana	157728	2111	689933	4640	847661	6751	831626	3224	98.11	47.76	97.71	16035	3527
Himachal Pradesh	145	29	1273	110	1418	139	1345	78	94.85	56.12	91.39	73	57
Jharkhand	328695	346	466620	1473	795315	1819	699331	582	87.93	32.00	87.80	195884	1237
Kerala	525387	1228	590057	4887	1115444	6115	882130	3347	79.08	54.73	78.95	233314	2768
Madhya Pradesh	725540	2,151	967248	5,865	1692788	8016	1446472	3,024	85.45	37.72	85.22	246316	4,992
Maharashtra	587014	3648	1348818	14441	1935832	18089	1806674	7387	93.33	40.84	92.84	129158	10702
Orissa	229362	488	382021	1786	611383	2274	570991	1019	93.39	44.81	93.21	40392	1255
Punjab	540476	2575	1352475	7601	1892951	10176	1701503	3927	89.89	38.59	89.61	191448	6249
Rajasthan	374544	2806	1101528	6563	1476072	9369	1393604	3800	94.41	40.56	94.07	82468	5569
Tamil Nadu	1235185	6108	1753791	18691	2988976	24799	2800602	9423	93.70	38.00	93.24	188374	16376
Uttaranchal	1382	125	12496	335	13878	460	12655	258	91.19	56.09	90.06	1226	202
West Bengal	1003468	3553	1320462	5219	2323930	8772	1930705	3522	83.08	40.15	82.92	393227	5250
<b>Total</b>	<b>7831199</b>	<b>32801</b>	<b>13677777</b>	<b>120164</b>	<b>21508976</b>	<b>152965</b>	<b>19506812</b>	<b>66559</b>	<b>90.69</b>	<b>43.51</b>	<b>90.36</b>	<b>2098765</b>	<b>87315</b>

Note: differences in closing balance of one year and the opening balance of succeeding year were due to transfer of cases among different charges

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**Appendix 3**

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**Disposal of returns received by the department in the charges for which information was made available  
(Refer para 1.10.1)**

State	OB of cases pending disposal		Cases marked		Total returns for disposal		Disposal		Disposal as a % of total returns for disposal			Balance pending at the end of the year	
	summary	scrutiny	summary	scrutiny	summary	scrutiny	summary	scrutiny	summary	scrutiny	total	summary	scrutiny
<b>Financial year 2003-04</b>													
Assam	65480	968	197049	2301	262529	3269	161154	1285	61.39	39.31	61.11	96904	1979
Andhra Pradesh	61273	7775	950184	6081	1011457	13856	852087	9235	84.24	66.65	84.01	159370	4621
Bihar	109259	3116	680427	2887	789686	6003	623930	2801	79.01	46.66	78.77	165756	3202
Chandigarh	4988	603	146651	1124	151639	1727	125646	770	82.86	44.59	82.43	25993	957
Delhi	130811	17,142	1,646,765	10,534	1777576	27676	1,416,945	15,957	79.71	57.66	79.37	360,631	11,719
Gujarat	1686	802	11380	632	13066	1434	11539	594	88.31	41.42	83.68	1585	755
Haryana	16035	3527	720739	1884	736774	5411	679932	3750	92.29	69.30	92.12	56842	1661
Himachal Pradesh	73	57	1314	69	1387	126	1183	85	85.29	67.46	83.81	204	49
Jharkhand	95984	1237	498956	1890	594940	3127	458170	2141	77.01	68.47	76.97	136770	1886
Kerala	233314	2757	562708	3208	796022	5965	578913	3329	72.73	55.81	72.60	217109	2636
Madhya Pradesh	246316	4,992	894122	7,601	1140438	12593	988108	5,938	86.64	47.15	86.21	152330	6,655
Maharashtra	83551	10336	1232919	7219	1316470	17555	705680	10297	53.60	58.66	53.67	610790	7258
Orissa	40392	1255	357379	1565	397771	2820	373781	1548	93.97	54.89	93.69	23990	1272
Punjab	191448	6279	1310214	9247	1501662	15526	223560	8135	14.89	52.40	15.27	278102	7388
Rajasthan	82469	5585	1099544	7269	1182013	12854	1029968	6068	87.14	47.21	86.71	152045	6786
Tamil Nadu	198660	15799	1559591	16079	1758251	31878	1474422	15800	83.86	49.56	83.25	283829	16078
Uttaranchal	1226	202	12108	228	13334	430	12354	231	92.65	53.72	91.43	980	200
West Bengal	275992	5572	1192744	9580	1468736	15152	1002768	5010	68.27	33.06	67.91	543468	10142
<b>Total</b>	<b>1838957</b>	<b>88004</b>	<b>13074794</b>	<b>89398</b>	<b>14913751</b>	<b>177402</b>	<b>10720140</b>	<b>92974</b>	<b>71.88</b>	<b>52.41</b>	<b>71.65</b>	<b>3266698</b>	<b>85244</b>

Note: differences in closing balance of one year and the opening balance of succeeding year were due to transfer of cases among different charges

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**Appendix 3**

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**Disposal of returns received by the department in the charges for which information was made available  
(Refer para 1.10.1)**

