

EXECUTIVE SUMMARY

This Report contains 44 paragraphs with a revenue implication of ₹ 70.38 crore. We had issued another 150 paragraphs involving money value of ₹ 91.80 crore to the department/Ministry on which rectificatory action was taken in the form of issuing of show cause notices, adjudicating of show cause notices and recovery of ₹ 31.71 crore. A few significant findings included in this Report are mentioned in the following paragraphs:-

Chapter I: Service tax receipts

- In the last five years (including this year's Report), we had included 715 audit paragraphs involving ₹ 1,159.94 crore. Of these, the Government had accepted audit observations in 597 audit paragraphs involving ₹ 599.55 crore and had recovered ₹ 217.53 crore.

{Paragraph 1.6.1}

Chapter II: Non-payment of service tax

- Service tax totalling ₹ 50.36 crore was not paid by the registered service providers, recipient of services and unregistered service providers.

{Paragraphs 2.1 to 2.3}

Chapter III: Short payment of service tax

- Service tax totalling ₹ 11.80 crore was short paid due to incorrect self assessment, suppression of value of service etc.

{Paragraphs 3.1 to 3.6}

Chapter IV: Cenvat credit

- Instances of utilisation of cenvat credit for payment of tax on input services, premature availing of cenvat credit of input services, non-maintenance of separate account for common input services used in taxable/exempted services, availing of credit on ineligible services, availing of credit on invalid documents or excess availing of credit were noticed in audit. Service tax involved in these cases was ₹ 7.89 crore.

{Paragraphs 4.1 to 4.6}

Chapter V: Non-payment of interest

- **Cases of non-payment of interest on delayed payment of service tax involving money value of ₹ 32.88 lakh were noticed in audit.**

{Paragraphs 5.1 to 5.2}