

JOINT COUNCIL OF ACTION OF INCOME TAX ASSOCIATIONS: WEST BENGAL

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Joint Convenors :	Bhaskar Bhattacharya,	Rupak Sarkar	Manmohan Nayek
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Ref.No. _____


Date 14-08-2013.

To
The Chief Commissioner of Income Tax (Cadre Controlling Authority)
Aayakar Bhawan,
Kolkata – 700069.

Sir,

As desired, the proposal/ suggestions regarding creation of new charges and reallocation of jurisdictions w.r.t different directorates are enclosed for your kind consideration and onward submission to Core-Committee/ Sub- Committee No. 1.

Yours faithfully,


(Bhaskar Bhattacharya) (Rupak Sarkar) (Manmohan Nayek)

JOINT CONVENORS.

Enclo: As above.

PROPOSED COMMISSIONERATES IN WEST BENGAL

<i>Sf. No.</i>	<i>Existing CIT Charge</i>	<i>Proposed CIT Charge</i>	<i>Remarks</i>
1.	CIT-I, Kol.	CIT-I, Kol.	
2.	CIT-II, Kol.	CIT-II, Kol.	
3.	CIT-III, Kol.	CIT-III, Kol.	
4.	CIT-IV, Kol.	CIT-IV, Kol.	
5.	CIT-V, Kol.	Existing 3 CsIT + 2 CsIT Charges (Note 7)	Under CCIT-V, Kolkata proposed to introduce 2 more CIT Charges under CCIT-V, Kol., considering the number of assesseees and assesseees of range 54, 55 and 56. New two Charges may be christened as CIT-VI, Kol. and CIT-VII, Kol.
6.	CIT-VIII, Kol.		
7.	CIT-IX, Kol.		
8.	CIT-X, Kol.	CIT-X, Kol.	
9.	CIT-XI, Kol.	CIT-XI, Kol.	
10.	CIT-XII, Kol.	CIT-XII, Kol.	
11.	CIT-XIII, Kol.	CIT-XIII, Kol.	
12.	CIT-XIV, Kol.	CIT-XIV, Kol.	
13.	CIT-XV, Kol.	CIT-XV, Kol.	
14.	CIT-XVI, Kol.	CIT-XVI, Kol.	
15.	CIT-XVII, Kol.	CIT-XVII, Kol.	Having jurisdiction over assesseees of Bidhangnanar and Barrackpore sub-division. CIT office may be functioned from Kolkata. (Note 1).
		CIT, Barasat	Having jurisdiction over assesseees of Barasat, Bangaon and Basirhat sub-divisions. CIT office may be functioned from Barasat (Note 1).
16.	CIT-XVIII, Kol.	CIT-XVIII, Kol. (excluding R-Haldia)	Existing R-52 and R-53 will be splitted into three ranges. CIT to be functioned from existing office alongwith two Ranges. Third Range to be set up in Baruipur. (Note 2).
17.	CIT-XIX, Kol.	CIT-Midnapore	Existing R-1, Midnapore and R-2, Midnapore alongwith R-Haldia to form the new Commissionerate; may be functioned from Midnapore or Haldia. Leftover R-54 to be amalgamated to other CIT Charge of Kolkata. (Note 3).
18.	CIT-XX, Kol.	CIT-Hooghly	Existing R-1, Hooghly and R-2, Hooghly to be splitted into three ranges to form the new Commissionerate; may be functioned from Chinsurah. Leftover R-55 to be amalgamated to other CIT Charge of Kolkata. (Note 4).
19.	CIT-XXI, Kol.	CIT-Nadia & Murshidabad	Existing R-Murshidabad and R-Nadia to be splitted into three ranges to form the new Commissionerate; may be functioned from Berhampur. Leftover R-56 to be amalgamated to other CIT Charge of Kolkata. (Note 5).
20.	CIT-Burdwan	CIT-Burdwan	
21.	CIT-Durgapur	CIT-Durgapur	
22.	CIT-Asansol	CIT-Asansol	
23.	CIT-Siliguri	CIT-Siliguri	
24.	CIT-Jalpaiguri	CIT-Jalpaiguri	Having jurisdiction over assesseees of Jalpaiguri and Coochbehar districts. CIT office may be functioned from Jalpaiguri (Note 6).
		CIT-Malda	Having jurisdiction over assesseees of Malda, North Dinajpur and South Dinajpur districts. CIT office may be functioned from Malda Town/English Bazar.(Note 6).
25.	CIT-TDS	CIT-TDS I	Having jurisdiction over deductors of Kolkata, Howrah. 24 Pgs. (N), 24 Pgs. (S), Hooghly, Midnapore (E & W) and A&N Islands. (Note 7).
		CIT-TDS II	Having jurisdiction over deductors of rest of Bengal and Sikkim (Note 7).
26.	DIT(Exmp.)	DIT(Exmp.)	New Ranges to be set up at Durgapur and Siliguri to cover Moffusil stations; Present Range in Kolkata to be made full-fledged.

PROPOSAL OF JCA, WB UNIT ON CREATION OF NEW CHARGES/REALLOCATION OF CHARGES

As a precondition for the approval of CRC, 2013, the Department promised to collect additional revenue of Rs. **25,756.04** Crore per year over and above the normal growth in direct tax collection Y-O-Y basis (on accounts of GDP growth and allied factors). Once the approval has been accorded by the Union Cabinet on the basis of the said promise, we are literally duty bound to garner the additional revenue. But the big question is wherefrom the promised additional sum would be collected, specially when the growth rate attains almost a plateau and even traditionally set targets can just be achieved. So we definitely have to explore the uncharted territories, exploit the potentials untapped so far and make our presence felt at all rapidly growing financial hubs.