State	OB of cases pending disposal		Cases marked		Total returns for disposal		Disposal		Disposal as a % of total returns for disposal			Balance pending at the end of the year	
	summary	scrutiny	summary	scrutiny	summary	scrutiny	summary	scrutiny	summary	scrutiny	total	summary	scrutiny
<b>Financial year 2004-05</b>													
Assam	73187	1876	89717	176	162904	2052	84512	956	51.88	46.59	51.81	78100	1068
Andhra Pradesh	157111	4809	1065357	11744	1222468	16553	1031222	8157	84.36	49.28	83.89	191246	8396
Bihar	165756	3202	696398	2049	862154	5251	686232	3358	79.60	63.95	79.50	175922	1893
Chandigarh	26000	978	149544	1046	175544	2024	144570	1136	82.36	56.13	82.06	30974	888
Delhi	360,631	11,719	1,698,754	12,745	2059385	24464	1,184,537	13077	57.52	53.45	57.47	874,848 R	11387
Gujarat	2320	827	12523	1175	14843	2002	12132	877	81.74	43.81	77.23	2690	1173
Haryana	56842	1661	758256	5524	815098	7185	745795	2722	91.50	37.88	91.03	69303	4463
Himachal Pradesh	204	49	1296	385	1500	434	1360	109	90.67	25.12	75.96	140	325
Jharkhand	136770	1886	499062	910	635832	2796	537487	2030	84.53	72.60	84.48	98345	766
Kerala	217109	2637	542253	3078	759362	5715	439078	3773	57.82	66.02	57.88	320284	1942
Madhya Pradesh	146165	5,788	725763	7,423	871928	13211	696688	6,223	79.90	47.10	79.41	175240	6,988
Maharashtra	617813	7082	1301493	11818	1919306	18900	1623141	8449	84.57	44.70	84.18	296165	10451
Orissa	23990	1272	389540	1805	413530	3077	358703	1780	86.74	57.85	86.53	54827	1297
Punjab	222824	7097	1294514	9619	1517338	16716	1235844	8191	81.45	49.00	81.09	281471	8525
Rajasthan	152044	6611	1159082	8074	1311126	14685	1118540	6304	85.31	42.93	84.84	192586	8263
Tamil Nadu	286767	16742	1611659	17650	1898426	34392	1570209	19149	82.71	55.68	82.23	328217	15243
Uttaranchal	980	221	13844	693	14824	914	12769	335	86.14	36.65	83.26	2055	579
West Bengal	523398	8646	1296538	5345	1819936	13991	1230129	8927	67.59	63.81	67.56	589811	5064
<b>Total</b>	<b>3169911</b>	<b>83103</b>	<b>13305593</b>	<b>101259</b>	<b>16475504</b>	<b>184362</b>	<b>12712948</b>	<b>95553</b>	<b>77.16</b>	<b>51.83</b>	<b>76.88</b>	<b>2887376</b>	<b>88711</b>

Note: differences in closing balance of one year and the opening balance of succeeding year were due to transfer of cases among different charges

**Appendix-4**  
**(Refer Para No.1.15 to 1.32)**

(Rs in lakh)

S. No.	Assessee company/ CIT charge	Assessment year/ Nature of assessment	Nature of mistake	Tax effect
<b>Refer Para No.1.15.2: Mistakes in adoption/ non adoption of correct figures</b>				
1.	M/s Velvette International Pharma Products Ltd <b>Chennai I</b>	2002-03 Summary	Arithmetical mistake in computation	62.56
<b>Refer Para No.1.16.2: Mistakes in computation of business income</b>				
2.	M/s Conch Chits and Commercial Corporation Ltd, <b>Chennai I</b>	2002-03 Summary	Non inclusion of transfer of chit liabilities of Rs.1.96 crore as income.	66.67
<b>Refer Para No.1.17.2: Incorrect allowance provisions/liability</b>				
3.	M/s Dynamix Industries Ltd <b>Mumbai IX</b>	2004-05 Summary	Provision of Rs.2.50 crore for land restoration was not added back.	89.69
4.	M/s Century Enka Ltd <b>Kolkata II</b>	2002-03 Summary	Provision for depreciation was not added back while computing book profit under special provisions.	83.28
5.	M/s Consulting Engineering Services Pvt Ltd <b>Delhi I</b>	2002-03 Summary	Incorrect allowance of liability	81.60
6.	M/s Airlines Allied Services <b>Delhi I</b>	2003-04 Summary	Provision of Rs.2.19 crore on account of operating expenses was incorrectly allowed as deduction.	80.48
7.	M/s D&H Sechoren Electrodes (P) Ltd <b>Indore I</b>	2003-04 Summary	Provision for bad & doubtful debts and liability for PF/ESI not discharged within specified period was incorrectly allowed as deduction.	71.16
8.	M/s Everest Organics Ltd <b>Hyderabad I</b>	2002-03 Summary	Liability towards interest payment was not discharged before filing return as per requirement of section 43B.	55.93
9.	M/s Matsushita Air Conditioning Pvt Ltd <b>Chennai III</b>	2002-03 Summary	Incorrect allowance of deduction towards provision for bad and doubtful debts of Rs.1.45 crore.	51.91
<b>Refer Para No.1.19.2: Incorrect carry forward and set off of losses</b>				
10.	M/s Soft Systems Ltd <b>Kochi</b>	2004-05 Summary	Excess carry forward of loss of Rs.2.61 crore due to incorrect grant of exemption under section 10A and belated filing of return.	93.75
11.	M/s Aspinwal Geo Tech Ltd <b>Kochi</b>	2003-04 Summary	Revaluation of loss of fixed assets of Rs.2.22 crore was not added back.	81.66
12.	M/s Indian Camphor Ltd <b>Hyderabad II</b>	2004-05 Summary	Loss on fixed asset in fire accident being capital loss was not disallowed. Besides, depreciation on such assets was also required to be disallowed.	66.19
13.	M/s Rajasthan Co-operative Dairy Federation Ltd <b>Jaipur II</b>	2003-04 Summary	Brought forward business loss of Rs.2.32 crore was irregularly set off against the income from business of profession.	63.70
14.	M/s Camelot Enterprises Pvt Ltd <b>Mumbai V</b>	2004-05 Summary	Speculation loss of Rs.2.10 crore pertaining to earlier year was incorrectly set off against business income instead of speculation profit.	59.80

