

Appendix-I

(Referred to in Para 2.5, Page-29)

Statement showing calculation of short reversal of ITC

Short reversal of ₹ 27,34,126 (₹ 21,55,236 + ₹ 5,78,890)

A) Calculation of reversal of ITC u/s 19 (5) calculated on proportionate basis

(Amount in ₹)

1. Gross Sale	4,47,26,27,022
2. ISS@2%	75,05,79,344
3. Percentage of 2 to 1	16.7816 %
4. Total value of cotton purchased	354,64,47,239.79
5. Value of cotton consumed	263,72,83,376.79
6. Percentage of 5 to 4	74.3641 %
7. Value of cotton on which entry tax was available as ITC	1,61,46,82,925
8. Value of cotton locally purchased on which ITC was claimed	1,22,53,08,105
9. Total value of cotton on which ITC was claimed (7+8)	2,83,99,91,030
10. Value of cotton out of (9) used in manufacturing (74.36% of (9))	2,11,18,17,330
11. Value of cotton used in manufacturing of goods sold interstate at concessional rate of tax of two per cent (16.78 % of (10))	35,43,62,948
12. Conversion ratio of material consumed to sale value (1/5)	1.69592
13. Corresponding sale value of cotton at 11 (1.6959 x (11))	60,09,64,124
14. CST chargeable on sale value above (2% of (13))	1,20,19,282
15. ITC on value of cotton consumed (4% of (11))	1,41,74,518
16. Reversal of ITC required to be made (15-14)	21,55,236
17. Reversal made in the assessment order	Nil
18. Short reversal of ITC u/s 19(5)	21,55,236

Description	Local cotton	cotton from outside State on which entry tax was paid	cotton from outside State on which no entry tax was paid	Total
Purchase of cotton	122,53,08,105	161,46,82,925	70,64,56,210	354,64,47,240
Cotton consumed (74.3641%)	91,11,89,344	120,07,44,425	52,53,49,802	263,72,83,571
Cotton consumed for interstate sale at the rate of two per cent (16.7816%)	15,29,12,151	20,15,04,126	8,81,62,102	44,25,78,379
Corresponding value of products manufactured (x1.69592)	25,93,26,775	34,17,34,877	14,95,15,872	75,05,77,524
ITC on cotton consumed	61,16,486	80,60,165	Nil	1,41,76,651
CST on ISS	51,86,536	68,34,698	29,90,317	1,50,11,551
Reversal required	9,29,950	12,25,467	Nil	21,55,417

Appendix-I

(Referred to in Para 2.5, Page-29)

Statement showing calculation of short reversal of ITC

B) Calculation of reversal of ITC u/s 19 (5) calculated on proportionate basis

(Amount in ₹)

1. Gross Sale	216,21,54,958
2. ISS@2%	31,05,07,871
3. Percentage of 2 to 1	14.361 %
4. Total value of raw material purchased	168,09,74,114.69
5. Value of raw material consumed	138,80,18,310.20
6. Percentage of 5 to 4	82.57226 %
7. Value of cotton on which entry tax was available as ITC	57,41,44,000
8. Value of cotton locally purchased on which ITC was claimed	88,12,63,008
9. Total value of cotton on which ITC was claimed (7+8)	145,54,07,008
10. Value of cotton out of (9) used in manufacturing (82.57226% of (9))	120,17,29,566
11. Value of cotton used in manufacturing of goods sold interstate at concessional rate of tax of two <i>per cent</i> (14.36 % of (10))	17,25,68,366
12. Conversion ratio of material consumed to sale value (1/5)	1.557728
13. Corresponding sale value of cotton at 11 (1.5577 x (11))	26,88,09,744
14. CST chargeable on sale value above (2% of (13))	53,76,195
15. ITC on value of cotton consumed (4% of (11))	69,02,735
16. Reversal of ITC required to be made (15-14)	15,26,540
17. Reversal made in the assessment order	9,47,650
18. Short reversal of ITC u/s 19(5)	5,78,890

Description	Local cotton	cotton from outside State on which entry tax was paid	cotton from outside State on which no entry tax was paid	Total
Purchase of cotton	88,12,63,008	57,41,44,000	22,55,67,107	168,09,74,115
Cotton consumed (82.57226%)	72,76,78,782	47,40,83,676	18,62,55,858	138,80,18,316
Cotton consumed for interstate sale at the rate of two <i>per cent</i> (14.361%)	10,45,01,949	6,80,83,157	2,67,48,204	19,93,33,310
Corresponding value of products manufactured (x1.55773)	16,27,85,821	10,60,55,176	4,16,66,480	31,05,07,477
ITC on cotton consumed	41,80,078	27,23,326	Nil	69,03,404
CST on ISS	32,55,716	21,21,104	8,33,330	62,10,150
Reversal required	9,24,362	6,02,222	Nil	15,26,584