While justifying the need of additional manpower in the Department in the meeting of the GOM on CRC, the Hon'ble F.M. harped on the fact that due to lack of manpower, the Department could not effectively verify *more than 1 Crore pieces of information involving transactions of more than Rs. 5 Lac Crore* and *data regarding 16 Lakh remittances also worth more than Rs. 5 Lakh Crore*. Hence, as per Hon'ble FM's valued opinion, decoding this information effectively holds the key to our success of achieving promised target. Obviously, bringing new assesseees into taxnet involved in significant transactions should be the motto instead of mechanical addition in taxbase irrespective of their potential to contribute in the tax coffer.

Here lies the importance of the state of West Bengal. Because of being a bordering state and flourishing of unorganized business therein, a significant part of the said information of transactions/remittances, as referred by the Hon'ble F.M., relates to West Bengal. To be specific, there is around **18 LAKH** no. of information. Hence, there is surely tremendous potential for I&CI wing to enquire into the same. But as per prevailing operational procedure, after conclusion of the preliminary enquiry, I&CI wing has to refer the information to the jurisdictional/concerned A.O. with their suggestion in order to investigate further and initiate appropriate action, if needed, at the A.O.'s end. So unless the increased I&CI wing strength is properly backed up by adequate number of assessment units as well as supervisory authorities, the entire efforts to be put in will go into vain.

The potential of this state can be explained by another count also. The number of effective assessee as per CAP-II report for the month of March, 2013 is **25,80,497** whereas number of persons holding PAN under RCC, Kolkata is around **1.57Crore**. There is no denial of the fact that many persons might have obtained PANs for reasons other than filing of returns. But that can't solely explain the huge gap. If only the number of PAN holders not filing returns are examined vis-à-vis plethora of information of transactions/remittances available, the chance of growth both in the terms of number of new assesseees to be added as well as additional revenues to be collected can be assessed. On the basis of the above discussion, the following suggestions are given:

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1. Presently the assesseees of the District of North 24 Parganas are assessed under one CIT charge (CIT, Kolkata-XVII, Kolkata). The effective assessee as per CAP-II, March 2013 is **1,69,749**. This district is the second most populous district of the country (only after Thane; population around 1.00 Crore as per Census, 2011 and Thane becomes a CCIT charge). Not only population, due to its vicinity to Kolkata (constituting Northern Suburb of Kolkata; at least up to 30 Kms encircling North Kolkata), it is the fastest growing region of this state which includes places like Barasat, Barrackpore, New Town (Rajarhat), Salt Lake City (I.T. hub), Habra (largest wholesale market outside BurraBazar, Kolkata), Bongaon (5Km. away from Petrapole, Asia's largest Land port, bordering with Bangladesh) etc. At present, the CIT as well field offices are being operated from Kolkata itself. It is proposed that another CIT charge to be created for this district. It is felt that setting up of offices in the places like Barasat, Barrackpore, Habra or Bongaon will make a huge impact by making our presence felt. Setting office of 1 to 2 ITO(s) in those economically happening places itself will create a Revenue Positive trickle down effect (Note 1).
2. Presently the assesseees of the District of South 24 Parganas are assessed in two ranges (namely Range-52, Kol. And range-53, Kol.) under the CIT, Kolkata-XVIII, Kolkata. The effective assessee as per CAP-II, March 2013 is **1,28,786** (for those two ranges). This district is the sixth most populous district of the country (population around **81.62 lakh** as per Census, 2011). In this case also, due its vicinity to Kolkata (constituting Southern Suburb of Kolkata; at least upto 30 KMs encircling South Kolkata), it is another fast growing region of this state which includes places like Sonarpur, Baruipur, Diamond Harbour etc. At present, the CIT as well field offices are being operated from Kolkata itself. It is proposed to create another range here for this district or in other words, an exclusive CIT charge to create for this District. It is felt that setting up of offices in the places like Sonarpur, Baruipur, Diamond Harbour etc. will also make a huge impact by making our presence felt (Note 2).
3. The third range of this charge of the CIT (CIT-XVIII) is Range- Haldia (effective assessee **-57,366**), which covers the entire territorial jurisdiction of the district of East Midnapore. Its just adjacent district i.e. West Midnapore is covered by 2 Ranges (namely Midnapore-I having effective assessee of **29,919** and Midnapore-II having effective assessee of **59,099**) under the CIT, Kolkata-XIX, Kolkata. It is proposed to create a separate CIT charge for these two Districts (effective assesseees altogether **-1,46,384**). The third range of CIT, Kol.-XIX, Kolkata is Range-54, Kolkata, which is having mostly specified jurisdictions (legal professionals, chartered accountants, insurance agents). This range can then be effectively merged with any of the existing CIT/newly created charges in Kolkata by means of reallocation (Note 3).
4. Hooghly is another fast growing district of this state due to its robust industrial growth and solid agricultural foundation, besides its vicinity to Kolkata. It is covered by two ranges (namely Hooghly-I having effective assessee of **69,864** and Hooghly-2 having effective assessee of **45,536**) under CIT, Kol.-XX, Kolkata. The assessee base of this district will be enhanced to a great extent (presently **1,15,400**) in this year as the salaried persons below 5 Lakh Total Income have also to file return. The third range of CIT, Kol.-XX, Kolkata is Range-55, Kolkata, which is having specified jurisdictions (medical professionals, hospitals, medicine dealers/retailers etc.). This range can then be effectively merged with any of the existing/newly created CIT charges in Kolkata by means of reallocation (Note 4).

