

Chapter-4
Revenue Sector : Audit Findings

Chapter-4

REVENUE SECTOR : AUDIT FINDINGS

A. Performance Audit

FINANCE DEPARTMENT

4.1 Taxes on Services

Highlights

- The revenue collection trends have been buoyant, steadily increasing from ₹ 266.83 crore in 2007-08 to ₹ 697.69 crore in 2011-12. However, the number of registered dealers has not shown corresponding increase suggesting higher revenue yield from a smaller group of dealers.

(Paragraph: 4.1.7)

- The Department had not conducted any survey to identify unregistered service providers and get them registered. Audit noticed evasion of service tax of ₹ 7.66 crore due to non-registration of dealers engaged in insurance business with the Department.

(Paragraph: 4.1.9)

- The consumption account of material purchased by 17 dealers on concessional rates was not verified at the time of their assessment. On cross verification, the concealment of purchases of ₹ 1.20 crore with tax liability of ₹ 31.70 lakh was detected.

(Paragraph: 4.1.10)

- Short deduction of service tax of ₹ 78 lakh by 37 DDOs was noticed by Audit.

(Paragraph: 4.1.11)

- The penalty amounting to ₹ 2.62 crore against 119 DDOs for their failures by way of short deduction, delayed credit of tax and non-submission of contract agreements was not imposed.

(Paragraphs: 4.1.11, 4.1.12 and 4.1.13)

4.1.1 Introduction

Service tax is levied on the taxable services by the Union Government under Chapter-V of the Finance Act, 1994. This Chapter extends to whole of India except the State of Jammu and Kashmir. However, the taxation of services in the State began when the Government in exercise of the powers conferred under Section 4 of the Jammu & Kashmir General Sales Tax Act, 1962 (Referred to as Act) brought photo finishing service under taxation with effect from March 1997 followed by four more services including works contract from July 1997. Further, 14 services were brought under taxation during the period from September 2003 to March 2011. The tax was levied

and collected by the State and credited to the Consolidated Fund of the State. As at the end of March 2012, a total 20 services¹ were taxable in the State.

4.1.2 Organisational set up

The Commissioner, Commercial Taxes J&K (CCT) is responsible for the overall control and superintendence of taxes on services in the State, who is under the administrative control of State Finance Department. The Commissioner is assisted by three Additional Commissioners of Commercial Taxes and 13 Deputy Commissioners of Commercial taxes. There are 52 commercial taxes assessment circles (Jammu: 25; Kashmir: 27) each headed by one Commercial Taxes Officer (CTO) in the State. Of these, two Circles ('H' Srinagar and 'O' Jammu) deal exclusively with assessment of service tax of contractors engaged in providing of services in the shape of execution of works contracts.

4.1.3 Scope of Audit

Test-check of assessment records of ten assessment circles (Jammu: Six and Kashmir: Four) and two Additional Commissioners (Admn) Commercial Taxes was conducted during the period from July 2011 to April 2012. The period covered under audit was from the year 2007-08 to 2011-12. Random sampling method was adopted for selection of assessment circles.

4.1.4 Audit Criteria

The audit criteria has been derived from the following sources:-

- The Jammu & Kashmir General Sales Tax Act 1962 and Rules made thereunder.
- SROs/Notifications issued by the Government from time to time pertaining to taxes on services.
- The Central Sales Tax Act, 1956.
- The Central Sales Tax (J&K) Rules, 1958.

4.1.5 Acknowledgement

Indian Audit and Accounts Department acknowledges the co-operation extended by the Commercial Taxes Department in providing the necessary information and records for audit. The audit objectives and methodology were discussed in an entry conference held in December 2011 at Jammu with the Commissioner, Commercial Taxes, Jammu and Kashmir. The Audit findings were discussed by the Principal Accountant General with the Financial Commissioner, Finance Department in an exit conference held on 04 January 2013. The views and replies of the Department have been incorporated at appropriate places in the Performance Audit Report.

¹ 1. Services rendered by photographers in the shape of photo finishing including developing, printing and enlarging. 2. Services in the form of lodging facilities provided by hotels. 3. Services provided by the beauty saloons. 4. Services provided by Nursing Homes. 5. Services provided in the shape of works contracts. 6. Service provided by BSNL/Telecom/Cellular agencies. 7. Services provided by advertisers. 8. Service provided by Cable operators. 9. Banquet hall services. 10. Catering services. 11. Services provided by courier agencies. 12. Commercial professional training and coaching services provided by private education institutions. 13. Banking services. 14. Insurance services. 15. Services provided by Commercial concerns in relation to new construction repairs, alterations or restoration of buildings, civil structures or parts thereof. 16. Service provided by way of TV and Radio Programme productions. 17. Services provided by the architects. 18. Services provided by Inter decorators. 19. Services provided by the Chartered Accountants only in the shape of accounts and auditing services when their annual turnover exceed ₹ 10 lakh. 20. Advertising services by providing hoardings.

4.1.6 Audit Objectives

The objectives of the performance audit are to ascertain whether:

- levy, assessment, collection and recovery of tax on services were done effectively and efficiently;
- the services brought under the ambit of tax have been charged to tax correctly.
- the Internal control mechanism was in place in the Department;
- the monitoring system was in place to monitor receipt of returns from the persons responsible for deduction of service tax at source to ensure penal provisions for short/non-deduction of tax.

Audit Findings

4.1.7 Trend of Revenue

Budget estimates play a vital role in financial planning of the Department. However, Audit observed that the Department had not fixed targets nor kept separate Budget estimates for revenue from 'Taxes on Services' during the period covered under Performance Audit. As a result of this, the monitoring of revenue receipts from taxes on services vis-a-vis targets could not be exercised by the Department. Reasons for non fixation of targets were not intimated by the Department.

The position of revenue realised by the Department on account of taxes on services during the period from 2007-08 to 2011-12 was as given in **Table-4.1.1** below.

