



**Combined Compliance Audit
Report of The Comptroller and
Auditor General of India
on
Revenue Sector
for the period 2019-2021**



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Kerala
Report No. 6 of the year 2022

Presented to the Legislature on
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TABLE OF CONTENTS

Particulars	Paragraph	Page
Preface		(iii)
Overview		(v)
CHAPTER-I : GENERAL		
Trend of Revenue Receipts	1.1	1
Analysis of Arrears of Revenue	1.2	2
Analysis of cases in which stay was granted	1.3	3
Arrears in Assessments	1.4	3
Evasion of tax detected by the Departments	1.5	4
Pendency of refund cases	1.6	4
Response of the Government/ Departments to Audit	1.7	5
Status of the mechanism for dealing with the issues raised in Audit	1.8	10
Action taken on the recommendations accepted by the Departments/ Government	1.9	12
Audit Planning	1.10	13
Results of Audit	1.11	13
Coverage of the Report	1.12	14
CHAPTER-II : GST, TAXES/ VAT ON SALES, TRADE, ETC.		
Tax Administration	2.1	15
Internal Audit	2.2	15
Results of Audit	2.3	15
GST Registrations	2.4	17
Compliance Audit on 'Transitional credits under GST'	2.5	20
'Processing of refund claims under GST'	2.6	28
Short levy of tax due to application of incorrect rate of tax	2.7	38
Short levy of tax due to incorrect exemption	2.8	40
Short levy of tax due to incorrect assessment	2.9	42
Non-recovery of tax due to incorrect assessment	2.10	45
Short levy of tax due to incorrect application of concessional rate	2.11	46
Non-levy of tax	2.12	47

Particulars	Paragraph	Page
Short levy of tax due to irregular allowance of ITC	2.13	48
Short levy of purchase tax and excess claim of special rebate	2.14	48
Short levy of purchase tax due to excess availment of special rebate	2.15	50
Short levy of purchase tax	2.16	51
KGST		
Short levy of tax due to incorrect assessment	2.17	53
Short levy of tax due to allowance of irregular exemption	2.18	54
CHAPTER-III : OTHER TAX RECEIPTS		
A – STATE EXCISE		
Tax Administration	3.1	57
Internal Audit	3.2	57
Results of Audit	3.3	57
Unauthorised reconstitution of Board of Directors of companies holding Foreign Liquor Licences	3.4	59
Unauthorised reconstitution of Board of Directors of Companies of Hotels holding Foreign Liquor Licences but not having two-star classification or above	3.5	60
Loss of revenue due to irregular transfer of Foreign Liquor Licences	3.6	62
B – STAMP DUTY AND REGISTRATION FEE		
Tax Administration	3.7	64
Internal Audit	3.8	64
Results of Audit	3.9	64
Short levy of Stamp Duty and Registration Fees due to improper valuation of Flats	3.10	65
Non-consideration of fair value from mother survey number based on classification by use	3.11	67
Appendix		71
Glossary of Abbreviations		133

Preface

This Combined Compliance Audit Report of the Comptroller and Auditor General of India is prepared for submission to the Governor under Article 151 (2) of the Constitution of India for being laid before the State Legislature.

The Report contains significant results of the Compliance Audit of the Departments of Government of Kerala under Revenue Sector, including State Goods and Services Tax Department, Excise Department and Registration Department.

The instances mentioned in this Report are those which came to notice in the course of test audit of records during the period 2019-20 and 2020-21 as well as those which came to notice in earlier years but could not be reported in previous Audit Reports. Instances relating to the period subsequent to 2020-21 are also included wherever necessary.

Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.



Overview

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.