5. Two bordering districts of this state namely Nadia (effective assessee-**60,730**) and Murshidabad (effective assessee-**53,389**) are covered by one range each under the CIT, Kol.-XXI, Kolkata. Potential of Both the districts is yet to be tapped properly, as the transaction/remittance information available suggests. Increase in assessment units as well as supervisory office can bridge the gap. Berhampore (where R-Murshidabad office is situated) is 200 Km away from Kolkata. Similarly, Krishnanagar (where R-Nadia is situated) is 130 kms away from Kolkata. A separate CIT charge for those two districts (effective assessee- **1,14,119**) in any place convenient to both of them will solve both the problems. The third range of CIT, Kol.-XX, Kolkata is Range-56, Kolkata, which is having mostly specified jurisdiction (transport). This range can then be effectively merged with any of the existing/newly created CIT charges in Kolkata by means of reallocation (Note 5).

6. In north Bengal under CCIT, Jalpaiguri, the effective assessee number is **3,16,240**. But it has only two CIT charges, one at Siliguri and another at Jalpaiguri. So, there is clear scope for creating another CIT charge for proper surveillance and better taxpayer service. Distance between furthest two points are more than 350 Km within CCIT jurisdiction. For example Officers at Malda, Raigunj and Balurghat report to CIT stationed at Jalpaiguri which is 287, 212 and 322 Kms away respectively from those places. Because of being bordering districts and the information available suggest that we have probably not tapped true potential of these three offices. It is proposed to create a separate CIT charge at Malda covering these three districts namely Malda (office at Malda), North Dinajpur (office at Raigunj) and South Dinajpur (office at Balurghat). Then only we can justice to real potential of the places like Hilly (Land Port), Gangarampur, Kaliagunj (Bordering Town) etc.

The left over charges (existing charge *minus Range Malda*; *all the above referred three districts are covered by Range-Malda*), will be reallocated within CIT, Jalpaiguri as per convenience. Siliguri city (literally the gateway of North East India) and adjoining Hilly subdivisions have an exclusive CIT. In case of CIT Jalpaiguri charge, it still has the revenue potential to be continued as a separate charge excluding Malda. Places like Jaigaon (only Business Point of India with Bhutan), Haldibari etc. needs more intense surveillance. A trimmer CIT Jalpaiguri Charge (now covering Two District, Jalpaiguri and Cooch Behar).can only do justice to that job. The result of a recent search conducted at Jaigaon can be stated as an eye-opener in this regard (Note 6).

7. In Kolkata, the number of effective assessee under CCIT, Kol.-V, Kolkata charge is **5,92,788**. But, there are only three CITs covering this huge number of assessees. With the scheme of issuing letters to Non filers (NMS Scheme), this number is bound to be raised substantially. Moreover, with the creation of new CITs charges in West Midnapore, Hooghly, Nadia and Murshidabad, R-54, R-55 and R-56 (effective assessee of **69,861** in total) have to be amalgamated with exiting CsIT charges or newly created ones. So, it is proposed to create additional 2 CIT charges in Kolkata for equal and effective distribution of workload. Even one CIT charge may be devoted to specified trades and professions (existing R-54, 55 & 56) (Note 7).

8. There is no denial of fact that in spite of so many new avenues being explored for revenue augmentation, TDS has consistently been remained the driving force for achievement of budget target. So far, there is one CIT(TDS) charge in the WB region. There are three ranges namely, R-57, 58 and 59, Kolkata are functioning from Kolkata under the CIT(TDS) charge for Kolkata and districts of Hoowrah, 24 Parganas (N), 24 Parganas (S), Hooghly, East Midnapore and

A & N Island. The rest of the South Bengal territory is covered by Range (TDS)- Durgapur and the entire north Bengal is covered by Range (TDS)- Jalpaiguri. It has been observed that over last two years the growth rate of muffassil stations has consistently been at **30%**, whereas the same for Kolkata and surrounding districts is around at **11%**. So the muffassil stations are new growth engines. But we hardly make our presence felt in muffassil station regarding TDS, as all of those areas are poorly covered so far with very few offices, fewer manpower and large jurisdiction(hard to cover). It is proposed to create another commissionerate of CIT (TDS) exclusively for muffassil stations (may be functioning from Kolkata for logistic convenience) with adequate manpower in the line of Delhi and Mumbai. Creation of another CIT(TDS) charge will be commensurate with the creation of new CCIT(TDS) post in Kolkata (Note 8).

The gist of the proposal made for additional/ reallocated CIT charges is as under:

Sl No.	CIT Charge to be created	No.	Reason
1	For the district of 24 Parganas (N)	1 (in addition to existing one, CIT-XVII, Kol.), Charge	Revenue potential; No. of assessee, No. of Information to be verified, Better Surveillance and Better Taxpayer service
2	For the district of 24 Parganas (S)	1 (carving out from existing CIT, Kol.-XVIII, Kol. Charge)	Revenue potential; No. of assessee, No. of Information to be verified, Better Surveillance and Better Taxpayer service
3	For the district of Hooghly	1 (carving out from existing CIT, Kol.-XX, Kol. Charge)	Revenue potential; No. of assessee, No. of Information to be verified, Better Surveillance and Better Taxpayer service
4	For the districts of Midnapore (E) and Midnapore (W)	1 (carving out from existing CIT, Kol.-XVIII, Kol. and CIT-Kol.-XIX, Kol. Charge)	Revenue potential; No. of assessee, No. of Information to be verified, Better Surveillance Better Taxpayer service and Better Supervision
5	For the districts of Nadia and Murshidabad	1 (carving out from existing CIT, Kol.-XXI, Kol. Charge)	Revenue potential; No. of assessee, No. of Information to be verified, Better Surveillance Better Taxpayer service and Better Supervision
6	For the districts of Malda, North Dinajpur and South Dinajpur	1 (carving out from existing CIT-Jalpaiguri Charge)	Revenue potential; No. of assessee, No. of Information to be verified, Better Surveillance Better Taxpayer service and Better Supervision
7	For Kolkata	2+1(TDS)	Revenue potential; No. of assessee, No. of Information to be verified, More Trade and Profession Specific Surveillance Better Taxpayer service and Better Supervision; Better coverage of deductors at muffassil stations.