Table 4.1.1

Year	No. of registered dealers	Revenue realised (₹ in crore)	Average revenue realised per dealer (₹ in lakh)	Rate of tax+surcharge	Number of services
2007-08	5701	266.83	4.68	8.4%	14
2008-09	7676	301.13	3.92	8.4%	14
2009-10	8899	477.71	5.37	8.4%	14
2010-11	10373	626.77	6.04	10.5%	14
2011-12	13059	697.69	5.34	10.5%	20

(Source: Department)

The revenue collection trends have been buoyant, steadily increasing from ₹ 266.83 crore in 2007-08 to ₹ 697.69 crore in 2011-12. However, the number of registered dealers had not shown corresponding increase suggesting higher revenue yield from a smaller group of dealers. The average revenue realised per dealer on account of service tax ranged between ₹ 3.92 lakh and ₹ 6.04 lakh during the period 2007-12. The revenue of ₹ 1154.07 crore (49 per cent) out of total revenue of ₹ 2370.13 crore was realized during the period from 2007-08 to 2011-12 through tax deduction at source. The details of service-wise revenue realised by the Department during the period from 2007-08 to 2011-12 is indicated in **Appendix-4.1**.

4.1.8 Revenue potential of the Tax on Services under the State Law vis-a-vis foregone share of the State in the Central Service Tax

Service Tax is the only Central tax that is presently not applicable to the State of Jammu & Kashmir because, unlike other States, Jammu and Kashmir levies tax on services under its own law, viz., the Jammu and Kashmir General Sales Tax (GST) Act, 1962. Hence, the State gets a share in all Central taxes/duties except in the total

Service Tax collected by the Central Government. The State's share thus foregone is 1.551 *per cent* of the Service tax collection by the Central Government during 2010-15. As per the assessment made by the Thirteenth Finance Commission regarding likely (Central) Service Tax collection during 2010-15, the 1.551 *per cent* share foregone by the State of Jammu and Kashmir works out to ₹ 8363.38 crore. During 2010-11, the State's foregone share in Central Service Tax was about ₹ 1100 crore whereas the total collection by the State on 'Services' under the J&K GST Act was ₹ 626.77 crore (including ₹ 587.76 crore from the tax on 'works contract' largely paid out of the State Budget for financing various public works and infrastructure development projects). The State tax on services of 'works contracts' includes a significant part of tax on deemed sale of goods during the course of execution of works contracts. As may be inferred from **Table-4.1.1** and **Appendix 4.1**, the net revenue gain to the State exchequer from the tax on pure services collected from non-Government tax payers under the State law is and likely to remain significantly lower than the share in the Central Service Tax being foregone by the State.

The Finance Department informed (January 2013) that the Government would continue the taxation of services under State law and efforts were being made to widen the tax net and increase the revenue yield of the tax. Notices have been issued to many dealers for non-compliance and new services were being added. The State's power to levy tax on services had been challenged by some service providers and the taxation of some newly included services had been stayed by the High Court. The outcome of the pending litigation would be awaited (December 2012).

4.1.9 Inadequate efforts to broaden the tax base

Section 6 of the J&K GST Act stipulates that no dealer shall, while being liable to pay tax under the Act, carry on business as a dealer unless he has been registered in accordance with the provisions of the Act. For registration of eligible service providers (dealers) and ensuring payment of service tax, the Department has relied mainly on voluntary compliance. The growth of revenue is directly linked with the growth of the base of service providers. Audit observed that the Department had not conducted any survey to identify unregistered service providers and get them registered.

As per Section 6 (i) of the Jammu and Kashmir GST Act if any person carries on business as a dealer in contravention of the Act, the appropriate Authority is required to direct that person to pay, in addition to the fee or tax by way of penalty, a sum not exceeding rupees five thousand for the default.

Audit, however noticed that the Government of India and the Government of Jammu and Kashmir were providing life insurance services through the Department of Posts and the Finance Department respectively and had received insurance premium of ₹59.96 crore² during the period from 2007-08 to 2011-12. Unless these Government Departments are legally held to be outside the ambit of the above mentioned law, service tax to the tune of ₹ 7.66 crore³ was recoverable from them.

On this being pointed out (May 2012), by audit, the Commissioner, Commercial Taxes issued directions (June 2012) to the Additional Commissioners, Commercial Taxes Jammu/Srinagar to examine the case and bring these agencies under the tax net.

² Department of Posts: ₹ 1.97 crore (2007-10) and State Life Insurance: ₹ 57.99 crore (2007-12)

³ Department of Posts: ₹ 24 lakh and State Life Insurance: ₹ 7.42 crore (including interest amounting to ₹ 1.90 crore)

The matter was also brought to the notice (August 2012) of the Director, Jammu and Kashmir Funds Organisation, who sought (September 2012) necessary guidance and also exemption from payment of service tax on Insurance service by the Department, from the Government. Further progress in the matter was awaited (December 2012).

The Finance Department stated (January 2013) in the exit conference that the Government Departments are also liable to pay tax under the law. However, the issue of exempting the departmentally run insurance schemes is under consideration of the Government.

4.1.10 Non-verification of consumption account of material

The Assessing Authorities allow contractors rendering services in the shape of works contracts to import specific building material/plant and machinery from outside the State on concessional rates against 'C' forms on the recommendations of the works executing Agencies/Department. The Assessing Authorities while assessing these contractors, were required to obtain consumption accounts of these goods and ensure that material imported against 'C' forms on concessional rates had been consumed/utilised on the works for which such material was allowed to be imported.

Test-check of records of three circles⁴ revealed that 17 dealers had been allowed by the Assessing Authorities to purchase building material and plant and machinery worth ₹ 20.51 crore during the period from 2003-04 to 2008-09 against 'C' forms on concessional rates of tax. However, at the time of assessments of these dealers made during 2007-08 to 2010-11, the Assessing Authorities did not obtain the consumption account of such material utilised by the contractors for the works. As a result the genuineness of concession of tax allowed to the contractors could not be ascertained.

On this being pointed out by audit, the Assessing Authority circle 'O' Jammu stated (April 2012) that purchase statements and trading accounts were obtained from the dealers at the time of assessment and that there is no provision in the Act for obtaining consumption statement of material imported from outside the State by such dealers. Reply is not acceptable as the Assessing Authority allows import of raw material for execution of works by recording an entry to this effect in registration certificates of the dealers. The Assessing Authority, Circle Udhampur-I stated that the matter would be looked into.

Further, Audit noticed during cross verification of consumption statement of 'C' Forms with the purchase statements furnished by seven dealers to the Assessing Authorities of two circles ('H' Srinagar and 'O' Jammu) that purchases valued at ₹ 1.20 crore had been concealed during the years 2006-07 and 2007-08 by these dealers. The Assessing Authorities while assessing these dealers had failed to detect the concealment resulting in short levy of tax amounting to ₹ 31.70 lakh including interest and penalty.