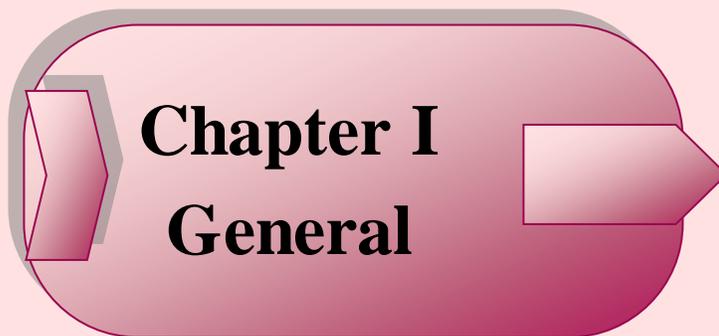
(Paragraph 3.4)

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)



Chapter I
General

CHAPTER-I GENERAL

1.1 Trend of Revenue Receipts

1.1.1 The tax and non-tax revenue raised by the Government of Kerala during the years 2019-20 and 2020-21, the State's share of net proceeds of divisible Union taxes and duties assigned to the State, Grants-in-aid received from the Government of India during the years and the corresponding figures for the preceding three years, are mentioned in **Table - 1.1**.

Table - 1.1
Trend of Revenue Receipts

(₹ in crore)

Sl. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
1	Revenue raised by the State Government					
	Tax revenue	42,176.37	46,459.61	50,644.11	50,323.14	47,660.84
	Non-tax revenue¹	9,699.98 (6,683.27)	11,199.61 (6,896.23)	11,783.24 (7,195.56)	12,265.22 (7,279.68)	7,327.31 (4,565.92)
	Total	51,876.35 (48,859.64)	57,659.22 (53,355.84)	62,427.35 (57,839.67)	62,588.36 (57,602.82)	54,988.15 (52,226.76)
2	Receipts from the Government of India					
	Share of net proceeds of divisible Union taxes and duties	15,225.02	16,833.08	19,038.17	16,401.05	11,560.40
	Grants-in-aid	8,510.35	8,527.84	11,388.96	11,235.26	31,068.28
	Total	23,735.37	25,360.92	30,427.13	27,636.31	42,628.68
3	Total revenue receipts of the State Government (1 and 2)	75,611.72 (72,595.01)	83,020.14 (78,716.76)	92,854.48 (88,266.80)	90,224.67 (85,239.13)	97,616.83 (94,855.44)
4	Percentage of 1 to 3	69	69	67	69	56

Source: Finance Accounts prepared by PAG(A&E), Kerala.

The above table indicates that during the years 2019-20 and 2020-21, the revenue raised by the State Government (₹62,588.36 crore and ₹54,988.15 crore) were 69 per cent and 56 per cent of the total revenue receipts. The balance 31 per cent and 44 per cent of the revenue during 2019-20 and 2020-21 were share of net proceeds of divisible Union taxes, duties and Grants-in-aid from the Government of India.

¹ The receipt from State lotteries for the years 2019-20 and 2020-21 were ₹9,973.67 crore and ₹4,873.01 crore, which were 80.76 per cent and 64.34 per cent of non-tax revenue. The difference between the figures shown in column and bracket represent expenditure on distribution of prizes of lotteries conducted by the Government.

1.1.2 The details of the tax revenue raised during the period 2016-17 to 2020-21 are given in **Appendix - I**.

- i) The State Goods and Services Tax (SGST) Department stated (01 November 2021) that the decrease in actual collection of SGST *vis-à-vis* estimates was due to the granting of Amnesty Scheme, fall in collection in bar hotels and enhancement of threshold limit for taking registration and composition scheme.
- ii) The Registration Department stated (21 October 2021) that the decrease in collection for the period 2019-20 and 2020-21 was due to shortfall in the number of documents registered as a result of the Covid 19 pandemic situation.
- iii) The increase in receipts of Revenue and Disaster Management (R&DM) Department was due to the efforts taken by the Department to realise the Basic Tax.

1.1.3 The details of non-tax revenue raised during the period 2016-17 to 2020-21 are indicated in **Appendix - II**.

- i) For the year 2020-21, non-tax revenue collected was 49.16 *per cent* less than the Budget Estimate. This wide variation indicates the need for a more realistic planning and execution process in budgetary control as this impacts the financial management of the State.
- ii) The Directorate of State Lotteries and the Principal Chief Conservator of Forests stated that Covid 19 related issues adversely affected their receipts.