Appendix-II

(Referred to in Para 5.3.8, Page-60 and 63)

Rate of Motor Vehicle Tax

Category wise Rate of Motor Vehicle Tax under Section 3 of Punjab Motor Vehicles Taxation Act, 1924

Sl. No	(Amount in `)							
	Period	Ordinary Buses	HVAC Buses	Number of days allowed for MVT exemption per month	Application Fee (AF)	Permit Fee (PF)	Total (AF+PF)	Remarks
1	<i>Stage Carriage Buses</i>							
	upto 08.08.2013	2.75	1.50	5	10,000	5,000	15,000	Rate of MVT per Kilometer per day (No. of days of a month less the number of days allowed for exemption per month) paid at the end of every month
	09.08.2013 to 02.07.2014	3.00	1.75	5				
	03.07.2014 to 31.12.2014	3.13	1.88	5				
	01.01.2015 to 11.12.2015	3.03	1.77	5				
	12.12.2015 to 14.06.2016	2.73	1.60	6				
	15.06.2016 to 17.08.2017	2.75	1.62	6				
	18.08.2017 to till date	2.80	3.36	4				

Sl. No	(Amount in `)						
	Period	Permits counter signed (as per Reciprocal Agreement)	Permits without counter signature/ agreement	Application Fee(AF)	Permit Fee(PF)	Total (AF+PF)	Remarks
2	<i>Other State Stage Carriage Buses coming to Punjab</i>						
	13.10.2012 to 08.08.2013	3.10	5.50	10,000	5,000	15,000	Rate of MVT per Kilometer per day and paid at the end of each month
	09.08.13 to 02.07.2014	3.50	6.00				
	03.07.14 to 31.12.14	3.63	6.13				
01.01.15 onwards	3.53	6.03					

Sl. No	(Amount in `)					
3	Mini Buses					
	Period	Lump sum rate of MVT per annum	Application Fee(AF)	Permit Fee(PF)	Total (AF+PF)	Remarks
	13.10.2012 to 08.08.2013	40,000	1,500	3,750	5,250	MVT paid on quarterly/annually basis in advance
	09.08.2013 to 11.12.2015	50,000				
12.12.2015 to till date	30,000					

Sl. No	Period				(Amount in `)			
4	Private Service Vehicles							
a)	Trade and Business				Application Fee(AF)	Permit Fee(PF)	Total (AF+PF)	Remarks
	Seating capacity	01.09.12 to 08.08.13	09.08.13 to 22.11.16	23.11.16 onwards				MVT paid on quarterly/annually basis in advance
	Up to 12 seats	50,000	1,00,000	50,000	1,500	3,750	5,250	
	13 to 30 seats	75,000	2,00,000	1,00,000	1,500	3,750	5,250	
	31 and above seats	90,000	3,00,000	1,50,000	10,000	5,000	15,000	
b)	College/other educational institutes				Application Fee (AF)	Permit Fee(PF)	Total (AF+PF)	Remarks
	Seating capacity	01.09.10 to 08.08.13	09.08.13 onwards					MVT paid on quarterly/annually basis in advance
	Up to 12 seats	25,000	40,000		1,500	3,750	5,250	
	13 to 30 seats	35,000	50,000		1,500	3,750	5,250	
31 and above seats	45,000	60,000		10,000	5,000	15,000		
c)	Seating capacity	Schools						
		01.09.10 to 08.08.13	09.08.13 onwards		Application Fee (AF)	Permit Fee(PF)	Total (AF+PF)	Remarks
	Up to 12 seats	10,000	15,000		1,500	3,750	5,250	MVT paid on quarterly/annually basis in advance
	13 to 30 seats	15,000	20,000		1,500	3,750	5,250	
	31 and above seats	25,000	30,000		10,000	5,000	15,000	

Sl. No	(Amount in `)						
5	Contract Carriages	Rate of MVT per seat per annum (in `)		Application Fee (AF)	Permit Fee (PF)	Total (AF+PF)	Remarks
a)	Maxi Cabs/Motor Cabs/Auto Rickshaw having seating capacity not more than six seats excluding driver	750	Maxi Cab	400	4,000	4,400	MVT paid on quarterly/annually basis in advance
			Motor Cabs	200	4,000	4,200	
			Auto Rickshaw	100	1,500	1,600	
b)	Tourist Buses	7,000		10,000	5,000	15,000	MVT paid on monthly basis at the end of each month