15.	M/s Ipisteel Ltd <b>Cuttack</b>	2002-03 Summary	Incorrect carry forward of loss	57.94
16.	M/s Autopal Industries Ltd <b>Jaipur III</b>	2004-05 Summary	Incorrect carry forward of loss of Rs.3.57 crore instead of determined amount of Rs.2.05 crore.	54.54
17.	M/s Automobile Corporation of Goa Ltd <b>Panaji (Goa)</b>	2004-05 Summary	Loss was incorrectly carried forward to the extent of Rs.6.94 crore instead of Rs.5.51 crore.	50.16
<b>Refer Para No.1.20.2: Incorrect allowance of inadmissible /non business/capital expenditure</b>				
18.	M/s Peerless Hotels Ltd <b>Kolkata III</b>	2002-03 Summary	Incorrect allowance of capital expenditure of Rs.2.68 crore on renewal and replacement.	98.28
19.	M/s Monster.com (India) (P) Ltd <b>Hyderabad.II</b>	2002-03 Summary	Amount debited to profit & loss account towards deferred revenue scheme was not added back. Besides, receipts towards work contracts, profession fee etc as per TDS certificate were short accounted for.	72.81
20.	M/s Shivalik Cellulose Ltd <b>Delhi III</b>	2004-05 Summary	Prior period expenses of Rs.1.52 crore debited to profit and loss account as miscellaneous expenses were incorrectly allowed as deduction.	59.56
21.	M/s Saffron Investments Ltd <b>Delhi III</b>	2004-05 Summary	Incorrect allowance of capital expenditure.	57.86
22.	Ch. Ramoji Rao <b>Hyderabad III</b>	2003-04 Summary	Irregular allowance of capital expenditure as revenue expenditure.	57.26
23.	M/s Muthoot Finance Pvt Ltd <b>Kochi</b>	2004-05 Summary	Investment deficit of Rs.1.27 crore being inadmissible expenditure was not disallowed.	53.10
24.	M/s Tourism Finance Corporation of India Ltd <b>Delhi VI</b>	2003-04 Summary	Incorrect allowance of non business expenditure	51.96
<b>Refer Para No.1.21.2: Incorrect allowance of exemption, deduction etc.</b>				
25.	M/s Rainbow Silks <b>Mumbai XIV</b>	2002-03 Summary	Deduction towards export profits was irregularly allowed against loss from export.	96.01
26.	Mr. Parag Bhanukumar Doshi <b>Ahmedabad III</b>	2002-03 Summary	Non compete fee of Rs.2.75 crore was incorrectly allowed exemption treating the same as capital receipt as claimed.	92.56
27.	M/s Milan Laboratories India Ltd <b>Thane</b>	2003-04 Summary	Deduction towards export profits was irregularly allowed on export incentive only.	90.77
28.	M/s Indwell Linings (P ) Ltd <b>Chennai I</b>	2002-03 Summary	Incorrect allowance of deduction under section 80IA.	74.18
29.	M/s VXL Instruments Ltd <b>Bangalore III</b>	2002-03 Summary	Deduction under section 10A was not restricted to foreign exchange brought in to India.	70.70
30.	M/s SRA Systems Ltd <b>Chennai III</b>	2002-03 Summary	Incorrect allowance of exemption under section 10B of Rs.4.10 crore instead of Rs.2.17 crore confirmed in prescribed audit certificate.	68.86
31.	M/s Bharati Bioteck International Ltd <b>Hyderabad I</b>	2003-04 Summary	Incorrect allowance of deductions under section 35(2AB) and 80G. Prior period expenses and depreciation on plant and machinery, vehicles and electric installation was also incorrectly claimed and allowed.	67.19
32.	M/s Dhaneswar Rath Institute of Engineering and Management Studies <b>Cuttack</b>	2001-02 2002-03 Summary	Irregular allowance of deduction under section 11(1).	67.03

33.	M/s Softsol India Ltd <b>Hyderabad 3</b>	2003-04	Site expenses debited to profit and loss account not reduced from export turn over while claiming exemption under section 10B.	64.26
34.	M/s Ravi Dyewell Co. Ltd <b>Mumbai III</b>	2002-03 Summary	Deduction towards export profits was irregularly allowed on export incentive only.	62.46
35.	Shri A R Rahman <b>Chennai IV</b>	2003-04 Summary	Deduction of Rs.1.61 crore towards export profits irregularly allowed in the absence of prescribed Form 10 H along with the return.	57.30
36.	M/s SPA Capital Services Ltd <b>Delhi III</b>	2004-05 Summary	Exemption on dividend income of Rs.1.26 crore was claimed and allowed without reducing management expenses of Rs.1.20 crore.	55.67
37.	M/s Thiagarajan Mills (P) Ltd <b>Madurai I</b>	2002-03	Interest income and conversion charges were not excluded while computing deduction towards export profits.	54.01
38.	M/s Summer India Textile Mills (P) Ltd <b>Salem</b>	2001-02 to 2003-04 Summary	Other income and local sales were not excluded while computing exemption under section 10A.	50.98
<b>Refer Para No.1.22.2: Incorrect allowance of depreciation</b>				
39.	M/s SKS Ltd <b>Delhi IX</b>	2000-01 2002-03 Summary	Incorrect allowance of depreciation	93.65
40.	M/s Huntman International (India) Ltd <b>Mumbai X</b>	2004-05 Summary	Incorrect allowance of depreciation on goodwill.	79.33
41.	M/s SBL Industries Ltd <b>Kolkata I</b>	2003-04 Summary	Excess allowance of depreciation/ unascertained liability.	65.93
42.	M/s M/s PHF Leasing Ltd <b>Jalandhar II</b>	2001-02 Summary	Incorrect allowance of depreciation on leased assets.	56.99
43.	M/s Borkar Packaging Pvt Ltd <b>Margao(Goa)</b>	2002-03 to 2004-05 Summary	Depreciation was incorrectly claimed and allowed on goodwill treating as intangible asset.	53.52
44.	M/s Toyo Engineering Ltd <b>Mumbai X</b>	2004-05 Summary	Incorrect allowance of depreciation on goodwill.	50.90
<b>Refer Para No.1.23.2: Income not assessed/receipts not brought to tax</b>				
45.	M/s Uma Shankar Khandelwal Forging Ltd <b>Delhi IX</b>	2003-04 Summary	Income not assessed	93.23
46.	M/s Regency Ceramics Ltd <b>Hyderabad II</b>	2003-04 Summary	Excise duty payable on finished goods was not included in closing stock. Besides, expenditure towards prior period adjustments was not added back. TDS required to be deducted from rent payments and lease rental payments was also not considered.	72.11
47.	M/s Vignair Pvt Ltd <b>Delhi-VI</b>	2004-05 Summary	Short accountal of gross contract receipt.	71.94
48.	M/s News Today Pvt Ltd <b>Hyderabad II</b>	2002-03 Summary	Income as per TDS certificate was not fully returned. Besides, excess brought forward depreciation was wrongly claimed and allowed while computing deemed income under special provisions.	66.37
49.	M/s Arjun Metals (P) Ltd <b>Jaipur-I</b>	2003-04 Summary	Irregular allowance of credit of total receipts of Rs.2.68 crore instead of TDS credit of Rs.5.83 lakh	64.04
50.	M/s Coastal Cargo Services (P) Ltd <b>Kochi</b>	2003-04 Summary	Income as per TDS certificate was not fully returned.	63.03