1.2 Analysis of Arrears of Revenue

The total arrears of revenue as on 31 March 2021 on certain principal heads of revenue amounted to ₹21,797.86 crore of which ₹7,100.32 crore was outstanding for more than five years, as detailed in **Appendix - III**.

The total arrears of ₹21,797.86 crore amount to 22.33 *per cent* of the total revenue of the State. Out of the total arrears, ₹6,422.49 crore (29.46 *per cent*) is pending from the Government and Government/ local bodies. This necessitates urgent intervention from the Government to clear the outstanding arrears. The arrear figures are furnished by the Departments every year only at the instance of Audit. Absence of prompt reporting of arrears to Revenue Department and pursuance by the Departments concerned for realising the arrears are the main reasons for the huge pendency of arrears. The situation calls for putting in place an effective system for monitoring and realisation of arrears. The arrears of ₹7,100.32 crore were pending for more than five years in 12 Departments and includes those of Excise Department from 1952

onwards. The cases referred to the Government for write off (₹1,905.89 crore) were also not being pursued by the Departments/ offices concerned.

1.3 Analysis of cases in which stay was granted

An analysis of arrears of revenue which are under various stages of collection showed that the arrears pending collection as on 31 March 2021 included collections stayed by various authorities at various stages on some principal heads of revenue, as detailed in **Table -1.2**.

Table – 1.2
Stages of stay granted

(₹ in crore)

Sl. No.	Head of revenue	Total arrear amount	Stage wise details of stay		Total amount under stay	% of stay to total arrear
			By Court and other Judicial Authorities	By Government		
1	0040 - Tax on Sales, Trade, etc.	13,830.43	5,577.10	0	5,577.10	40.32
2	0043 - Taxes and Duties on Electricity	2,929.11	8.97	0	8.97	0.31
3	0406 - Forestry and Wild Life	347.35	2.42	107.65	110.07	31.69
4	0039 - State Excise	269.68	65.28	0	65.28	24.21
5	0029 - Land Revenue	397.59	301.40	25.52	326.92	82.23
6	0030 - Stamps and Registration Fees	828.57	7.91	0	7.91	0.95
7	1051 - Ports and Light Houses	0.79	0.10	0	0.10	12.66
8	0853 - Non-Ferrous Mining and Metallurgical Industries	131.61	16.17	30.76	46.93	35.66
Total		18,735.13	5,979.35	163.93	6,143.28	32.79

Source: Details obtained from the respective Departments.

An amount of ₹6,143.28 crore is pending under stay orders, which is 32.79 per cent of the total arrear amount. The Departments need to take effective action to vacate the stay orders and to realise the amounts.

Recommendation: The Departments should create a database of outstanding arrears for effective monitoring and follow up for recovery of arrears.

1.4 Arrears in Assessments

The particulars regarding the arrears in assessments, such as cases pending at the beginning of the year, cases becoming due for assessment, cases disposed of during the year and number of cases pending for finalisation at the end of the years 2019-20 and 2020-21 were furnished by the Departments (February 2022 and April 2022) as given in **Appendix - IV**.

During the years 2019-20 and 2020-21, the R&DM Department cleared 1,71,537 out of 1,84,248 and 97,024 out of 1,20,036 arrear cases respectively of building tax. The remarkable disposal of building tax assessment arrears of 93.10 *per cent* in 2019-20 and 80.83 *per cent* in 2020-21 is appreciated. In the SGST Department, the clearance of arrears in assessments was 57,929 out of 71,135 cases during 2019-20 and 24,839 out of 27,919 cases during 2020-21. The percentage of disposal ranged from 11.95 *per cent* with respect to taxes on Motor Spirit to 98.79 *per cent* with respect to taxes on Works Contracts for 2019-20 and 18.31 *per cent* with respect to taxes on Motor Spirit to 95.34 *per cent* with respect to Other Taxes for 2020-21. The Departments may strive hard for the timely clearance of assessments of Plantation Tax, GST, Sales Tax and Motor Spirit Tax, identifying these areas as potential sources of revenue.