Sl. No	Period				(Amount in `)			
6	Goods Vehicles	Rate of MVT per annum (in `)			Application Fee(AF)	Permit Fee(PF)	Total (AF+PF)	Remarks
	Gross Vehicle Weight (in Ton)	01.09.2012 to 08.08.2013	09.08.2013 to 07.09.2017	08.09.2017 onwards				
	Less than equal to 1.2 ton	4,000	5,000*	5,000	200	2,700	2,900	MVT paid on quarterly/annually basis in advance
	More than 1.2 ton and up to 6 ton	5,000	6,000	7,000				
	More than 6 ton and up to 16.2 ton	6,000	7,000	9,500				
	More than 16.2 ton and up to 25 ton	9,000	10,000	15,000				
	More than 25 ton	17,000	18,000	22,000				
* Option of payment of lump sum tax was notified for goods vehicle up to 1.2 ton vide notification dated 28 November 2016.								
7	Rule 81 of Central Motor Vehicles Rules, 1989							
7	Type of Vehicle	Rate of Fitness Fee (in `)						
		For manual test		For automated test				
	Motor Cycle	200		400				
	Three wheeler or light motor vehicle or quadricycle	400		600				
Medium and Heavy Motor Vehicle	600		1,000					

Sl. No.		
8	Issue or renewal of certificate of registration and assignment of new registration mark:	Amount in `
	(a) Invalid Carriage	50
	(b) Motor cycle	300
	(c) Three wheeler/Quadricycle/ Light Motor vehicles	
	i) Non transport	600
	ii) Transport	1,000

Appendix-III

(Referred to in Para 5.3.27, Page-81)

PAC recommendations made on PA on "Levy and Collection of MVT" printed in Audit Report (Revenue Sector) 2013-14 (As per PAC report dated 20 February 2019)

Para	PAC recommendation as per PAC Report dated 20.02.2019
5.3.6.2 Late deposit of receipt into treasury	The Committee wants to know whether action against the concerned officer/official was taken due to ignorance of whom the government money was deposited late in the treasury by 10 to 186 days. If no action was taken, reason thereof and the names of the concerned officers may be intimated to the Committee. Besides this, the Committee recommends that proper cognizance of the audit observation may be taken in future and such irregularities may be avoided.
5.3.6.3 Non reconciliation with treasury	The Committee is not satisfied with the replies furnished by the Department and directs that reconciliation report for the year 2012-13 may be prepared afresh and sent to the Committee.
5.3.7 Non/short realisation of Motor Vehicle Tax i) Stage Carriage Buses	<p>The Committee had noticed that collection of due tax as enumerated in the para had not been made correctly. Hence, the Committee had directed the concerned officer of Finance Department to re-examine the facts of the para with the officers of the Transport Department and to submit a report in this regard to the Committee within one month.</p> <p>However, neither Transport Department and Finance Department took any action in this regard nor submitted any report/information to the Committee.</p> <p>The Committee take serious note of this conduct of the Departments. This is the reason that the officers of the Departments do not take their work seriously due to which government work is not carried out in a swift and efficient manner which causes financial loss to the Government.</p> <p>Hence, the Committee directs the Transport Department to verify the facts of the para afresh and to submit a report in this regard within six months after laying of this report in the assembly.</p>
5.3.7 Non/short realisation of Motor Vehicle Tax ii) Mini Buses	The Committee in its meeting dated 29.08.2017 had directed the nodal officer with regard to this para to intimate to the Committee about the total recoverable amount, the detail of bus operators from whom the amounts are to be recovered, the reasons for non-recovery and actions being taken by the Department to effect the recovery.

	<p>The Department did not take the work of Committee seriously. Hence, the Committee condemns such conduct of the Department and feels that such cases of recoveries are pending for long time due to negligence of the departmental officers due to which the government has to suffer financial loss.</p> <p>In view of above position, the Committee directs the Department to prepare detail information in respect of this para describing how much amount is to be recovered district wise in whole State, what the reasons are for non-recovery of this amount, what actions have been taken by the Department to recover this amount yet. The Committee also directs to promptly recover due amount as per rule and to intimate the Committee within six months about the action taken.</p>
<p>5.3.7 Non/short realisation of Motor Vehicle Tax iii) Educational institutions</p>	<p>The Committee wants to know the district wise position of the amount recovered and amount that cannot be recovered. The Committee also wants to know that in how many cases there is double entry. District wise report in this regard may be submitted to the Committee.</p> <p>The Committee directs the Department to speed up the recovery process of pending amount and to intimate the Committee about the action taken within six months.</p>
<p>5.3.7 Non/short realisation of Motor Vehicle Tax iv) Goods vehicles</p>	<p>The Committee directs to intimate district wise position of the recovery that can be effected, recovery that cannot be effected and detail of cases in which there is double entry. All the details in this regard may be submitted to the Committee.</p> <p>The Committee directs the Department to speed up the recovery process in respect of such recoveries as can be effected. Action taken in this regard may be intimated to the Committee within six months.</p>
<p>5.3.7 Non/short realisation of Motor Vehicle Tax v) All India Tourist Buses and Maxi Cabs</p>	<p>The Committee wants that company wise detail of tourist buses that have been plying for last 10 years, may be given to the Committee.</p> <p>The Committee wants to know what the tax structure was in respect of buses plying with tourist permit, how much tax per seat per kilometer was charged. The Committee also wants to know whether tourist buses used to ply from one destination to another by stopping at various places or without stopping in between. Copy of policy and rules w.r.t tourist buses may be sent to the Committee.</p>