51.	M/s Betts India (Pvt) Ltd <b>Margao (Goa)</b>	2004-05 Summary	Entire income of Rs.4.10 crore was adjusted against unabsorbed depreciation of Rs.2.56 crore pertaining to earlier assessment year thereby income of Rs.1.54 crore escaped assessment.	55.29
52.	M/s BBL Foods Pvt Ltd <b>Hyderabad I</b>	2003-04 Summary	Income as per TDS certificate towards job works was not fully returned. Besides, deduction allowed towards export turnover was irregularly allowed in the absence of prescribed certificate in Form No.10CCAC.	52.27
<b>Refer Para No.1.24.2: Incorrect computation of capital gains</b>				
53.	Smt Vijayalakshmi <b>Chennai IV</b>	2004-05 Summary	Interest on borrowed capital incorrectly included in the cost of acquisition in violation of the prescribed mode of computation.	53.41
<b>Refer Para No.1.25.2: Incorrect computation of income under special provisions</b>				
54.	M/s United Breweries <b>Bangalore III</b>	2003-04 Summary	Tax liability though being less under normal provisions was not charged under special provisions.	81.67
55.	M/s GTN Textiles Ltd <b>Kochi</b>	2003-04 Summary	Amount of profits eligible for deduction under section 80HHC was not reduced while computing book profit under special provisions.	73.48
56.	M/s Namdhari Seeds (P) Ltd <b>Bangalore III</b>	2002-03 2003-04 Summary	Tax liability though less under normal provisions was not charged under special provisions.	71.81
57.	M/s Rajasthan Syntex Ltd <b>Udaipur</b>	2002-03 Summary	Incorrect set off of MAT credit beyond prescribed period of five years.	71.50
58.	M/s Lanco Industries Ltd <b>Tirupathi</b>	2004-05 Summary	While computing deemed income under special provisions, provisions were not added back to net profit.	57.36
<b>Refer Para No.1.28.2: Non / short levy of interest/penalty</b>				
59.	M/s Visakhapatnam Port Trust, <b>Vizag I</b>	2003-04 Summary	Delay in remittance of TDS collected.	75.05
<b>Refer Para No.1.32.2: Other cases not pertaining to review period.</b>				
60.	M/s Vishnu Vijay Packagers Ltd <b>Mumbai III</b>	2001-02 Summary	Incorrect allowance of deduction of Rs.2.41 crore under section 43B against the interest payable on loan.	95.50
61.	M/s Built Graphic Paper Ltd <b>Delhi-I</b>	2001-02 Summary	Figures were not adopted correctly	93.26
62.	M/s Trikaya Grey Adv. (Ind) Ltd <b>Mumbai VI</b>	2000-01 Summary	Non disallowance of lease equalization fund of Rs.1.76 crore being capital portion of leased assets.	84.70
63.	M/s Binni Engineering Ltd <b>Chennai I</b>	1999-2000 Summary	Income of Rs.1.18 crore was incorrectly returned and adopted as loss.	82.39
64.	M/s UTI Securities Exchange Ltd <b>Mumbai IV</b>	2000-01 Summary	Excess set off of brought forward unabsorbed business loss and depreciation of Rs.1.59 crore.	81.91
65.	M/s Superfil Products Ltd <b>Chennai III</b>	2000-01 Summary	Incorrect allowance of capital loss of Rs.1.79 crore as deduction	76.57
66.	M/s Real Image Media Tech (P) Ltd <b>Chennai IV</b>	2001-02 Summary	Incorrect allowance of capital expenditure of Rs.1.88 crore as revenue expenditure.	74.33
67.	M/s The Malwa Banaspati & Chemical Mills Limited <b>Indore I</b>	2000-01 Summary	Written back unpaid credit balance of Rs.2.05 crore in the accounts was incorrectly claimed as deduction in the computation of income	71.83