1.5 Evasion of tax detected by the Departments

The details of cases of evasion of tax detected by the Departments were called for by Audit. The details furnished by the SGST, Motor Vehicles, Registration and R&DM Departments are given in **Appendix - V**.

The pendency in evasion of tax detected by the Department decreased from 2,21,116 cases as on 31 March 2019 to 1,74,851 cases as on 31 March 2020 and to 1,72,884 cases as on 31 March 2021. Percentage of disposal increased from 54.58 *per cent* in 2018-19 to 85.52 *per cent* in 2019-20 and thereafter decreased to 75.05 *per cent* in 2020-21. All the above Departments completed assessment/ investigation of 10,32,376 cases in total, i.e. 85.52 *per cent* of the total cases detected as on 2019-20 and 5,20,006 cases, i.e. 75.05 *per cent* of the total cases detected as on 2020-21. They raised additional demand and penalty of ₹6,490.59 crore in 2019-20 and ₹3,382.73 crore in 2020-21. The reasons for pendency were not furnished by the Departments (September 2022).

1.6 Pendency of refund cases

The details of refund cases pending at the beginning of the year 2019-20, claims received, refunds allowed during the years 2019-20 and 2020-21 and the cases pending at the close of the year 2020-21, as reported by the SGST and Excise Departments, are given in **Table -1.3**.

Table – 1.3
Details of pendency of refund cases

(₹ in crore)

Sl. No.	Particulars	State Goods and Services Taxes		State Excise	
		No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of the year 2019-20	4,299	250.37	18	2.21

Sl. No.	Particulars	State Goods and Services Taxes		State Excise	
		No. of cases	Amount	No. of cases	Amount
2.	Claims received during the years 2019-20 and 2020-21	2,149	231.70	21	1.88
3.	Refunds made during the years 2019-20 and 2020-21	4,814	358.59	15	0.19
4.	Refunds rejected during the years 2019-20 and 2020-21	562	12.71	2	0.87
5.	Balance outstanding at the end of the year 2020-21	1,072	110.77	22	3.03

Source: Details obtained from the respective Departments.

In SGST Department, number of refund cases outstanding as at the end of March 2021 was 1,072, of which 802 cases pertain to refund of Value Added Tax involving money value of ₹87.82 crore, four cases of ₹9.07 crore pertain to Kerala General Sales Tax (KGST) and 266 cases pertain to Goods and Services Tax (GST) involving money value of ₹13.88 crore. As per Section 56 of the Kerala State Goods and Services Tax Act, 2017, if the tax ordered to be refunded is not refunded within a period of 60 days from the date of receipt of the application, interest at the rate of six *per cent* (nine *per cent* in case of refund made on order passed by an Adjudicating Authority or Appellate Tribunal or Court which has attained finality) will become payable along with refund from the expiry of 60 days till the date of payment of refund. As per Section 89(4) of Kerala Value Added Tax (KVAT) Act and Section 44(4) of KGST Act, interest at the rate of 10 *per cent* per annum is applicable on refund cases after 90 days from the date of assessment order or receipt of the order in appeal or revision or the date of expiry of the time for preferring appeal or revision. The more the delay in giving refunds, the more is the possibility of huge interest liability falling upon the Department. Also, the delay in settling refund cases may deteriorate the chances of claiming GST compensation from the Government of India, if eligible. The reason for pendency of outstanding cases was not explained by the Department.

1.7 Response of the Government/ Departments to Audit

The Principal Accountant General (PAG) (Audit II), Kerala, conducts periodical inspection of the Government Departments to test-check the transactions and verifies the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with Inspection Reports (IRs) incorporating irregularities detected during the inspection and not settled on the spot, which are issued to the Heads of the Offices inspected, with copies to the next higher authorities for taking prompt corrective action. The Heads of the Offices/ Government are required to furnish first reply within four weeks from the date of receipt of the Inspection Report. Even if final reply to certain paras in Inspection Report are not furnished within the prescribed time limit, an interim reply is to be

furnished indicating the action taken to rectify the defects pointed out by Audit. Serious financial irregularities are reported to the Heads of the Departments and the Government.