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The following formula to be adopted for allocation of charges/ manpower:

The existing number of CsIT and their subordinate officers / staff in each region/sate should be retained .The new posts crated out of cadre restructuring should be distributed according to the following formula:-

55% weightage on Workload (25, 80,497) + 20% weightage on Revenue (24,390 Crore) + 15 % weightage on Stagnation [253 it is for ITO promotion; 350 waiting for ITI promotion] +10 % on Muffussil Stations [24 in W.B.]

It is further proposed that the number and jurisdiction of present CIT charges in W.B. other than those discussed above need not to be disturbed, considering the convenience of functioning and views taken for setting up of Central Government Offices and consequent Manpower Deployment therein so far for this state due to historic reasons.

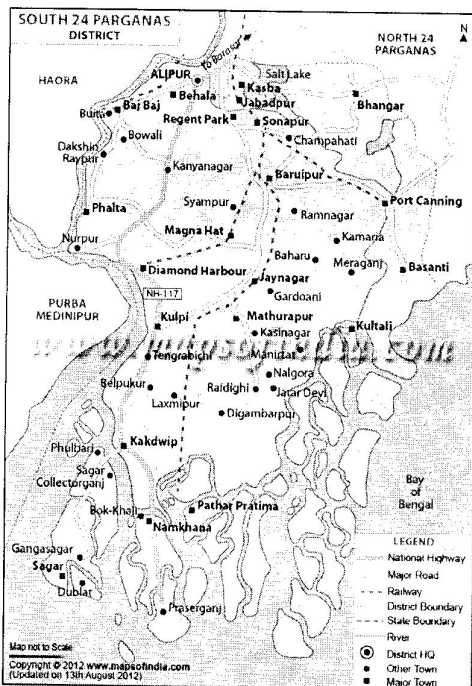


NORTH 24 PARGANAS

As discussed earlier, the effect of conventional scrutiny system hits a plateau. So we have to explore the other avenues to achieve the additional revenue target promised. Verification of information collected from all probable sources will definitely be our biggest weapon, as emphasized by the Hon'ble FM. But inferences to be drawn upon such verifications have to be brought to logical conclusions within the four corners of the statute. So, verification of information must be backed up by respective assessment unit to do the rest. Moreover, enhancement of target to 2% of entire assessee base for scrutiny from presently prevailing level of less than 1% was projected as one of the reasons for restructuring. That's why one additional commissionerate is proposed for this district over and above currently functioning one, considering its population, assessee base, financial importance and growth potential. It is proposed that one commissionerate is to be operated from Kolkata as earlier covering two sub-divisions of Barrackpore and Bidhannagar (Salt Lake City), considering its homogeneous urban assessee base. Due to its close

vicinity to Kolkata and presence of emerging hubs like New Town (Rajarhat), Salt Lake (I.T. Hub) etc., the area has always been a tremendous revenue growth potential. With more specified jurisdiction, closer surveillance is bound to harvest the fruits. Barrackpore, a sub-divisional headquarter and a centre of growth may be considered to station a Range office.

The second commissionerate may be set up at Barasat for rest three sub-divisions of Barasat, Bongaon and Basirhat. This bifurcation will help to ensure closer surveillance of the assessees of these semi-urban and rural assessees, including those from bordering areas. Moreover, we may think about setting up small offices consisting of one to two ITO charges at Bongaon (sub-divisional headquarter, bordering trade centre and only 5 kms away from Petrapole, the largest Land Port of the Country bordering Bangladesh), Habra (second biggest wholesale market of the state after Burrabazar, Kolkata) etc. It is felt that time has come to make our presence felt in such revenue potential stations. The very feeling of being watched from close corner automatically gives a boost in compliance as well as revenue collection. This is very true for the fact that earlier these stations or adjoining areas were covered from the office functioning from Kolkata, which in some cases even more than 100 kms away and naturally that geographical segregation negates any psychological pressure to be built up on the assesses (Note 1).

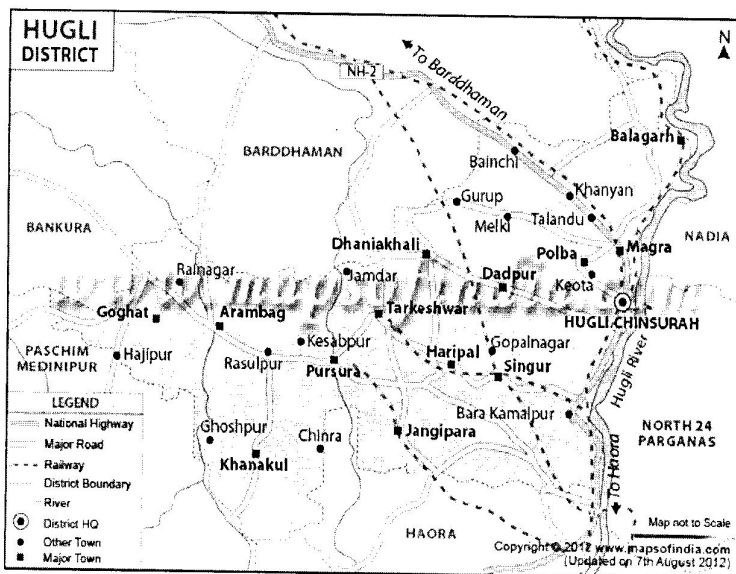


SOUTH 24 PARGANAS

Jurisdiction over this district is presently held by two ranges, i.e. R-52, Kolkata and R-53, Kolkata, under CIT, Kolkata-XVIII, Kolkata charge. In case of this district also, the assessee base is clearly divided in of urban (Alipore Sub-division and part of Baruipur Sub-division) and semi-urban and rural (rest of Baruipur sub-division, Diamond Harbour Sub-division, Kakdwip Sub-division and Canning Sub-division) characteristics. Besides, the factors of vicinity with Kolkata, bordering areas, the assessee base, potential of widening of tax base considering the population and indicators of financial activities suggest a very good growth potential of this charge, provided closely monitored. It is suggested that the **proposed** commissionerate may be continued to function from present office in Kolkata along with two Ranges covering assesseees of Alipore sub-division or of places closer to Kolkata. The third range may be set up in Baruipur for assesseees of Baruipur, Canning, Diamond Harbour and Kakdwip sub-divisions. The setting up of office at a new place will help to provide better tax payer service as well as make our presence felt even in furthest corners. (Note 2).