4.1.11 Short deduction of service tax

Section 16 (C) of the Jammu and Kashmir General Sales Tax Act 1962 envisaged that any person responsible for paying any sum being the sale price of taxable goods to a dealer in pursuance of a contract on behalf of Central/State Government Departments etc shall at the time of credit of such sum to the account of the dealer deduct tax at the

⁴ Udhampur 'I', Udhampur 'II' and Jammu 'O'

appropriate rate and any person who fails to do so shall be liable to penalty equivalent to the amount of tax so deductible.

Scrutiny of records of two Additional Commissioners (Admn) Commercial Taxes Jammu and Srinagar revealed that 37 Drawing and Disbursing Officers (DDOs) responsible for deducting service tax at source from the payments of contractors had deducted tax of ₹ 3.50 crore against the actual amount of ₹ 4.28 crore from payment of ₹ 41.70 crore during the period 2005-06 to 2010-11 resulting in short deduction of tax to the tune of ₹ 78 lakh. For failure to deduct tax at source, the Appropriate Authority was required to impose a penalty of ₹ 78 lakh on these DDOs. However, it was noticed that the Appropriate Authority had not imposed any penalty for short deduction of tax against these DDOs.

On this being pointed out by audit, the Additional Commissioners, Commercial Taxes stated (November 2011 and May 2012) that the notices have been issued to the defaulters and ₹ 41.45 lakh on account of short deduction of service tax was recovered by 12 DDO's from contractors and penalty of ₹ 6.30 lakh had been imposed against three DDOs.

The matter was referred to the Government/Department in September 2012. The reply has not been received (December 2012).

4.1.12 Delayed credit of service tax to Government Account

Section 16 (C) of Jammu and Kashmir General Sales Tax Act 1962 stipulate that any person responsible for paying any sum being sale price of taxable goods to a dealer in pursuance of a contract on behalf of Central/State Government Departments etc shall at the time of credit of such sum to the account of the dealer, deduct tax at the appropriate rate and deposit it in the treasury within fifteen days of the deduction. If such person after deduction fails to pay the tax within the prescribed period, he shall be liable to pay in addition to the tax so deducted, a sum by way of penalty, equal to 10 *per cent* of such amount.

Test-check of records of the Additional Commissioners (Admn) Commercial Taxes Jammu and Srinagar revealed that 67 DDOs had deposited ₹ 15.25 crore, deducted on account of service tax in 195 cases during the period from 2006-07 to 2010-11 in the Treasuries after a delay ranging from two to 1324 days. Out of these 195 cases, in 33 cases, the delay was more than 100 days. The penalty equivalent to 10 *per cent* of tax amounting to ₹ 1.52 crore had not been imposed by the Department on defaulting DDOs.

On this being pointed out by audit, the Additional Commissioners stated that notices had been issued to the defaulting tax deductors and penalty of ₹ 9.43 lakh had been imposed (December 2012) against seven DDOs.

The matter was referred to the Government/Department in September 2012. The reply has not been received (December 2012).

4.1.13 Non-submission of contract agreements

If any person responsible for deduction of tax under Section 16-C (1) of the Act fails to submit copy of the agreement of the works contract executed with the contractor to the Additional Commissioner of Commercial Taxes of the area concerned, he shall be liable to pay by way of penalty, an amount of ₹ 5000/- per contract for such default.

Test-check of records of the Additional Commissioner (Admn), Commercial Taxes Jammu revealed that 643 contract agreements had not been received during the period from 2007-08 to 2010-11 from 15 DDOs and no penalty had been imposed on them for non furnishing of the contract agreements. This had resulted in non-levy of penalty of ₹ 32.15 lakh.

On this being pointed out by audit, the Additional Commissioner stated that notices had been issued (September 2011 to November 2011) to the defaulters and the penalty of ₹ 1.10 lakh had been imposed against three DDOs.

The matter was referred to Government/Department in September 2012. The reply has not been received (December 2012).

4.1.14 Internal control system

The Department has an Internal Audit Wing headed by the Deputy Commissioner (Audit). The Department had neither framed any manual nor issued instructions for the purposes of conducting internal audit. The Deputy Commissioner, Commercial Taxes (Audit) Jammu stated (August 2012) that the audit is conducted after taking into account availability of staff, size of the circle, location of audit units and number of assessment years to be covered. During the period from 2006-07 to 2010-11, this wing had test-checked 625 cases (Jammu: 608; Kashmir 17) and pointed out evasion of service tax of ₹ 40.50 lakh in 64 cases. However, out of these cases, demand of tax of ₹ 0.08 lakh only was raised in one case. Reasons for low percentage of cases selected for internal audit in Kashmir though called for, were not intimated.

4.1.15 Ineffective monitoring of returns

Section 7 of the J&K GST Act, 1962 provides that every dealer liable to pay tax shall furnish quarterly returns for each quarter within 30 days from the expiry of that quarter accompanied by a treasury receipt or any other proof of having paid the tax due failing which he shall be liable to a penalty at the rate of two *per cent* per month of the tax payable as reduced by the amount of the tax paid during the period of default or ₹1000, whichever is higher.

Test-check of records of four Circles⁵ revealed that 21 dealers had filed the returns beyond the prescribed time and the delay ranged between 1(one) and 55 months. While finalising the assessment (2009-10 to 2011-12), the AAs had not levied penalty of ₹ 43.07 lakh, for late filing of the returns.

On this being pointed out (between July 2011 and May 2012) by audit, the AAs issued notices to the defaulters.

Further, test-check of records of seven circles revealed that tax deduction certificates (TDS) furnished by 90 dealers alongwith the returns of their turnover during 2003-04 to 2009-10 to the AAs were either not in the prescribed proforma or were furnished with incomplete details. As a result of this, the accuracy of tax deducted at source and subsequent deposit in Government account within the prescribed time could not be ascertained in audit.

4.1.16 Monitoring and evaluation

The Department has brought 20 services as of March 2012 under the ambit of tax under the Jammu and Kashmir General Sales Tax Act, 1962. It was, however, seen

⁵

1. Jammu 'O'; 2. Udhampur-I; Kathua and Srinagar 'F'

that service-wise progress in revenue collection was not being monitored by the department and the information provided in **Appendix-4.1**, was not readily available and was compiled after specifically asked by audit. Audit also noticed that the Department had not prepared separate budget estimates for revenue from 'Taxes on Services'.