From among Inspection Reports issued upto December 2019, a total of 14,713 paragraphs involving ₹4,117.68 crore relating to 2,236 IRs were outstanding at the end of June 2020 and among Reports issued upto December 2020, a total of 14,654 paragraphs involving ₹4,412.44 crore relating to 2,275 IRs were outstanding at the end of June 2021 as mentioned below with the corresponding figures for preceding two years in **Table - 1.4**.

Table – 1.4
Details of pending Inspection Reports

	June 2018	June 2019	June 2020	June 2021
Number of IRs pending for settlement	3,340	3,560	2,236	2,275
Number of outstanding audit observations	26,690	22,437	14,713	14,654
Amount of revenue involved (₹ in crore)	8,575.04	8,213.60	4,117.68	4,412.44

Source: Details compiled by PAG (Audit II) and reconciled with respective Departments.

1.7.1 Department-wise details of IRs

The Department-wise details of the IRs and audit observations outstanding as on 30 June 2020 and 30 June 2021 and the amounts involved are mentioned in **Table - 1.5**.

Table – 1.5
Department-wise details of Inspection Reports

(₹ in crore)

Sl. No.	Name of the Department	Nature of receipts	Outstanding as on 30 June 2020			Outstanding as on 30 June 2021		
			Number of outstanding IRs	Number of outstanding audit observations	Money value involved	Number of outstanding IRs	Number of outstanding audit observations	Money value involved
1	SGST	Taxes on Sales, Trade, etc.	1,699	13,585	3,927.68	1,725	13,480	4,219.60
		Taxes on Agricultural Income	94	271	96.91	91	247	91.90
2	State Excise	State Excise	115	307	36.53	119	360	38.40
3	Registration	Stamp Duty and Registration Fees	299	481	42.91	312	500	48.89
4	Lotteries	Receipts from Lotteries	29	69	13.65	28	67	13.65
Total			2,236	14,713	4,117.68	2,275	14,654	4,412.44

Source: Details compiled by PAG (Audit II) and reconciled with the respective Departments.

Audit did not receive even first replies for 156 IRs during 2019-20 and 76 IRs during 2020-21 within four weeks from the date of issue of the IRs from three Heads of Offices. This large pendency of the IRs due to non-receipt of the replies was indicative of the fact that the Heads of Offices and the Departments did not initiate action to rectify the defects, omissions and irregularities pointed out by the PAG (Audit II) in the IRs. The large pendency of IRs due to non-receipt of replies shows the failure of monitoring mechanism for clearing the pending audit observations by the Audit Monitoring Committees at Secretary level and Apex Committees at Chief Secretary level.

Recommendation : The Government needs to put in place an effective system for ensuring prompt and appropriate response to audit observation within the time frame prescribed in the circular² issued by the Finance Department.

1.7.2 Departmental Audit Committee Meetings

The Government set up Audit Committees to monitor and expedite the progress of settlement of local audit reports and paragraphs in the local audit reports. The details of the Audit Committee Meetings held during the year 2019-20 and 2020-21 and the paragraphs settled are mentioned in **Table – 1.6**.

Table – 1.6
Details of Departmental Audit Committee Meetings

(₹ in crore)

Sl. No.	Head of revenue	Number of meetings held during 2019-20 and 2020-21	Number of audit observations pending as on 31 March 2019	Number of paragraphs settled	Amount involved in settled paragraphs
1	0040 - Taxes on Sales, Trade, etc.	6	17,593	2,245	80.76
2	0030 - Stamps and Registration Fees	0	566	0	0
3	0039 - State Excise	0	340	0	0
4	0022 - Taxes on Agricultural Income	2	477	57	4.55
5	0075-00-103 – Miscellaneous General Services-State Lotteries	0	84	0	0
Total		8	19,060	2,302	85.31

Source: Details compiled by PAG (Audit II).

² Circular Memorandum No. 57374/Ins.2/65/Fin. dated 15 November 1965.