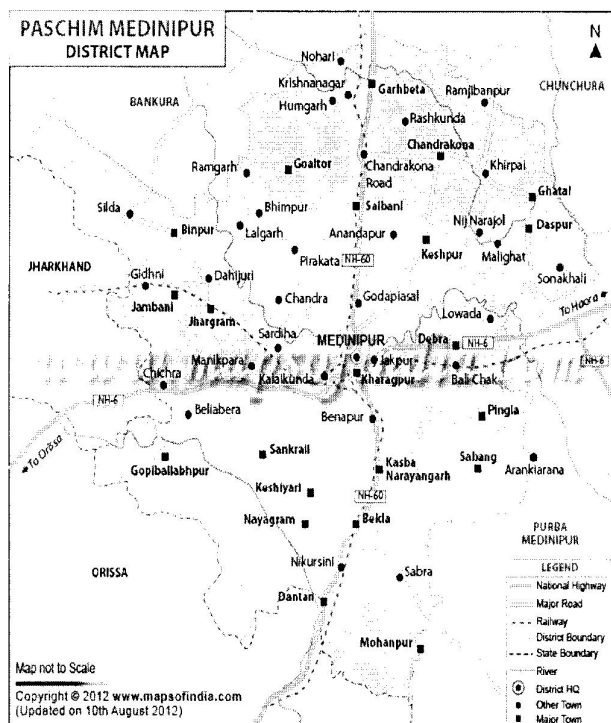
HOOGHLY

Jurisdiction over this district is presently held by two ranges, i.e. R-1 and R-2, Hooghly under CIT, Kolkata-XX, Kolkata charge, functioning from Chinsurah. The reason for setting up new commissionerate (no. of assesseees, growth potential

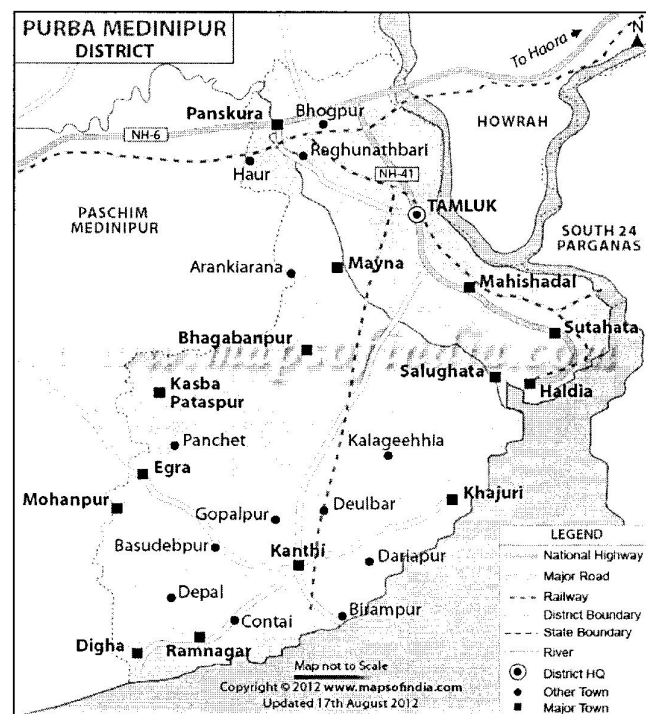


and financial activities) has already been discussed. Jurisdictions are presently sub-division (Sadar, Chandanagar, Srirampur and Arambag) wise. This is proposed to be continued. Naturally, an additional range will help to do justice to different growth areas of the district like Shrirampur, Dankuni, Tarakeshwar, Pandua, Arambagh etc. with closer monitoring. Offices at Shrirampur (for closer surveillance on the most rapidly growing zone) and at Arambagh (for better tax payers' services; 75 Kms away from Chinsurah, but takes 4 hours for poor Road connectivity) may be considered for setting up (Note 4).