4.1.17 Conclusion

The Department had neither fixed targets nor kept separate Budget estimates for revenue from service tax. Proper mechanism for registration of dealers brought under the ambit of service tax was not in place. Ineffective monitoring and verification of returns submitted by the dealers besides short deduction and delayed credit of tax to the Government account was noticed in the department.

4.1.18 Recommendations

The State Government may consider for:

- *fixing of targets and formulation of Budget estimates for monitoring revenue receipts from service tax;*
- *putting in place an effective mechanism for collection of information/data from various sources for bringing all service providers in the State under the tax net;*
- *ensuring receipt of returns within the prescribed time and impose penalty for delayed submission thereof;*
- *ensuring receipt of TDS certificates with complete details for ascertaining accuracy of tax deducted at source and subsequent deposit in Government Account;*
- *ensuring verification of consumption of material imported on concessional rates by the contractors for the works for which such material was allowed to be imported.*

PUBLIC HEALTH ENGINEERING DEPARTMENT

4.2 Assessment and collection of water usage charges

As a part of its commitments to reduce fiscal deficit under the fiscal responsibility legislation, the Government expects all departments to recover at least 50 *per cent* of the 'service charges' from the users after accounting for operations and maintenance expenses, as recommended by the 13th Finance Commission. An Audit Review of the performance of water usage charges indicated that the gap between Revenue receipts and Revenue expenditure on water supply has been growing. During the year 2011-12, the gap was ₹ 709.62 crore as against ₹ 399.21 crore during 2007-08. The outstanding recovery on account of water usage charges by the Public Health Engineering Department had increased from ₹ 33.38 crore at the end of 2006-07 to ₹ 66.04 crore at the end of 2011-12 by 98 *per cent*. The assessment and collection of water usage charges was governed under the provisions of Jammu and Kashmir Water Supply Act, 1963 replaced (November 2010) by J&K Water Resources (Regulation and Management) Act 2010. The mechanism for fixation of targets and framing of Budget estimates on realistic basis did not exist in the Department. Audit also noticed delays in remittance of revenue into the Government account, shortfall in revenue realization ranging between 40 and 55 *per cent*.

Highlights

- Shortfall in revenue realization of water usage charges ranged between 40 and 55 *per cent* of the Budget estimates. The mechanism for fixation of targets and framing of Budget estimates on realistic basis did not exist in the Department.

(Paragraph: 4.2.8)

- Outstanding revenue of water usage charges had increased from ₹ 33.38 crore to ₹ 66.04 crore during the period 2007-12. The delays in remittance of revenue on account of water usage charges into the Government account ranged between one month and four years.

(Paragraphs: 4.2.8.2 and 4.2.8.4)

- Penalty amounting to ₹ 2.07 crore was short levied while regularizing the illegal water connections of the consumers.

(Paragraph: 4.2.11)

4.2.1 Introduction

Public Health Engineering (PHE) Department is responsible for execution and maintenance of various water supply schemes in the State to provide potable water to the consumers. The assessment and collection of water usage charges on account of drinking water supplied to the consumers was governed under the provisions of Jammu and Kashmir Water Supply Act 1963, which was replaced by J&K Water Resources (Regulation and Management) Act 2010 in November 2010. The Government fixes the rates of water usage charges to be paid by the consumers to the Government for supply of water through the issue of notifications under the Act.

4.2.2 Organizational set up

The Commissioner/Secretary is the overall administrative head of the Public Health Engineering Department in the State, who is assisted by two Chief Engineers, Kashmir as well as Jammu and 16 Superintending Engineers (Kashmir: Eight and Jammu: Eight). The activities of the Department are carried out through 48 Divisions in the State, out of which assessment and collection of water usage charges from the consumers are undertaken through 34 Divisions of the Department.

4.2.3 Scope of Audit and audit methodology

The Performance Audit on 'Assessment and collection of water usage charges' for the period from 2007-08 to 2011-12 was conducted from April 2012 to September 2012 by test-check of records of Commissioner/ Secretary of the Department, two Chief Engineers, Kashmir and Jammu besides twelve⁶ Divisions, out of 48 Divisions. The auditee units were selected on the basis of revenue realisation by adopting method of simple random sampling.

4.2.4 Audit Objectives

The Performance Audit was conducted to ascertain whether:

- the provisions of the Act/Rules were followed correctly for proper realization of water usage charges;
- compliance to the rules, procedures and departmental instructions to safeguard the collection of water usage charges against errors and evasion was adequate, and
- there was proper compliance to the internal controls.

4.2.5 Audit Criteria

Audit criteria have been derived from the following sources:

- Jammu and Kashmir Water Supply Act 1963;
- Jammu and Kashmir Water Resources (Regulation and Management) Act, 2010 and Jammu and Kashmir Water Resources (Regulation and Management) Rules 2011;
- Notifications and orders issued from time to time by the State Government regulating the rates of water charges; and
- Jammu and Kashmir Financial Code Volume-1. In particular, Audit proceeded to examine whether the levy and collection of user charges had kept pace with rising expenditure on water supply systems.

4.2.6 Acknowledgement

Indian Audit and Accounts Department acknowledges the co-operation extended to audit by the Department in providing the necessary information and records for audit. The audit objectives, criteria and methodology were discussed in an entry conference held with the Commissioner/Secretary of the Department by the Principal Accountant General at Jammu in April 2012. Efforts were being made to hold the exit conference with the Commissioner, Public Health Department, but due to his study leave, the same could not be hold.

⁶ Division-I Jammu, Division-II Jammu, Udhampur, Kathua, Samba, Reasi, Water works Division Srinagar, Rural Division Srinagar, Bijbehara, Baramulla, Awantipora and Shopian

4.2.7 Non-framing of rules

According to Section 33 of the Jammu & Kashmir Water Supply Act 1963, the Government was empowered to frame rules for carrying into effect the various sections of the Act. It was, however, observed that no rules under the Act had been framed by the Government. However, the rules for implementation of J&K Water Resources (Regulation and Management) Act, 2010 were framed in January 2011. The Financial Advisor/Chief Accounts officer of the Administrative Department confirmed (September 2012) the position.

As per Section 139 of the J&K Water Resources (Regulation and Management) Act 2010, the Government was required to establish State Water Resources Regulatory Authority within three months from the date of commencement of the Act. The main functions of the Authority inter-alia included determination of entitlement and distribution for various categories of use of water, enforcement of decisions and orders issued under the Act, establishment of a water tariff system, regulation of use of water by the users and licensees from all water sources in the State etc. However, the authority was constituted in October 2012 by the State Government after delay of 19 months.