68.	M/s Punjab Kashmir Finance Ltd <b>Jalandhar II</b>	2001-02 Summary	Incorrect allowance of depreciation on leased assets.	70.93
69.	M/s Supreme Print Treads India Pvt Ltd <b>Coimbatore III</b>	2001-02 Summary	Loss returned of Rs.5.60 lakh was incorrectly adopted as Rs.1.71 crore.	65.56
70.	M/s Osram India (P) Ltd <b>Faridabad</b>	2002-03 to 2004-05 Summary	Depreciation was incorrectly allowed at 25 percent on goodwill treating it as intangible asset.	65.38
71.	M/s Karnataka Agro Industries Corporation Ltd <b>Bangalore I</b>	2001-02 Summary	Employer and Employees share of provident fund contribution of Rs.1.64 crore paid beyond the stipulated date was not disallowed.	64.93
72.	M/s Kothari Sugars and Chemicals Ltd <b>Chennai I</b>	2000-01 Summary	Incorrect allowance of capital expenditure of Rs.1.66 crore as deduction	63.91
73.	M/s Aryan Share and Stock Brokers Ltd <b>Chennai I</b>	2001-02 Summary	Incorrect allowance of capital loss of Rs.1.54 crore as deduction.	60.83
74.	M/s Universal Industrial Fund Ltd <b>Kolkata II</b>	1999-2000 2000-01 Summary	Irregular allowance of expenditure under section 14A in respect of dividend income which was exempt from tax.	59.66
75.	Subburaj Spinning Mills (P) Ltd <b>Madurai II</b>	2001-02 Summary	Exemption under section 10A was incorrectly allowed to the assessee's undertaking using machineries transferred which were already used.	55.05
76.	M/s Vardhaman Polytex Ltd <b>Ludhiana I</b>	2000-01 Summary	Non accountal of excise duty in total turnover and losses from export of trading goods and less reduction against interest income led to excess deduction towards export profits.	52.96
77.	M/s Soundararajan & Company (P) Ltd <b>Chennai III</b>	2000-01 Summary	Incorrect allowance of deduction towards bad debts of Rs.1.36 crore which were not considered as income in the earlier years.	52.17
<b>Refer Para No.1.32.3: Mistakes relating to wealth tax, interest tax, expenditure tax etc</b>				
78.	M/s Midwest India Industries Limited <b>Hyderabad II</b>	1996-97 Summary	Finance charges of Rs.6.50 crore received during the previous year were not brought to interest tax.	91.47

## Appendix-5

## Chapter II: Effectiveness of Search and Seizure operations

(Refer para -2.4.1)

Cases involving tax effect of Rs.1 crore or more and not illustrated in the review

(Rs. in crore)

Sl. No.	Name of the assessee	CIT charge	Assessment year	Assessed under section	Audit observation	Tax effect
<b>Supplement to para 2.4.19</b>						
1	Koregaonkar Group	Pune	1.4.96 to 25.7.02	158-BC	Undisclosed income of Rs.4.67 crore was not considered and reasons for variation was also not recorded in assessment order.	2.86
2	Seth Group	Nagpur	1.4.96 to 5.12.02	158-BC	Undisclosed income of Rs.3.66 crore was not considered and reasons for variation was also not recorded in assessment order.	2.56
<b>Supplement to para 2.4.26</b>						
3	Shri Devassia Devassia	CIT -Central -Kochi	1.04.95 to 28.06.01	158 BC	Major transactions relating to 13 items amounting to Rs.2.59 crore remained to be considered in the assessment.	1.59
4	Ravinder Kumar Taneja	CIT Central III Delhi	2002-03	158 BC	An amount of undisclosed income of Rs.7.73 crore was under assessed.	4.73
5	M/s. Chawla Jewellers	CIT Central III Delhi	2002-03	158 BC	An amount of undisclosed income of Rs.2.33 crore was under assessed.	1.42
6	Shri Sandeep Khandelwal	CIT Central I Delhi	2003-04	158 BC	An amount of undisclosed income of Rs.1.90 crore was under assessed.	1.20
7	Mohan Lal Agarwal	Central Circle III Kolkata	1.4.96 to 25.09.02	158 BC	In the absence of supporting proof in respect of expenses of Rs.2.34 crore against unaccounted cash receipts of Rs.2.94 crore the suggestion in the appraisal report should have been examined and full amount of Rs.2.94 crore should have been treated as undisclosed income.	1.74

Sl. No.	Name of the assessee	CIT charge	Assessment year	Assessed under section	Audit observation	Tax effect
<b>Supplement to para 2.4.35</b>						
8	M/s Ranka Jewellers (P) Ltd.	CIT Central Pune	1.4.96 to 24.10.02	158 BC	Assessing officer assessed Rs.2.67 crore towards unexplained investment by setting off Rs.2.57 crore from the total undisclosed income of Rs.5.24 crore.	1.63
<b>Supplement to para 2.4.37</b>						
9	Binani Cement Ltd.	CIT Central I Kolkata	1.4.90 to 7.2.01	158 BC	Aggregate total income was not increased by the assessed loss of Rs.42 crore assessed in summary manner for the assessment year 1999-00 falling within the block period.	28.18
10	Shri Rajkumar C. Basantani	CIT Central I Mumbai	1.4.96 to 24.9.02	158 BC	While determining the total undisclosed income for the block the income of Rs.9.62 crore on account of unexplained investment was not considered.	6.32
11	Shri Kirti Kumar V Bhutada	CIT Central Nasik	1.4.96 to 2.5.02	158 BC	Excess stock of Rs.2.75 crore should have been treated as undisclosed income as per appraisal report. The assessing officer considered only Rs.64.84 lakh on that account.	1.33
12	Baddi Brothers	CIT Central Bangalore	1.4.95 to 20.12.01	158 BD/BC	The investigating officer incorrectly depicted Rs.12.22 crore and Rs.21.32 crore as sundry creditors and sundry debtors respectively towards purchases and sales in supplementary appraisal report. This actually represent the amounts payable and receivable by the assessee. These figures were ignored by the assessing officer on the conclusion that they were incapable of verification.	5.19
13	Sigma Online Ltd.	CIT Central Hyderabad	1.4.95 to 5.2.02	158 BC	Assets worth Rs.7.77 crore was shown to be bogus transaction in the appraisal report. In the assessment only Rs.4.19 crore was treated as undisclosed income in the hands of the Directors of the company.	2.90