WEST MIDNAPORE

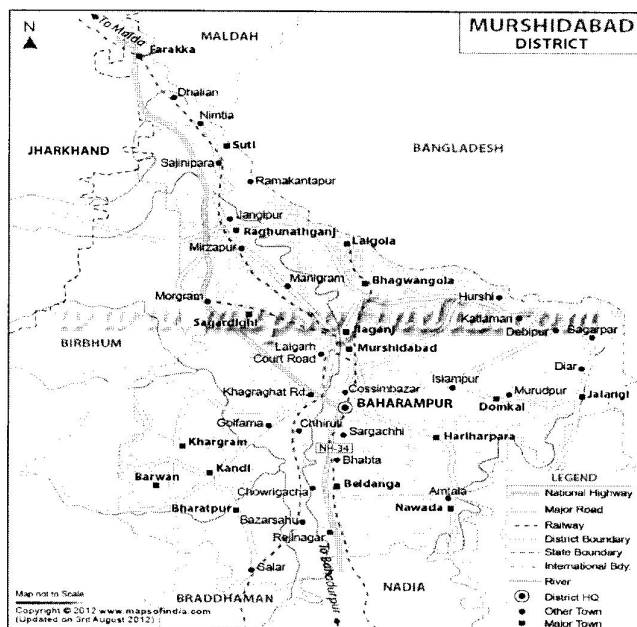


EAST MIDNAPORE



It has been proposed to create a commissionerate exclusively for these two adjoining districts, carving out from the charges of CIT, Kol.-XVIII, Kolkata and CIT, Kol.-XIX, Kolkata respectively for the reasons already discussed. There are presently two ranges for West Midnapore (stationed at Midnapore Twon) and one range for East Midnapore (stationed at Haldia). But for the sake of equitable work distributions, the distributions presently exist may be revisited, keeping in the mind geographical position, district barrier and better tax payer services. For the same reason, small offices consisting 1-2 ITO charges may be set up in places like Tamluk (District Headquarters; 50 Kms away from Haldia), Contai (place of immense financial importance with rural assessee base contrary to Haldia with urban assesseees and industrial background; 80 Kms away from Haldia), Kharagpur (main commercial place of the region; a rail city). The place of the commissioner's office may be decided after consulting all the stakeholders (Note 3).

MURSHIDABAD

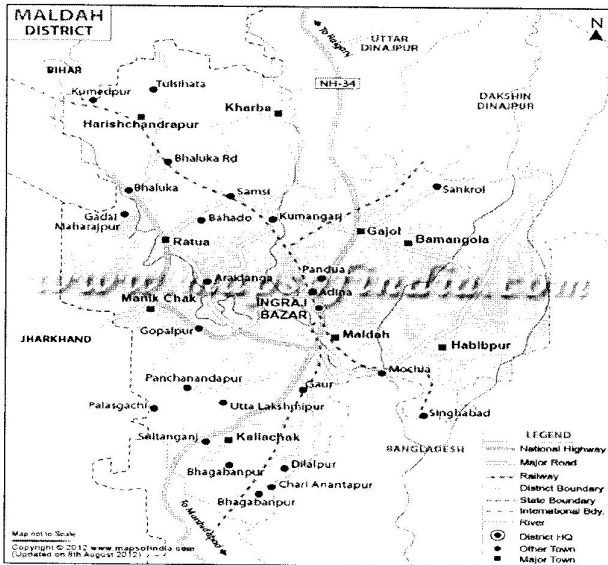


NADIA



It has been proposed to create a commissionerate exclusively for these two adjoining districts, carving out from the charge of CIT, Kol.-XXI, Kolkata for the reasons already discussed. There are presently one range each for Murshidabad (offices at Berhampore and Jangipur) and Nadia (office at Krishnanagar). But for the sake of equitable work distributions, the distributions presently exist may be revisited for allocating jurisdiction for the third range, keeping in the mind geographical position, district barrier and better tax payer services. These two districts combined form a strip of not less than 250 Kms. The place of the commissioner's office may be decided after consulting all the stakeholders (Note 5).