4.2.8 Trend of under-recovery in water supply

Major Head 2215 (Water Supply and Sanitation) has two sub-major heads: 01-Water Supply and 02-Sewerage and Sanitation, to record Government's Revenue expenditure in these functional areas. Major Head 0215 (Water Supply and Sanitation) records, Revenue receipts of the Government in these functional areas. The trends of revenue receipts and revenue expenditure on water supply during the period 2007-12 is given in **Table 4.2.1** below:

Table-4.2.1

Trend of revenue receipts and expenditure

(₹ in crore)

Head of Revenue	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue Receipts from Water supply	9.41	11.90	9.79	13.88	18.44
Revenue Expenditure on Water supply	408.62	431.00	430.39	568.16	728.06
Gap between Revenue receipts and Revenue expenditure indicating under-recovery of full operational cost	399.21	419.10	420.60	554.28	709.62
Total under recovery as percentage of total Revenue expenditure	98	97	98	98	97

(Source: Department)

Public expenditure on water supply had traditionally been funded from a mix of general budgetary resources of the Government and recovery of a part of user charges from the consumers. The Government has informed the Legislature through the Statements placed under the Fiscal Responsibility and Budget Management (FRBM) Act, that all Departments are expected to recover at least 50 per cent of the 'service charges' from the users after accounting for operations and maintenance expenses as recommended by the 13th Finance Commission. However, no specific, time bound action plan had been presented to achieve this goal. It would be revealed from the above position that the gap between revenue receipts and revenue expenditure on

water supply had been growing and during the year 2011-12 it had risen to ₹ 709.62 crore by 78 per cent against ₹ 399.21 crore during the year 2007-08. The position of budget estimates and actual receipts of water usage charges during the period 2007-08 to 2011-12 is given in **Table 4.2.2** below:

Table-4.2.2

Position of Budget estimates and Actuals

(₹ in crore)

Year	Budget estimates	Actual realization	Percentage shortfall
2007-08	20.00	9.41	53
2008-09	20.00	11.90	40
2009-10	22.00	9.79	55
2010-11	23.00	13.88	40
2011-12	31.00	18.44	41

From the above, it is seen that the shortfall in revenue realisation of water usage charges ranged between 40 and 55 per cent of the budget estimates during the period 2007-08 to 2011-12 indicating that the budget estimates had not been prepared on realistic basis by the Department. The reasons for low realisation were called for from the Department but no reply was furnished (December 2012). Audit further noticed (October 2012) that despite the budget estimates fixed by the Government for collection of water usage charges for the period 2007-08 to 2011-12, the Chief Engineers (CEs) had fixed revenue targets at their own level during the same period as indicated in **Table-4.2.3** below:

Table-4.2.3

(₹ in crore)

Year	Budget estimates			Targets fixed by Chief Engineers		
	Kashmir	Jammu	Total	Kashmir	Jammu	Total
2007-08	10.50	9.50	20.00	7.17	15.28	22.45
2008-09	10.50	9.50	20.00	8.17	16.85	25.02
2009-10	12.00	10.00	22.00	9.05	18.21	27.26
2010-11	12.00	11.00	23.00	9.07	22.25	31.32
2011-12	15.00	16.00	31.00	15.69	28.82	44.51

It would be seen from the above table that the Chief Engineers of both the provinces, Kashmir as well as Jammu, had not fixed the targets in accordance with the Budget estimates for water usage charges which indicated that no mechanism for fixation of targets and framing of Budget estimates on realistic basis existed in the Department. This was further corroborated by the fact that the revenue on account of water usage charges assessed was at variance with these figures during the same period as would be revealed in the Paragraph 4.2.8.2.

4.2.8.1 Tariff for recovery of water charges

The tariff rates of water usage charges for different classes of water consumers during the years from 2007-08 to 2011-12 is shown in **Table-4.2.4** below:

Table-4.2.4

Type of water connections	Range of rates of water usage charges per connection per annum ⁷				
	2007-08	2008-09	2009-10	2010-11	2011-12
Private pipe connections of various dia. Domestic (un-metered)	₹ 360 and ₹ 720	₹ 360 and ₹ 720	₹ 360 and ₹ 720	₹ 360 and ₹ 720	Between ₹ 410 and ₹ 1500
Private pipe connections/Domestic (metered)	₹ 216 per 1000 gallons	₹ 216 per 1000 gallons	₹ 216 per 1000 gallons	₹ 216 per 1000 gallons	Between ₹ 410 per annum and ₹ 9.20 per kl.
Public Stand posts of various dia. (un-metered)	₹ 840 and ₹ 1200	₹ 840 and ₹ 1200	₹ 840 and ₹ 1200	₹ 840 and ₹ 1200	Between ₹ 180 per kl. and ₹ 260 per kl. (for metered connections only)
Pipe connections of various dia. (Commercial)	₹ 1000 and ₹ 9500	₹ 1000 and ₹ 9500	₹ 1000 and ₹ 9500	₹ 1000 and ₹ 9500	Between ₹ 2400 and ₹ 120000 (un-metered) ₹ 9.20 per kl. and ₹ 73.60 per kl. (metered)

Note: These rates have been fixed by Regulatory Authority. Presently only un-metered rates are applicable in the State as water meters are yet to be installed.

4.2.8.2 Outstanding water usage charges

The year-wise position of revenue on account of water usage charges assessed, revenue realised by the Department and outstanding at the close of each year during the period from 2007-08 to 2011-12 is given in **Table-4.2.5** below:

Table-4.2.5

(₹ in crore)

Year	Revenue outstanding at the beginning of the year	Number of consumers	Revenue assessed for the year	Revenue realised during the year	Revenue outstanding at the close of the year
2007-08	33.38	3,67,783	14.12	9.41	38.09
2008-09	38.09	3,91,706	15.15	11.90	41.34
2009-10	41.34	4,30,393	18.05	9.79	49.60
2010-11	49.60	4,43,193	18.48	13.88	54.20
2011-12	54.20	4,70,038	30.28	18.44	66.04

(Source: Department)

From the above position it would be revealed that the revenue outstanding on account of water usage charges had risen from ₹ 33.38 crore (April 2007) to ₹ 66.04 crore at the close of the year 2011-12 reflecting an increase of 98 per cent. The increase in outstanding revenue during the period 2007-08 to 2011-12 was 91 per cent in Kashmir province and 120 per cent in Jammu province. This indicated that progress of recovery of revenue by the Department was very poor. Audit noticed that outstanding revenue of ₹ 66.04 crore as of March 2012 was pending against domestic consumers (₹ 45.49 crore), Government Departments (₹ 12.38 crore), Commercial consumers (₹ 0.74 crore) and Municipalities etc (₹ 7.43 crore).

