

## Overview

The Report contains 19 paragraphs including one Compliance Audit involving revenue impact of ₹66.76 crore. Some of the major findings are mentioned below:

### I. General

Total revenue receipts of the State Government for the year 2020-21 amounted to ₹97,616.83 crore against ₹90,224.67 crore and ₹92,854.48 crore for the previous years of 2019-20 and 2018-19 respectively. The State's own revenue was ₹54,988.15 crore (56 *per cent* of total receipts); the share of receipts from Government of India was ₹42,628.68 crore (44 *per cent* of total receipts)

*(Paragraph 1.1.1)*

Arrears of revenue on some principal heads of revenue amounted to ₹21,797.86 crore, of which, ₹7,100.32 crore was outstanding for more than five years.

*(Paragraph 1.2)*

At the end of June 2020, 14,713 paragraphs involving ₹4,117.68 crore relating to 2,236 Inspection Reports issued up to December 2019 were outstanding and at the end of June 2021, 14,654 paragraphs involving ₹4,412.44 crore relating to 2,275 Inspection Reports issued up to December 2020 were outstanding.

*(Paragraph 1.7)*

### II. GST, Taxes/ VAT on sales, trade, etc.

#### Compliance Audit on 'Transitional credits under GST'

Irregular claim of Transitional credit of ₹6.25 crore on goods in stock, with duty paid documents, inspite of non-fulfilment of eligibility criteria in 27 (28.72 *per cent*) out of 94 cases.

*(Paragraph 2.5.7)*

Irregular claim of Transitional credit of ₹2.89 crore on goods in stock, without duty paid documents, due to non-fulfillment of eligibility criteria in six (2.96 *per cent*) out of 203 cases.

*(Paragraph 2.5.8)*

Excess carry forward of Input Tax Credit of ₹0.63 crore due to non-matching of closing balance of the credit in the last KVAT filed return in 19 (2.19 *per cent*) out of 867 taxpayers.

*(Paragraph 2.5.9 (a))*

### **‘Processing of refund claims under GST’**

There was delay in sanctioning of refunds ranging from one to 628 days in 276 cases (34.67 *per cent*) out of the 796 cases in the selected tax districts examined.

*(Paragraph 2.6.4)*

There was delay in communicating refund orders to counterpart Tax Authority ranging from one to 311 days in 1,592 (82.83 *per cent*) out of 1,922 refund orders.

*(Paragraph 2.6.6)*

Irregular allowance of IGST and CGST refund of ₹0.15 crore despite Duty Drawback allowed at higher rate in three out of the 364 refund cases.

*(Paragraph 2.6.8)*

Excess allowance of refund of ₹0.14 crore due to omission to exclude credit notes in one case out of 364 refund cases.

*(Paragraph 2.6.10)*

### **Short levy of Tax**

Application of incorrect rates of tax on the turnover of ₹374.59 crore in respect of 36 assesseees relating to eight Works Contract Circle Offices resulted in short levy of tax and interest of ₹18.57 crore.

*(Paragraph 2.7)*

Ineligible claim of exemption/ excess claim of eligible component as exemption in respect of two assesseees in two Works Contract Circle Offices resulted in short collection of tax and interest of ₹11.09 crore.

*(Paragraph 2.8)*

Incorrect assessments done by the Assessing Authorities in respect of five assesseees registered in the rolls of four State Tax Offices resulted in short collection of tax and interest of ₹7 crore.

*(Paragraphs 2.9 and 2.10)*

### **III. Other Tax Receipts**

Non-imposition of fine for the unauthorised reconstitution and non-collection of fee for regularisation of reconstitution of Board of Directors resulted in non-realisation of revenue of ₹0.88 crore from 17 companies.

*(Paragraph 3.4)*

Loss of revenue of ₹0.26 crore due to irregular transfer of Foreign Liquor Licences by the Department in two cases.

*(Paragraph 3.6)*

Non-adoption of valuation criteria set forth by CPWD resulted in short levy of Stamp duty and Registration Fees amounting to ₹1.51 crore.

*(Paragraph 3.10)*