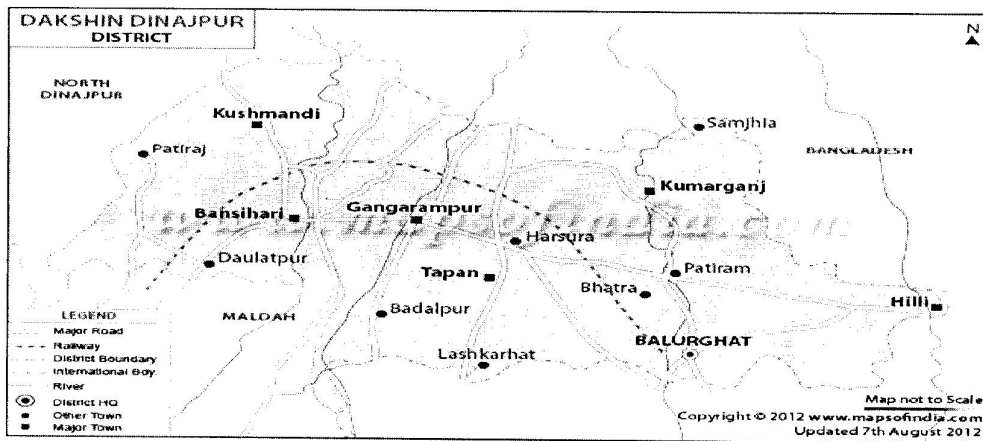
MALDA



NORTH DINAJPUR

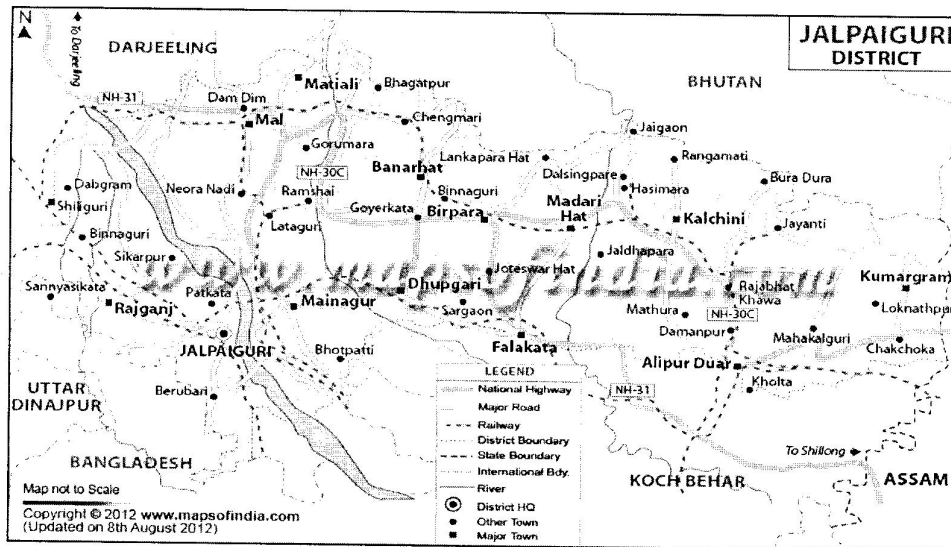


SOUTH DINAJPUR

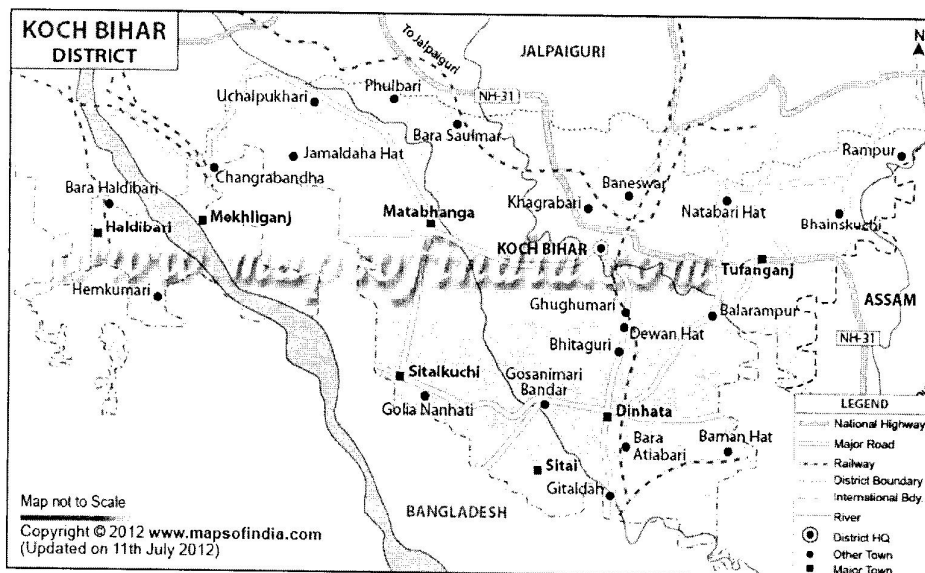


It has been proposed to create a commissionerate exclusively for these three adjoining districts, carving out from the charge of CIT, Jalpaiguri for the reasons already discussed. There are presently one range in Malda (office at Malda Town/English Bazar) and a one ITO office each in Raiganj and Balurghat respectively. Raiganj (North Dinajpur District Hqr.) has the potential for creating a separate Range. For Balurghat (South Dinajpur Hqr.), present one ITO office may be expanded. There are two very potential places of untapped opportunity in the district, one is Gangarampur and another is Hilli (big Land Port with Bangladesh) for setting up of one ITO office. But for the sake of equitable work distributions, the distributions presently exist may be revisited for reallocating jurisdiction for the existing range, ward along with ranges, wards to be newly created, keeping in the mind geographical position, district barrier and better tax payer services. The place of the commissioner's office may be at Malda or may be decided after consulting all the stakeholders (Note 6).

JALPAIGURI



COOCH BEHAR



After creation of separate commissionerate for Malda, North Dinajpur and South Dinajpur, the CIT, Jalpaiguri charge will be free from geographical distance constraints, stretching along almost the entire North Bengal region Malda Border (Farakka Barage) to Cooch Behar Border with Assam. The jurisdiction then will be covering two adjacent districts of Jalpaiguri and Cooch Behar only. The potential of Cooch Behar district, the gateway of Business with neighbouring Assam can be exploited to the desirable extent. Even in Jalpaiguri district, one ITO office may be set up at Jaigaon, a bordering town with Bhutan, through which the entire trade of India with Bhutan is being conducted (Note 6).

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Special Emphasis was given on the following points along with others like scrutiny workload, clearing and uploading of large number of arrear demand cases, providing better tax payer service etc. In the Cadre Review Proposal, 2009 prepared by the CBDT, which is the basis of the present CRC the following points were stressed:

- Managing intelligence workload,
- Widening and deepening of the tax base.
- Promoting voluntary compliance.

The Hon'ble Finance Minister has also stressed on several occasions need of an intelligence and technology-based tax collection system which is non-intrusive and non- evasive like targeting the non-filers/stop-filers, ensuring compliances by means of compulsory return filing by all TDS deductees etc. This goal can only be achieved if the plethora of information collected by designated wings of the Department or shared by the other Government Departments/ Agencies are thoroughly analyzed and assessees mentioned therein are properly monitored. This requires dissemination of the actionable information upto the appropriate field level (assessment wing). So, we need to create/strengthen certain wings of the Department for effective utilization of additional manpower available through CRC exercise in addition to creation of new administrative commissionerates (discussed in detail separately) to achieve promised scrutiny disposal and tax payer service goal.

The specific proposals in this regard in respect of West Bengal Region are furnished here-in below:

1. **Investigation Wing:** There are presently 6 (six) Investigation units in West Bengal, 4 (four) in Kolkata and one each at Durgapur and Jalpaiguri respectively. Still, all the units have to be preoccupied with their core business i.e. conducting of search operations, surveys and TEP enquiries. Information received from financial institutions are sometimes enquired into. But the situation has taken a dramatic turn, once the Department has started receiving CTR (Cash Transaction Statement) and STR (Suspicious Transaction Statement) information from FIU-IND in huge volumes. Once, the floodgate of information is opened, the wing finds itself very short staffed for verifying this information. Due to lack of specifically designated manpower, it becomes impossible even to verify a reasonable part. It is proposed to create a dedicated Unit for verification of the FIU information under a JDIT/ Addl. DIT (Inv.) and adequate number of ADsIT/DDsIT/ITOs along with ITIs should be posted to do justice to the volume of information. The Units should cover the entire state and hence, some ADsIT/DDsIT/ITOs may be posted in important muffossil stations. It is further proposed that considering the geographical position wise concentration of the units at certain stations, there is scope for creating another investigation unit in the state, thus making the total number of units to 8. To be more specific, geographical position wise concentration of Investigation Units keeps a vast part of the state virtually untapped. Considering the tax potential of border districts like Malda, North Dinajpur, Murshidabad, Nadia etc., there are scope to create separate /additional Investigation units.