On this being pointed out by audit (September 2012), the Chief Engineer, Kashmir stated (September 2012) that the outstanding water usage charges had become time barred and were unlikely to be recovered. The reply is not tenable in view of the fact that no time limit had been fixed in the Act for declaring revenue of water usage charges as time barred. The Chief Engineer, Jammu stated (October 2012) that

⁷ The rates in rupees ranging between minimum and maximum amount per water connection per year

substantial amount was outstanding against Government Departments and matter had been taken up with the concerned authorities.

4.2.8.3 Non-issue of water charge bills

According to Rule 10 of J&K Water Resources (Regulation and Management) Rules 2011, water usage charge bills are required to be issued to the consumers twice a year (April and October). Audit observed that computerization of data base of the registered consumers in the state for ensuring credibility and transparency though taken up by the Department had not been completed fully as a result of which the department was not in a position to issue computerized water usage bills to all the consumers of the State. Audit further noticed that in seven divisions⁸ computerized bills were issued to the consumers from 2011-12 on yearly basis instead of half yearly basis.

The Chief Engineer, Kashmir, admitted (September/December 2012) that the computerized data base of consumers was not available with all the Divisions and that the action required to be taken for computerisation of bills and issuing water charge bills to the consumers twice a year had been adopted. The Chief Engineer, Jammu stated (October 2012) that raising of water charge bills twice a year was under consideration of the Department.

4.2.8.4 Delay in remittance of water usage charges

Rule 2.2 of J & K Financial Code stipulate that revenue realized on behalf of the Government is required to be remitted in full to the nearest treasury on the same or next working day.

Test-check of records of six divisions⁹ showed that revenue on account of water usage charges to the extent of ₹ 21.37 lakh collected during the period from March 2007 to March 2012 had been deposited by the field staff of these divisions into the Government treasuries after delays ranging between one month and four years¹⁰ resulting in undue retention of Government money with these officials indicating poor monitoring of revenue receipts. The Chief Engineer, Kashmir stated (December 2012) that a special team had been framed to conduct Revenue Audit of all the sub-divisions falling under his jurisdiction. Audit further noticed that against an amount of ₹ 0.88 lakh collected between 18 March to 20 March 2012 on account of water usage charges from the consumers by field staff of Division-I Jammu, only ₹ 0.73 lakh had been deposited (30 March 2012) in the Treasury resulting in short remittance of ₹ 0.15 lakh.

On this being pointed out by audit (12 July 2012), Executive Engineer, Jammu stated that the amount was deposited (14 July 2012) with the Treasury and the official has been warned to be careful in future.

4.2.9 Non-installation of water meters

Section 12 of Water Supply Act, 1963 and Section 124 of J & K Water Resources (Regulation and Management) Act 2010 provide that water meter at appropriate point

⁸ Division-I, II Jammu, Udhampur, Samba, Water Works Division Srinagar, Ganderbal and Baramulla

⁹ Bijbehara, Ganderbal, Division-I Jammu, Division- II Jammu, Samba and Udhampur

¹⁰ (₹ 12.53 lakh: 1 to 4 months; ₹ 4.18 lakh: 1 to 8 months; ₹ 3.86 lakh :1 to 12 months and ₹ 0.79 lakh: upto four years)

on every water supply connection had to be installed for recording the quantity of water used by the consumers/licencees.

Test-check of records revealed that no water meters had been installed by the Department in the State for recording the quantity of water used by consumers/users.

The Chief Engineer, Public Health Engineering Department, Kashmir stated (September 2012) that the procurement of water meters for installation was under process whereas the Chief Engineer, Jammu stated (October 2012) that material had been procured and installation of the meters was under consideration of the Department.

4.2.10 Inadequate inspections of water installations

According to Section 22 of J&K Water Supply Act of 1963 and Section 21 of J&K Water Resources (Regulation and Management Act-2010) the Assistant Engineer or any Gazetted Officer authorised by the Executive Engineer concerned, may enter into any premises during day time for the purpose of inspecting any water installation in any building, site or premises.

Audit noticed that the Department had carried inadequate inspections of water installations and it was revealed that percentage of inspections of water installations ranged between 0.03 to 0.19 *per cent* of the number of connections in two Divisions (Srinagar and Bijbehara) during the period 2007-08 to 2011-12.

After this was pointed out by audit, the Chief Engineer Kashmir stated (September 2012) that the inspections would be got carried out regularly as per standing rules. The Chief Engineer Jammu stated (October 2012) that all the Divisions would be directed to undertake inspections to check the number of irregular connections.

4.2.11 Short levy of penalty for illegal water connections

J &K Water Supply Act, 1963 and Jammu and Kashmir Water Resources (Regulation and Management) Act, 2010 provide that no person shall, without the authorization or permission of the Executive Engineer or the prescribed authority, as the case may be, make or cause to be made, at any time, any connection with the main line in contravention of the provisions of the Act and whosoever dishonestly takes or makes any illegal water connection shall be liable, on conviction, to be punished with imprisonment for a term which may extend to three months and with fine which shall not be less than one thousand rupees extended to rupees five thousand under the Act of 1963. Under the Act of 2010, a person who had committed such offence is liable on conviction to be punished with imprisonment for a term which may extend to one year or with fine which may extend to rupees five thousand or with both.

Test-check of records of 12 Divisions revealed that while regularising 30188 illegal water connections, no penalty was imposed by the Department in respect of 9526 illegal water connections and a meagre penalty ranging between ₹ 200 and ₹ 720 for each illegal water connection had been imposed by the concerned Executive Engineers on consumers in respect of 20662 illegal water connections (Kashmir: 5315 Jammu: 15347) during the period 2007-08 to 2011-2012. Against the minimum leviable penalty of ₹ 3.02 crore in respect of these illegal water connections, penalty of only ₹ 94.78 lakh was imposed on the defaulters, resulting in short levy of penalty of ₹ 2.07 crore.