Sl. No.	Name of the assessee	CIT charge	Assessment year	Assessed under section	Audit observation	Tax effect
14	Bhupinder Singh Gujral	Central-II , Kolkata	1.4.96 to 21.5.2002	158 BC	Transfer of shares in 'Rabindra Co-operative Housing Society' at a consideration of Rs.18 lakh was not sufficient to substantiate that the transactions of purchase and sales were disclosed.	1.01
<b>Supplement to para 2.4.39</b>						
15	M/s Gulistha India Ltd.	CIT-Central-III, Delhi	2002-03	158 BC	Undisclosed income of Rs.32.02 crore was not considered in the assessment.	20.33
16	M/s Vindhya International Ltd.	CIT-Central-III, Delhi	2002-03	158 BC	Undisclosed income of Rs.41.11 crore was not considered in the assessment.	25.47
17	M/s Aditya Products Ltd.	CIT-Central-III, Delhi	2002-03	158 BC	Undisclosed income of Rs.31.97 crore was not considered in the assessment.	20.30
18	M/s Sumangal Overseas Ltd	CIT-Central-III, Delhi	2002-03	158 BC	Undisclosed income of Rs.20.06 crore was not considered in the assessment.	13.50
19	M/s R.B.G. Nickle India Ltd.	CIT-Central-III, Delhi	2002-03	158 BC	Undisclosed income of Rs.17.85 crore was not considered in the assessment.	11.20
20	M/s Sai Info Ltd.	CIT-Central-II, Delhi	2002-03	158 BC	Though the assessing officer himself recorded in the regular assessment of the assessee that this company was a part of Rastogi Group where money had been brought into India by showing bogus export, exemptions of Rs.17.94 crore and Rs.0.78 crore towards 80 HHC and 80 HHE respectively were allowed.	10.44
21	M/s Sobat India Ltd.	CIT-Central-III, Delhi	2002-03	158 BC	Undisclosed income of Rs.14.90 crore was not considered in the assessment.	9.46
22	M/s Unimac India Ltd.	CIT-Central-III, Delhi	2002-03	158 BC	Undisclosed income of Rs.10.36 crore was not considered in the assessment.	6.50
23	M/s Lucia Overseas Pvt. Ltd.	CIT-Central-III, Delhi	2002-03	158 BC	Undisclosed income of Rs.6.17 crore was not considered in the assessment.	3.87
24	Gianchand Ramji Dass Group	CIT-Central-II, Delhi.	2003-04	158 BC	The genuineness of assessee's transaction amounting to Rs.3.25 crore could not be verified by the assessing officer and the same was added in the income.	2.15

Sl. No.	Name of the assessee	CIT charge	Assessment year	Assessed under section	Audit observation	Tax effect
25	M/s H.M. Impex Ltd.	CIT-Central-III, Delhi	2002-03	158-BC	Undisclosed income of Rs.1.95 crore was not considered in the assessment.	1.22
<b>Supplement to para 2.4.43</b>						
26	Shri Satish Chandra H. Dattani	Kochi	1.04.97 to 29.01.03	158 BD Not yet done	A perusal of assessment records of Shri Arun Kumar H. Dattani revealed that balance undisclosed income of Rs.2.25 crore attributable to other co-owners. Shri Satish Chandra H. Dattani is yet to be assessed.	1.42
<b>Supplement to para 2.4.45 (Appendix-7, Sl. No. 1)</b>						
27	M/s. Slocum Inv. (P) Ltd.	CIT Central III Delhi	2002-03	158 BC	Undisclosed income of Rs.1229.90 crore escaped wealth tax assessment.	18.05
<b>Supplement to para 2.4.45 (Appendix-7,Sl. No. 4)</b>						
28	M/s Shiv Nadar Investment (P) Ltd	CIT Central III, Delhi	2002-03	158 BC	Assessing officer incorrectly levied interest amounting to Rs.24.82 crore for 11 months instead of Rs.27.07 crore for 13 months.	2.26
<b>Supplement to para 2.4.45 (Appendix-7, Sl. No. 7)</b>						
29	M/s Sumangal Overseas Ltd	CIT Central III, Delhi	2002-03	158 BC	The demand of Rs.56.05 crore raised in 2003 was not paid till the date of audit (June 2005) attracting levy of interest.	7.85
30	M/s. Gulistha India Ltd.	CIT Central III Delhi	2002-03	158 BC	Block assessment was completed on 30 January 2004. Neither has the assessee paid the demand nor was any stay allowed for payment of demand by the department. No interest was levied.	3.02
31	M/s. Kiratpur India Ltd.	CIT Central III Delhi	2002-03	158 BC	-do-	2.75
32	M/s Sobat India Ltd.	CIT Central III Delhi	2002-03	158 BC	-do-	1.97
33	M/s. Lucia Overseas Pvt. Ltd.	CIT Central III Delhi	2002-03	158 BC	-do-	1.80
34	M/s Shamken Multifab Ltd.	CIT Central I Delhi	2002-03	158 BC	-do-	1.50

Sl. No.	Name of the assessee	CIT charge	Assessment year	Assessed under section	Audit observation	Tax effect
<b>Supplement to para 2.4.45 (Appendix-7, Sl. No. 8)</b>						
35	M/s Ranka Jewellers (RF)	CIT Central Pune	2002-03	158 BC	Total purchases amounting to Rs.93.76 crore were made in cash hence 20 per cent thereof which would work out to Rs.18.75 crore should have been disallowed.	11.93
36	Mohanlal Agarwal	CIT Central I Kolkata	1.4.96 to 25.09.02	158 BC	20 per cent of payment of Rs.22.38 crore made in cash should have been disallowed under section 40 A (3).	2.82
37	Sushil Kumar Mohta	CIT Central I Kolkata	1.4.95 to 20.11.01	158 BC	20 per cent of expenditure of Rs.11.69 crore made in cash should have been disallowed under section 40 A (3).	1.43
38	M/s Ranka Jewellers (P) Ltd.	CIT Central Pune	1.4.96 to 24.10.02	158 BC	Unaccounted cash purchases of Rs.9.63 crore were made hence 20 percent thereof which would work out to Rs.1.93 crore should have been disallowed.	1.23
<b>Supplement to para 2.4.45 (Appendix-7, Sl. No. 17)</b>						
39	M/s Shamken Multifab Ltd.	CIT Central I Delhi	2002-03	158 BC	While adding the undisclosed income of the block period for each assessment year separately, the assessing officer made a calculation mistake. Total undisclosed income of Rs.18.83 crore was arrived at instead of correct total of Rs.26.29 crore.	4.57
40	M/s Shamken Cotsyn (P) Ltd.	CIT Central I Delhi	2002-03	158BC	The assessing officer, while comparing similar types of cases for which assessments were completed, adopted a different method of assessment for assessing the income of the assessee at Rs.13.12 lakh.	1.85