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2. **Central Wing:** Restructuring in Central Wing is overdue as it was not touched in the previous CRC (2001). The central assessment circles should be increased commensurate to the number of search assessments to be disposed of, besides regular assessments. However, there is specific proposal for creating new Central Circles in muffossil stations. Though there is dedicated units in investigation wing for muffossil stations (one ADIT/DDIT each posted in Durgapur, Asansol, Siliguri and Jalpaiguri), all the cases relating to search conducted by any ADsIT/DDsIT posted in muffossil stations are centralized in Kolkata, much to the inconvenience of the assesseees. Also it is very difficult to conduct post search enquiries in the far off districts from Kolkata. It is proposed to create Central Circles in all the four stations (Durgapur, Asansol, Siliguri and Jalpaiguri), so that the cases can be centralized locally. As proposed in respect of Investment Wing, additional central circles should be created against creation of each of new investigation unit.

3. **TDS Wing:** There is no need to elaborate the fact that TDS is single largest contributor in Direct Tax collection. But still there is enough scope left to widen the tax net as well as collection. Kolkata and the adjoining districts (Howrah, 24 Parganas North, 24 Parganas South, Hooghly, East Midnapore and A&N Island) are covered from Kolkata office. However, not all of the muffossil stations are manned by a TDS wing officer (ITO/ACIT/DCIT). The stations, which are doing without specific TDS wing office are Bankura, Purulia, Suri and Berhampore in South Bengal and Raiganj, Darjeeling (for covering 3 hilly sub divisions of Darjeeling District), Balurghat and Cooch Behar in North Bengal. It is proposed that at least one ITO, TDS should be posted at each of those stations. Officers to be posted in newly created charges of South Bengal stations may be placed under existing TDS Range, Durgapur. Similarly, officers to be posted in newly created charges of North Bengal stations may be placed under existing TDS Range, Jalpaiguri. In addition to ITOs, ACsIT/DCsIT (TDS) could be posted in highly potential regions like Haldia, Murshidabad etc. Moreover, it has now become necessary to create another TDS range in Kolkata to effectively handle the present workload, covering Kolkata, Howrah, 24 Parganas North and 24 Parganas South. To be commensurate with the potential and expansion of TDS Wing proposed, another CIT charge for TDS should be created in the state. The jurisdiction may be divided either of the following manners:

I. CIT(TDS)-I--- Kolkata and adjoining Districts; CIT(TDS)-II --- The rest of West Bengal.

II. CIT(TDS)-I--- South Bengal including Kolkata; CIT(TDS)-II --- North Bengal..

4. **I & CI Wing:** The most rapidly expanding and probably the future of the Department is I&CI wing. Unfortunately, though the brief of this wing has been expanded manifold with the transition from CIB wing to I&CI wing, the manpower constraint remains the same. Due to the commendable efforts taken by the officers under the DIT(I&CI), Kolkata to sensitize the AIR Information filers as well as CIB information providers and ever expanding CIB information criteria, the wing is literally flooded with information. But with the present manpower (one JDIT, two ADsIT/DDsIT and 12 ITOs), it is quite impossible to enquire into and subsequently disseminate the information gathered. Considering its importance, it is proposed that additional posts of two JDsIT/ Addl. DITs, two ADsIT/DDsIT and 24 ITOs. Presently, there are four ITOs (I&CI) are posted in muffossil stations, one each at Durgapur, Asansol, Siliguri and Jalpaiguri and they have to report to the JDIT stationed in Kolkata. It is proposed that one I&CI officer

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should be posted in each of the following muffossil stations, namely Chinsurah, Haldia, Burdwan, Midnapore, Suri, Bankura, Purulia, Krishnanagar and Berhampore in South Bengal and Malda, Raiganj, Balurghat, Darjeeilng and Cooch Behar in North Bengal. Two separate ranges may be created, one each for South Bengal and North Bengal respectively. In important stations, ADsIT/DDsIT may be considered to be posted in addition to ITOs. Though we have only discussed above on enquiry and dissemination of collected information, collection of information itself demands dedicated manpower. Hopefully, during the expansion of I&CI wing after CRC, this aspect will also be taken care of.

5. **Exemption wing:** It is beyond doubt that exemption wing is most neglected in the Department. Though registration u/s 12AA/ approval of 80G is issued after due verification, but lack of manpower completely ties our hand to effectively monitor whether all these exempted entities are regularly filing their returns or not, specially after introduction of perpetual approval. Stashing/routing unaccounted money into/through these exempted entities is a prevalent practice in this part of the country. Though we have a dedicated exemption wing under DIT (Exemption), Kolkata in Kolkata covering Kolkata, Howrah, 24 Parganas North and 24 Parganas South, the jurisdictional CsIT issue registration u/s 12AA/ approval of 80G in muffossil stations, which makes it more difficult for any effective monitoring. Even Kolkata office is manned by only one JDIT, 2 ADsIT/DDsIT and 2 ITOs. It is proposed to strengthen the manpower as to functioning with the strength of **two full fledged ranges**. It is further proposed that at least one officer (exemption) should be posted in each of the following muffossil stations namely Chinsurah, Haldia, Midnapore, Asansol, Durgapur, Suri, Bankura, Purulia, Krishnanagar and Berhampore in South Bengaland Malda, Raiganj, Balurghat, Siliguri, Jalpaiguri, Darjeeilng and Cooch Behar in North Bengal. The newly created charges may be placed at the disposal of the jurisdictional CsIT or directly under the DIT(Exemption), Kolkata by creating two separate exemption ranges for muffossil stations, one at Durgapur and another at Siliguri/ Jalpaiguri according to the administrative convenience.