On this being pointed out by the audit, the Chief Engineers, Kashmir as well as Jammu stated (September and October 2012) that the amount would be recovered from the defaulters whose irregular connections had been regularised.

4.2.12 Conclusion

The Performance Audit revealed shortfall in realisation of revenue with reference to budget estimates of water usage charges and delays in remittance of revenue to the Government Account. There was no effective system of recovery of revenue from the consumers which resulted in increase of outstanding revenue during the period 2007-08 to 2011-12. The regulatory authority under the provisions of the Act, 2010 had been constituted recently (October 2012). Department had not levied even the minimum penalty while regularising the illegal water connections.

4.2.13 Recommendations

The Government may consider putting in place:

- *a proper system for fixation of targets, framing of Budget estimates on realistic basis and accurate assessment of revenue on account of water usage charges; and*
- *an effective monitoring system to recover the water usage charges, against various consumers/users of water and the Government money are deposited in the Government account without any delay.*

B. Audit of Transactions

Finance Department

(Sales Tax/Value Added Tax)

4.3 Short levy of penalty

Failure of the Assessing Authority to impose correct penalty against the dealer for non filing of return of his turnover in accordance with provisions of the Act resulted in short levy of penalty of ₹ 7.44 lakh.

The Jammu and Kashmir General Sales Tax Act provide that a dealer who fails to furnish any return of his turnover or fails to furnish the same within the time allowed, shall pay in addition to tax by way of penalty, a sum at the rate of two percent per month of the tax payable as reduced by the amount of tax paid or rupees one thousand per month for the period of default whichever is higher.

Audit scrutiny (December 2006) of records of Commercial Taxes Circle 'N' Jammu revealed that the Assessing Authority assessed (August 2005) a dealer for the accounting year 2002-03 at a taxable turnover of ₹ 52.81 lakh on best judgement basis due to non-filing of return of his turnover. The AA determined a tax of ₹ 4.44 lakh and imposed penalty of ₹ 1.30 lakh against the dealer for non filing of return against the leviable penalty of ₹ 2.72 lakh for the period of default¹¹ under the provisions of the Act. This resulted in short levy of penalty of ₹ 1.42 lakh, upto the date of original assessment (August 2005)

On this being pointed out by audit, the AA reassessed (December 2010) the dealer and raised a demand of ₹ 7.44 lakh on account of penalty for the period of default (upto date of reassessment) and stated (February 2011) that recovery proceedings in the case had been initiated.

The matter was referred to the Government/Department in May 2012. The Commissioner Commercial Taxes reported (August 2012) that proceedings for recovery of outstanding demand arrears against the dealer had been initiated by the Deputy Commissioner Commercial Taxes (Recovery) Jammu. Further progress of recovery was awaited (December 2012).

4.4 Short levy of penalty

Failure of the Assessing Authority to impose correct penalty against the dealer in accordance with provisions of the Act resulted in short levy of penalty of ₹ 3.03 lakh.

According to section 42 of Jammu and Kashmir Value Added Tax Act, 2005 where after a dealer is assessed under sections 37 to 40 of the Act for any year, the Assessing Authority has reason to believe that whole or any part of the turnover of the dealer in respect of any period has been under-assessed, the Assessing Authority may assess to the best of its judgement the amount of tax due from the dealer in respect of such turnover. Further section 69 of the Act provide that a dealer who conceals his turnover or furnishes inaccurate particulars thereof shall have to pay by way of penalty a sum equal to double the amount of tax attempted to be evaded.

¹¹ May 2003 to August 2005. The law provides for penalty at the rate of 2 per cent pm of the tax arrear or ₹ 1000 pm for the default period, whichever is higher.

Test-check (January 2011) of records of Commercial Taxes Circle 'K' Srinagar revealed that the Assessing Authority while assessing (September 2009) the dealer under section 42 of the Act charged tax of ₹ 3.03 lakh on the taxable turnover of ₹ 24.25 lakh for the year 2005-06 which had remained under-assessed during original assessment (March 2009) of the dealer under section 39 of the Act. However penalty of ₹ 3.03 lakh was imposed under Section 69 of the Act against the leviable penalty of ₹ 6.06 lakh, which resulted in short levy of penalty to the extent of ₹ 3.03 lakh.

On this being pointed out (January 2011) by audit, the AA rectified (July 2011) the mistake under section 78 of the Act and raised a demand on account of penalty of ₹ 3.03 lakh against the dealer.

The matter was reported to the Government/Department in May 2012. The Commissioner Commercial Taxes stated (June 2012) that since the dealer has failed to deposit the arrear demand, his bank account was attached (June 2012). Further progress in the matter was awaited (December 2012).

4.5 Concealment of interstate purchases

Failure of the Assessing Authority to detect concealment of interstate purchases by the dealer resulted in short levy of tax, interest and penalty of ₹ 7.58 lakh.

The Jammu and Kashmir Value Added Tax Act 2005 (J&K VAT Act) and the Rules framed thereunder provide that every registered dealer shall submit a quarterly return containing particulars of sales and purchases together with proof of full payment of tax due, to the Jurisdictional Assessing Authority within one month from the expiry of each quarter. Further section 37 of the J &K VAT Act provide that if a registered dealer has filed the return within the prescribed time and is found to be in order the return shall be accepted as self assessment by the Assessing Authority.

Audit scrutiny (February 2011) of records of the Commercial Taxes Circle 'K' Srinagar revealed that the dealer had filed quarterly value added tax returns for the accounting years 2006-07 to 2008-09 which had been accepted as self assessment by the Assessing Authority. The dealer had concealed the purchases valued at ₹14.64 lakh¹² made by him against issue of 'C' forms¹³ from the dealers located outside the State. This concealment of purchases received by the dealer could have been detected, had the assessing authority cross-verified the purchase statements furnished by the dealer with the accounts of 'C' forms issued by the assessing authority for the purpose of interstate purchase by the dealer. This had resulted in concealment of turnover of ₹16.14 lakh¹⁴ and consequent short levy of tax, interest and penalty of ₹ 7.16 lakh¹⁵.

¹² 2006-07: ₹ 1.80 lakh; 2007-08: ₹ 5.47 lakh and 2008-09: ₹ 7.37 lakh

¹³ Declaration form used by registered dealer for availing concessional rate of tax in inter-state trade

¹⁴ Purchase: ₹ 14.64 lakh; Freight: ₹ 0.73 lakh and Gross profit: ₹ 0.77 lakh

Thus, failure of the AA to detect the concealment of interstate purchases despite having access to relevant documents furnished by the dealer resulted in short levy of tax, interest and penalty of ₹ 7.58 lakh.