Sl. No.	Name of the assessee	CIT charge	Assessment year	Assessed under section	Audit observation	Tax effect
<b>Supplement to para 2.4.52</b>						
41	M/s Chinnasons Group	Kochi	1.4.95 to 20.11.01	158 BC	Out of Rs.12.58 crore of undisclosed income Rs.12.06 crore was not upheld at appellate stage for the reasons of defective computation of excess stock of gold, absence of proper grounds for additions towards credit balance of partners and unexplained purchases of gold from partners/ other family members etc. held by appellate authority as explained.	7.53
42	M/s Sudhir Gopi	Ernakulam	1.04.96 to 11.06.02	158 BC	Undisclosed income of Rs.2.82 crore was reduced to Rs.0.62 crore as per appellate order on account of non availability of material evidence to discredit assessee's claim, additions towards unexplained sources for investments held as explained by the appellate authority and additions towards unexplained loan held as explained/ confirmed by creditors.	1.42
43	M/s Hotel Mariya	Kottayam	1.04.95 to 28.06.01	158 BC	Undisclosed income of Rs.2.38 crore was reduced to Rs.0.58 crore by the appellate authority mainly for want of proof of suppression of sales.	1.12
44	M/s Chinnasons Jewellery, Palakkad	Thrissur	1.04.95 to 28.11.01	158 BC	Undisclosed income of Rs.4.06 crore was reduced to Rs.0.13 crore as per appellate order.	2.47
45	M/s Chinnasons Jewellery, Calicut Road	Thrissur	1.04.95 to 28.11.01	158 BC	Undisclosed income of Rs.3.24 crore was reduced to Rs.3.09 crore as per appellate order.	1.94
46	Dr. V.K. Jayakumar	Kollam	1.04.96 to 28.05.02	158 BC	Undisclosed income of Rs.2.91 crore was reduced to Rs.0.78 crore by the appellate authority by allowing proportionate expenses in respect of undisclosed income and additions towards unexplained expenditure/ investments held by the appellate authority as explained.	1.61

Sl. No.	Name of the assessee	CIT charge	Assessment year	Assessed under section	Audit observation	Tax effect
47	M/s C. Subeera	Kozhikode	1.04.96 to 27.08.02	158 BC	Undisclosed income of Rs.3.39 crore was reduced to Rs.0.72 crore as per appellate order for the reasons of additions based on estimation of cost of construction of building and unexplained withdrawal/ deposit which were utilized for house construction, held by the appellate authority as not based on seized materials, depreciation not claimed in regular return but claimed in the block assessment return disallowed by the assessing officer but allowed by the appellate authority and unexplained income vide entry Sl. No. 42 of seizure documents held by the appellate authority as not being assessee's income.	1.66
48	M/s Sanwar Mull Shroff	Kolkata	1.04.96 to 6.07.02	158 BC	Undisclosed income of Rs.15.13 crore was reduced to Rs.2.05 crore as per appellate order.	8.32
49	M/s Saraf Agencies Ltd.	Kolkata	1.04.96 to 5.07.02	158 BC	Undisclosed income of Rs.4.92 crore was arrived at by the assessing officer. CIT(A) deleted the unexplained expenditure under section 69(c) and additions of losses beyond block period due to want of corroborative evidence on record.	2.87
50	Dr. C.B. Chatterjee	Kolkata	1.04.96 to 29.07.02	158 BC	CIT(A) allowed a relief of Rs.1.97 crore in view of non-availability of corroborative evidence in support of additions made in the assessment.	1.24
51	M/s S.K.D New Standard Coaching Institute Lucknow	Kanpur	1.04.96 to 13.09.02	158 BC	Total addition of Rs.8.67 crore was deleted by CIT(A) on the ground that the additions were made without any evidence or basis.	5.46

Sl. No.	Name of the assessee	CIT charge	Assessment year	Assessed under section	Audit observation	Tax effect
52	M/s Mansarovar Urban Cooperative Bank Ltd. Lucknow	Kanpur	1.04.95 to 18.10.01	158 C	CIT(A) deleted addition of Rs.5.90 crore on the ground that the assessing officer had not referred to any seized material or evidence found during the search which would forward his presumption that assessee was operating fictitious account and giving loan to non members of cooperative societies.	3.66
53	Mr. Subhash Chand Rastogi	Delhi		158 BC	The additions of Rs.2.60 crore was made by the assessing officer on account of undisclosed investment in property on the basis of statement made by caretaker of the property. CIT(A) deleted the additions as the assessee was not the owner of the aforementioned property as confirmed from Sub Registrar of Properties.	1.56
54	Cosmo Builders	Haryana		158 BC	Relief of Rs.3.27 crore was allowed by CIT(A) as the addition was made without any documentary evidence.	2.11

**Appendix 6  
(Refer para -2.4.8)**

**Undisclosed Income**

(Figures in rupees)