An amount of ₹4.52 crore was recovered after discussion in these meetings. No meetings were held in respect of Departments of Registration, State Excise and State Lotteries despite having 990 pending audit observations. The Government may issue strict instructions to the Departments to devise periodic action plans to clear all the outstanding paragraphs in a time-bound manner by conducting regular Audit Committee Meetings.

Recommendation : The Government needs to hold Audit Committee Meetings for every Department to facilitate timely disposal of outstanding IRs/ Audit Paragraphs.

1.7.3 Non-production of records to Audit for scrutiny

The programme of local audit of Tax Revenue/ Non-tax Revenue offices is drawn up sufficiently in advance and intimations are issued, usually one month before the commencement of audit, to the Departments, to enable them to keep the relevant records ready for audit scrutiny.

During the years 2019-20 and 2020-21, files relating to Kerala Value Added Tax (KVAT) assessments, in which the turnovers of the assesseees were above ₹60 lakh and all KGST assessments, in which the tax effect was above Rupees two lakh, were called for by Audit for scrutiny in State Goods and Services Tax Department. However, 35 tax assessment files relating to five offices were not made available to Audit, as given in **Table – 1.7**.

Table – 1.7
Details of State Tax Offices where non-production of files were noticed

Sl. No.	Name of office	Year in which it was to be audited	Number of assessment cases not submitted		
			KGST	VAT	Total
1	STO, III Circle, Thiruvananthapuram	2017-18	-	10	10
2	STO, Attingal	2017-18	-	8	8
3	STO, Mavelikkara	2017-18	-	9	9
4	STO, Kayamkulam	2017-18	-	3	3
5	STO, Kuthiathode	2017-18	-	5	5
Total			0	35	35

Non-production of transaction records involving revenue hinders Audit in discharging the constitutional responsibility and comes in the way of assuring the State Government about the quality and risk involved in these transactions involving revenue for the State Government. The possibility of fraud or misappropriation or business malfeasance remaining hidden/ surpassed and escaping detection during audit also remains high.

1.7.4 Response of the Departments to the draft paragraphs

The draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India are sent by the PAG (Audit II) to the Secretaries of the respective Departments drawing their attention to audit findings and requesting their response within six weeks.

Thirty paragraphs including two Subject Specific Compliance Audit (SSCA) Reports were sent to the Secretaries of the respective Departments by name between July 2021 and October 2021. The Secretaries of the Departments have furnished replies to all the paragraphs.

1.7.5 Follow up on the Audit Reports - summarised position

The internal working system of the Public Accounts Committee (PAC), notified in December 2002, laid down that after the presentation of the Report of the Comptroller and Auditor General of India in the Legislative Assembly, the Departments shall initiate action on the audit paragraphs and the action taken explanatory notes thereon should be submitted by the Government to the Legislature Secretariat with copies to Principal Accountant General and Finance (PAC) Department within two months of tabling the Report, for consideration of the Committee. In spite of these provisions, the explanatory notes on audit paragraphs of the Reports were delayed inordinately. In the Reports of the Comptroller and Auditor General of India on Revenue Sector of the Government of Kerala for the years ended 31 March 2015 to 31 March 2019, placed before the State Legislative Assembly between 24 February 2016 to 10 June 2021, 118 paragraphs (including Performance Audits) were included. The action taken explanatory notes from the Departments concerned on 12 paragraphs were received late, with delay ranging from four months to 53 months, in respect of these Audit Reports and action taken on the rest of the paragraphs are yet to be received. Action taken explanatory notes in respect of all the 12 paragraphs from four Departments (Taxes³, Excise, Transport, and R&DM) has not been received so far for the Audit Report for the year ended 31 March 2019.

The PAC discussed 36 paragraphs pertaining to the Audit Reports for the years from 2015 to 2019. The PAC Reports were received for eight paragraphs (across two Reports) during the tenure of the Committee, i.e. 2019-21.

