

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4069

ANSWERED ON:20.03.2015

AUDIT COMMISSIONERATES

Mahadik Shri Dhananjay Bhimrao;Patil Shri Vijaysinh Mohite;Satav Shri Rajeev Shankarrao;Sule Smt. Supriya Sadanand

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government has set up audit commissionerates across the country to audit accounts of companies and survey their other operations to detect any tax evasion;
- (b) If so, the details thereof;
- (c) the amount collected during 2013-14 and this 2014-15 upto December through non-intrusive audits;
- (d) the nature of picking of cases by commissionerates; and
- (e) whether the government has framed any guidelines in this regard so that the officials do not misuse the special audit powers, and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) & (b): Yes Sir. The government has set up 45 audit commissionerates of Central Excise and Service Tax across the country to verify the payment of these taxes by assesses. The audit function was earlier carried out by officers of jurisdictional commissionerates. The audit is carried out in an interactive and cooperative manner under prior intimation to the assessee. These audit officers do not carry out any surveys or raids to detect tax evasion. The Audit Commissionerates have started functioning from 15th October 2014.

(c): The amount collected (Central Excise and Service Tax) through audits are as under:

S. No.	Period	No. of Audits Conducted	Total Recovery (Rs. in Crores)
1.	2013-14	41912	3725
2.	(2014-15) up to Dec. 2014	23171	1653

(d): The assesses are selected for audits on the basis of risk assessment and other norms prescribed by the department from time to time.

(e): Central Board of Excise and Customs (CBEC) has recently issued a Circular No. 985/09/2014-CX dated 22.09.2014 containing guidelines regarding Structure, Administrative set up and Functions of Audit Commissionerates. Audits, at present, are conducted as per the guidelines prescribed in the Central Excise Audit Manual and Service Tax Audit Manual and other instructions issued from time to time. Further, a Circular No. 995/02/2015-CX dated 27.02.2015, w.e.f. 01.07.2015, has been issued to make audits becoming more focussed on assesses who present higher risk to the revenue.