On this being pointed out by audit, the AA re-assessed (July 2011) the dealer under Section 42 of the J&K VAT Act for the accounting years 2006-07 to 2008-09 and raised an additional demand of ₹ 7.58 lakh¹⁶ against the dealer. The Commercial Taxes Officer stated (October 2012) that the dealer has preferred an appeal against the re-assessment order. Further progress of recovery was awaited (December 2012).

4.6 Non-levy of tax

Failure of the Assessing Authority to detect short accountal of stocks by the dealer at the time of assessment resulted in non-levy of tax of ₹ 36.45 lakh.

The Jammu and Kashmir General Sales Tax Act, 1962 and the rules made thereunder provide that every dealer shall submit a true and correct return of his turnover in such a manner as prescribed under the Act. Further, if a dealer who has without any cause, failed to furnish correct return of his turnover or has concealed any particulars of his turnover, the Assessing Authority (AA) shall direct that dealer to pay in addition to tax and interest payable by him, an amount by way of penalty not less than the amount of tax evaded, but not exceeding twice the amount of tax

Audit scrutiny (August 2010) of records of Commercial Taxes Circle 'L' Jammu revealed that the assessment of a dealer for the accounting year 2004-05 was made (June 2008) by the Assessing Authority under Section 7 (19) of Jammu and Kashmir General Sales Tax Act, 1962 at a taxable turnover of ₹ 17.34 crore. A cross check of consumption statement of 'F'¹⁷ forms with the stock receipt account for the year 2004-05 filed by the dealer revealed that stocks valued at ₹ 94.15 lakh was not accounted for by the dealer in his accounts resulting in suppression of stock to that extent. This led to underassessment of turnover of ₹ 1.08 crore after adding profit and consequent non-levy of tax of ₹ 88.45 lakh¹⁸ including interest and penalty. Had the Assessing Authority cross-verified the details of stocks indicated in the stock receipt account with the consumption statement of 'F' forms filed by the dealer, the concealment of stocks by the dealer would have been detected at the time of assessment.

On this being pointed out (August 2010) by audit, the Assessing Authority re-assessed (January 2012) the dealer and confirmed concealment of stocks of ₹ 31.32 lakh

¹⁵ Tax: ₹ 2.02 lakh; Interest: ₹ 1.11 lakh and Penalty: ₹ 4.03 lakh

¹⁶ Tax: ₹ 2.02 lakh; Interest: ₹ 1.53 lakh and Penalty: ₹ 4.03 lakh

¹⁷ Declaration form used by registered dealer for availing concessional rate of tax in inter-state trade

¹⁸ Tax: ₹ 22.74 lakh ; Interest: ₹ 42.97 lakh; Penalty: ₹ 22.74 lakh

instead of ₹ 94.15 lakh and accordingly raised a demand for levy of tax of ₹ 36.45 lakh¹⁹ on taxable turnover of ₹ 36.01 lakh against the dealer. The dealer had preferred an appeal against the notice of demand in March 2012 before the Appellate Authority. Further progress of recovery was awaited (December 2012).

Thus, failure of the Assessing Authority to detect short account of stocks by the dealer in his accounts at the time of his assessment resulted in non-levy of tax of ₹ 36.45 lakh.

The matter was reported to the Government/Department in October 2012 and the reply thereof was awaited (December 2012).

4.7 Non-levy of tax

Failure of the Assessing Authority to allow exemption from payment of tax to a dealer on the inter-state sales without ensuring production of 'C' forms in support of inter-state sales at the time of assessment resulted in non levy of tax of ₹ 4.98 lakh.

Section 8(4) of the Central Sales Tax (CST) Act 1956 provides that no exemption/concession from payment of tax shall be granted to a dealer making Inter-State sales unless the dealer furnishes to the prescribed authority a declaration in the prescribed form, duly filled and signed by the registered dealer to whom the goods are sold.

Test-check (October 2011) of records of the Commercial Taxes Officer Circle 'I' Jammu revealed that a dealer had shown total sales of goods for ₹ 186.04 crore including inter-state sales of ₹ 135.37 crore in his accounts during the year 2007-08. The inter-state sales made by the dealer during the accounting year 2007-08 were assessed (March 2011) by the Assessing Authority under section 9 (2) of the CST Act 1956 at nil tax on the basis of 'C' forms²⁰ furnished by the dealer. Audit noticed (October 2011) that the inter-state sales of ₹ 2.03 crore out of ₹ 135.37 crore made during the accounting year 2007-08 were not supported by the requisite 'C' forms thereby resulting in inadmissible exemption from payment of tax of ₹ 15.14 lakh²¹ in respect of these inter-state sales. The Assessing Authority while assessing the dealer failed to ensure that all the inter-state sale of goods are supported by the 'C' forms. Had the assessing authority verified the interstate sales of ₹ 135.37 crore with reference to the 'C' forms, the mistake would have been avoided.

On this being pointed out (October 2011) by audit, Assessing Authority reassessed (April 2012) the dealer under section 42 of Jammu and Kashmir VAT Act, 2005 and

¹⁹ Tax: ₹ 7.56 lakh; Interest: ₹ 13.76 lakh; Penalty: ₹ 15.13 lakh

²⁰ Declaration form used by registered dealer for availing concessional rate of tax in inter-state trade

²¹ Tax: ₹ 8.14 lakh; Interest: ₹ 7 lakh

determined his taxable turnover at ₹ 58.69 lakh after receiving further 'C' forms in respect of remaining inter-state sales from the dealer. A demand of tax of ₹ 4.98 lakh²² was raised on the turnover of ₹ 58.69 lakh against the dealer.

After the matter was referred (October 2012) to the Government/Department, the Commissioner Commercial Taxes stated (November 2012) that since the dealer had failed to respond to the notices of the Collector, his business premises had been attached (November 2012) by the Deputy Commissioner Commercial Taxes (Recovery).

**Srinagar/Jammu
The**

**(Subhash Chandra Pandey)
Principal Accountant General (Audit)
Jammu and Kashmir**

Countersigned

**New Delhi
The**

**(Vinod Rai)
Comptroller and Auditor General of India**

²²

Tax: ₹ 2.35 lakh; Interest: ₹ 2.63 lakh