Sl. No.	Name of Group	Estimate as per appraisal report	Assessed	Variation in undisclosed income	Percentage of variation	Date of search	No. of cases
1.	P.K.Jewellers Group	506287000	125857000	380430000	75.14	21.02.02	4
2.	Gurubaxani Nagpur	92100000	59870604	32229396	34.99	05.12.02	42
3.	MHKS, Nagpur	68300000	7353534	60946466	89.23	27.02.02	25
4.	O.G.Bajaj, Nagpur	50100000	22243228	27856772	55.6	06.12.02	13
5.	S.K.Banerjee, Nagpur	33400000	18683644	14716356	44.06	05.12.02	16
6.	Disha Constn. P. Ltd. A'bad	13700000	6764097	6935903	50.62	06.02.03	2
7.	Prakash Ladha, Nashik	30900000	15487478	15412522	49.83	09.10.02	10
8.	Chandukaka, Pune	39698000	15163010	24534990	61.8	06.11.01	37
9.	Rao, Pune	82156000	39088171	43067829	52.42	27.08.02	10
10.	Ranka, Pune	175018000	132879407	42138593	24.07	24.10.02	30
11.	Dhanvantri, Pune	30300000	12004275	18295725	60.38	31.01.03	10
12.	Desai, Pune	126900000	26248962	100651038	79.31	13.09.01	59
13.	Kolhapur Zilla Sahakari	345412000	33482907	311929093	90.3	08.01.02	122
14.	A.P.Koregaonkar, Kol'pur	52505000	21605395	30899605	58.85	25.07.02	18
15.	Chandrakanth Shah, Thane	117273000	89918000	27355000	23.32	07.02.03	1
16.	Sartra Enterprise, Thane	34775000	8566330	26208670	75.36	17.10.02	25
17.	Dodhia Synthetics, Thane	61200000	22021275	39178725	64.01	25.09.02	9
	<b>Total</b>	<b>1860024000</b>	<b>657237317</b>	<b>1202786683</b>	<b>64.66</b>		<b>459</b>

**Appendix -7**  
**(Refer Para 2.4.45)**  
**Other mistakes in computation of income and tax**

(Rs. in lakh)

Sl. No.	Subject	State(s)	No. of cases	Tax effect/ Loss of revenue
1	Omission to consider assets disclosed during the search for Wealth Tax	Delhi, Kerala, Madhya Pradesh, Maharashtra, Tamil Nadu, Uttar Pradesh	40	1848.80 (One case with tax effect exceeding Rs.1 crore is given at Sl. No.27 in Appendix 5)
2	Non levy of surcharge	Assam, Gujarat, Jharkhand, Madhya Pradesh, Maharashtra, Tamil Nadu, Uttar Pradesh	31	152.74
3	Excess levy of surcharge	Madhya Pradesh, Tamil Nadu, Uttar Pradesh, West Bengal	9	117.49
4	Non levy/short levy of interest under section 158 BFA (1)	Delhi, Gujarat, Kerala, West Bengal	65	245.15 (One case with tax effect exceeding Rs.1 crore is given at Sl. No.28 in Appendix 5)
5	Non levy of interest though the period of filing was extended	Delhi, Maharashtra, Tamil Nadu	33	85.27
6	Excess levy of interest under section 158 BFA(1)	Tamil Nadu, Uttar Pradesh, West Bengal	10	134.76
7	Non levy of interest under section 220(2)	Delhi, Maharashtra, Uttar Pradesh	27	2481.99 (Six cases with tax effect exceeding Rs.1 crore is given at Sl. No.29 to 34 in Appendix 5)
8	Non disallowance under section 40A(3)	Maharashtra, West Bengal	4	1740.78 (Four cases with tax effect exceeding Rs.1 crore is given at Sl. No.35 to38 in Appendix 5)

9	Irregular demand raised	Jharkhand, West Bengal	3	40.27
10	Non completion of assessment under section 158 BC	Kerala	4	27.98
11	Loss of interest due to mistakes in issue of notice under section 158 BC	Gujarat	17	9.52
12	Avoidable payment of interest under section 244A	Gujarat, Maharashtra	2	28.06
13	Omission to consider transactions during search for Gift Tax	Tamil Nadu	1	0.33
14	Loss due to assessee being not traceable	Tamil Nadu	2	42.23
15	Mistake in giving appeal effect	Gujarat, Jharkhand, Kerala, Uttar Pradesh	8	49.07
16	Incorrect allowance of deductions	Gujarat	1	4.72
17	Avoidable mistakes in computation of income and tax	Delhi, Gujarat	12	676.7 (Two cases with tax effect exceeding Rs.1 crore is given at Sl. No.39 to 40 in Appendix 5)
18	Incorrect allowance of capital gains	Gujarat	3	44.02
	<b>Total</b>		<b>272</b>	<b>7729.88</b>

In respect of Sl. No.14 above it may be pointed out that in CIT Central I Tamil Nadu charge, the assessee could not be traced out for collection of tax demand resulting in loss of revenue though the search was completed in September 2002 and an undisclosed income of Rs.56.49 lakh was determined.

**Appendix-8**  
**(Refer para-2.4.47)**

**Status of appeal (Stage-1)**

**(Rs. in crore)**

<b>Name of state</b>	<b>No. of appeal cases filed by the assessee</b>	<b>No. of appeal cases decided in favour of assessee</b>	<b>Percentage of col. 3 to 2</b>	<b>No. of appeal cases decided in favour of revenue</b>	<b>Percentage of col. 5 to 2</b>	<b>Revenue impact of col.2</b>
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Andhra Pradesh	71*	47	66.20	24	33.80	33.37
Delhi	153	67	44	22	14	78.97
Gujarat	135	37	27.40	31	22.95	18.31
Haryana	16	15	94	0	0	7.35
Karnataka	72	28	39	12	17	0.37
Kerala	48	45	92	4	8	19.93
Maharashtra	168	60	35.70	14	8.3	36.21
Tamil Nadu	49	12	24	13	27	8.32
Uttar Pradesh	43	4	9.30	2	4.65	9.17
West Bengal	73	66	90.40	7	9.60	22.79
<b>Total</b>	<b>851</b>	<b>381</b>	<b>44.77</b>	<b>129</b>	<b>15.16</b>	<b>234.79</b>

Only 73 out of 104 cases have been decided in West Bengal

\*23 cases out of 94 not yet decided in Andhra Pradesh