<p>5.3.7 Non/short realisation of Motor Vehicle Tax vi) Private service vehicles</p>	<p>The Committee recommends that the Department should have taken action in respect of the amount that is to be recovered because now the Department may have to face problem due to its restructuring. Hence, it should be made mandatory that in cases where recoveries are not made, officer concerned may be held responsible for that.</p> <p>The Committee directs the Department that a two-member committee may be formed and sent in each district to assess the amount of due recovery. The Committee wants to time bound the recovery process and report on action taken in this regard may be taken from the concerned two-member committee so as to accelerate the recovery process. Action taken in this regard may be intimated to the Committee within six months.</p>
<p>5.3.8 Non deposit of MVT by closed companies</p>	<p>The Committee directs the Department to take due action against the guilty officers who did not get the permits cancelled as detailed in the para. The Committee also wants that the Committee may be intimated after fixing the responsibility of the officers.</p> <p>The Committee wants to know that how much tax is to be recovered from private companies and what actions are being taken to recover that amount. A report in this regard may be sent to the Committee. A complete report in respect of the 53 permits cancelled during 2008-09 to 2012-13 may be furnished to the Committee.</p>
<p>5.3.9 Short realisation of MVT on account of plying buses in excess of permitted kilometers against reciprocal agreement</p>	<p>The Committee recommends that action at personal level may be taken and due recovery may be made in respect of whatever recovery is due.</p>
<p>5.3.10 Non-application of revised rates</p>	<p>The Committee is not satisfied with the reply of the Department because the Department did not put up a solid reply regarding recovery. Hence, the Committee wants that process of recovery of ` 11.83 lakh may be accelerated so that due recovery may be made. Action taken in this regard may be intimated to the Committee.</p>
<p>5.3.11 Challaned cases not sent to court</p>	<p>The Committee wants to know that how much amount was to be recovered in respect of the 330 challan cases. The Committee also wants to know what the reasons were for non-submission of challans in time and who are responsible for that. The Committee wants that responsibility of concerned</p>

	<p>officers may be fixed who failed to perform their duties. Action as per rules may be taken against them under intimation to the Committee.</p>
<p>5.3.12 Non realisation of trade fee</p>	<p>The Committee wants that rules regarding trade certificates may be sent to the Committee and the facts of the para may be reviewed in light of views of audit.</p> <p>The Committee also wants to know that audit officers may re-examine the facts with the department in light of Central Motor Vehicle Rules 1989 and action taken in this regard may be intimated to the Committee.</p>
<p>5.3.13.1 Improper maintenance of Registers</p>	<p>The Committee is not satisfied with the reply of the Department. The Committee recommends that verification of daily cash register may be made for the period from April 2014 to 31 March 2017 and action taken in this regard may be intimate to the Committee.</p>
<p>5.3.13.3 Absence of departmental manual</p>	<p>The Committee recommends that audit and the department may re-examine the para by coordinating each other so that all the notifications/instructions may be placed in one file and may be available at one place and audit observation may be removed. Action taken in this regard may be intimated to the Committee.</p>
<p>5.3.13.4 Non-renewal of fitness certificates</p>	<p>The Committee wants to know the reasons of why the owners of commercial vehicles did not obtain fitness renewal certificate each year. Whether the Department issued any notice to those dealers in this regard. If not, what are the reasons? Action taken in this regard may be intimated to audit.</p> <p>The Committee also wants to know district wise number of commercial vehicles in the year 2018 and how many of these vehicles took fitness certificates and how many vehicles are non-existing. The Committee may be informed in this regard.</p>
<p>5.3.13.5 Internal Audit</p>	<p>The Committee recommends that the Transport Department may request the Finance Department in writing to conduct audit of Transport Department as per rules so that required help of Finance Department may be obtained. The Department may effectively apply internal audit.</p>
<p>5.3.15 Recommendations</p>	<p>The Committee recommends that whatever action is required as per rules in respect of the deficiencies pointed out in audit findings, may be taken in time bound manner. The necessary action to implement the recommendations made by audit may be taken by the Department in time bound manner.</p>