It was noticed that six Departments did not submit action taken explanatory notes on audit paragraphs as of December 2021 in respect of 70 paragraphs (54 individual and 16 PA/ Review paragraphs) featured in the C&AG's Audit Reports from the year ended 31 March 2015. In respect of 54 individual transaction audit paragraphs, compliance was not furnished by four Departments. The Departments largely responsible for non-submission of

³ The State Goods and Service Tax Department, Registration Department and the State Lotteries Department.

action taken explanatory notes were Taxes, Transport, and R&DM. The non-receipt of Action Taken Notes (ATNs) were brought to the notice of the Chief Secretary to the Government in the Apex Committee Meetings held on 08 December 2016, 15 June 2017, 11 December 2017, 23 June 2018, 18 December 2018 and 11 February 2020.

Action Taken Notes on PAC recommendations were not received in respect of 113 out of 125 recommendations of the PAC from four Departments, i.e. Taxes, Excise, Transport, and R&DM, as mentioned in **Table – 1.8** (till November 2021).

Table – 1.8
Details of non-receipt of ATNs from four Departments

Year	Name of the Department				Total
	Taxes	Excise	Transport	Revenue & Disaster Management	
2004-06	0	0	0	1	1
2006-08	0	0	0	2	2
2008-11	3	0	0	0	3
2011-14	0	0	1	0	1
2014-16	3	0	4	0	7
2016-19	39	16	7	3	65
2019-21	19	0	5	10	34
Total	64	16	17	16	113

Source: Records maintained by PAG (Audit-II) and reconciled with Departmental figures.

1.8 Status of the mechanism for dealing with the issues raised in Audit

To analyse the system of addressing the issues highlighted in the Inspection Reports/ Audit Reports by the Departments/ Government, the action taken on the audit paragraphs and Performance Audits included in the Audit Reports for the last 10 years of one Department was evaluated and included in this Audit Report.

The following paragraphs 1.8.1 and 1.8.2 discuss the performance of the SGST Department under revenue head 0040 – Taxes on Sales, Trade, etc. and cases detected during the course of local audit and the cases included in the Audit Reports for the years 2009-10 to 2018-19.

1.8.1 Position of Inspection Reports

The summarised position of the Inspection Reports issued during the last 10 years, paragraphs included in these Reports and their status as on 31 March 2021 are tabulated below in **Table - 1.9**.

Table – 1.9
Position of Inspection Reports

(₹ in crore)

Sl No.	Year	Opening Balance			Addition during the year			Clearance during the year			Closing balance		
		IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value	IRs	Paras	Money value
1	2011-12	1,260	14,798	1,670.22	159	3,212	858.84	50	783	16.44	1,369	17,227	2,512.62
2	2012-13	1,369	17,227	2,512.62	161	2,802	243.85	26	1,783	261.89	1,504	18,246	2,494.58
3	2013-14	1,504	18,246	2,494.58	147	2,493	495.70	21	1,714	57.87	1,630	19,025	2,932.41
4	2014-15	1,630	19,025	2,932.41	177	2,707	459.99	43	1,647	58.45	1,764	20,085	3,333.95
5	2015-16	1,764	20,085	3,333.95	187	2,907	612.14	79	1,861	36.26	1,872	21,131	3,909.83
6	2016-17	1,872	21,131	3,909.83	129	1,559	456.74	76	1,694	144.63	1,925	20,996	4,221.94
7	2017-18	1,925	20,996	4,221.94	167	1,841	676.66	33	1,750	90.12	2,059	21,087	4,808.48
8	2018-19	2,059	21,087	4,808.48	129	1,149	170.56	85	4,643	500.40	2,103	17,593	4,478.64
9	2019-20	2,103	17,593	4,478.64	95	861	483.88	120	3,050	221.95	2,078	15,404	4,740.57
10	2020-21	2,078	15,404	4,740.57	47	361	45.06	385	2,144	554.99	1,740	13,621	4,230.64

Source: Figures compiled by the PAG (Audit-II) and reconciled with the Departmental figures.

The Audit Committee and Apex Committee meetings were held between the Department/ Government and the Office of the Principal Accountant General to settle the old paragraphs. Audit Monitoring Committees were not held by the Department at the Government level during the period 2019-21.

1.8.2 Recovery in accepted cases

The position of paragraphs included in the Audit Reports for the last 10 years, those accepted by the Department and the amount recovered are mentioned in **Table - 1.10**.

Table – 1.10
Details of paragraphs included in the Audit Reports

(₹ in crore)

Sl. No.	Year of Audit Report	Number of paragraphs included	Money value of paragraphs	Number of paragraphs accepted	Money value of accepted paragraphs	Amount recovered during the year	Cumulative position of recovery of accepted cases as on 31.03.2019
1	2009-10	20	463.59	13	276.77	1.77	1.77
2	2010-11	27	449.65	22	379.82	8.88	10.65

Sl. No.	Year of Audit Report	Number of paragraphs included	Money value of paragraphs	Number of paragraphs accepted	Money value of accepted paragraphs	Amount recovered during the year	Cumulative position of recovery of accepted cases as on 31.03.2019
3	2011-12	16	290.50	9	238.06	45.40	56.05
4	2012-13	16	12,902.39	15	12,886.24	19.08	75.13
5	2013-14	14	75.32	8	18.57	0.17	75.30
6	2014-15	13	1,247.15	11	47.51	4.05	79.35
7	2015-16	18	3,212.16	12	2,979.20	7.06	86.41
8	2016-17	15	149.03	13	54.57	0.77	87.18
9	2017-18	3	405.38	1	21.74	0.26	87.44
10	2018-19	5	76.52	1	1.43	0.01	87.45

Source: Figures furnished by the State Goods and Services Tax Department.

It is evident from the above table that the progress of recovery in accepted cases was negligible throughout the last ten years. The recovery in accepted cases is to be pursued as arrears recoverable from the parties concerned.

1.9 Action taken on the recommendations accepted by the Departments/ Government

The draft reports of Performance Audit (PA) conducted by the Principal Accountant General were forwarded to the Department concerned/ Government with a request to furnish their replies. These reports were also discussed in Exit Conferences and the views of the Department/ Government included while finalising the Audit Reports.

The details of five PA Reports on the Departments of SGST, R&DM, Power and Registration featured in the Audit Reports for the last five years along with recommendations and their status are given in **Appendix - VI**. The PAs on SGST Department covered areas such as System of Assessment under KVAT and Infrastructure Facilities in the Commercial Taxes Department. The PA on the R&DM Department was based on Disaster Management in the State. Audit also focused on the levy, collection and accounting of Electricity Duty, Surcharge and Inspection Fee under the Power Department. The lapses in the functioning of OPEN PEARL in Registration Department were also brought to light by Audit.

In tune with the recommendations of Audit, the R&DM Department prepared disaster mitigation plans in 197 villages which are the most disaster-prone areas in 14 districts. The State Disaster Management Authority also started submitting Annual Reports to the Government. The SGST Department has issued Circular instructions to the assessing authorities to comply with the procedural requirements incidental to completion of assessment and penalty in order to avoid violation of natural justice. It was observed that the Department

took some steps to streamline its system and procedures in the light of audit observations.

1.10 Audit Planning

The unit offices under various Departments were categorised into high, medium and low risk units according to their revenue position, past trends of audit observations, complaints, media reports, non-production of records, information regarding malpractice obtained through RTI and misappropriation. The Annual Audit Plan was prepared on the basis of risk analysis which *inter alia* included critical issues in the Government revenue, tax administration, i.e. budget speech, white paper on finances, reports of the Finance Commission (State and Central), recommendation of the Taxation Reforms Committee, statistical analysis of the revenue earnings during the past five years, factors of the tax administration, audit coverage and its impact during the past five years, etc.

During the year 2019-20, there were 1,202 audit units, of which 410 units were planned for audit and 401 units actually audited, which is 33.36 *per cent* of the total audit units. Similarly, for the year 2020-21, there were 1,105 audit units, of which 93 units were planned and 96 units⁴ were audited, which is 8.69 *per cent* of the total audit units. Besides the above mentioned units for those years, two SSCAs were also taken up during the years.

1.11 Results of Audit

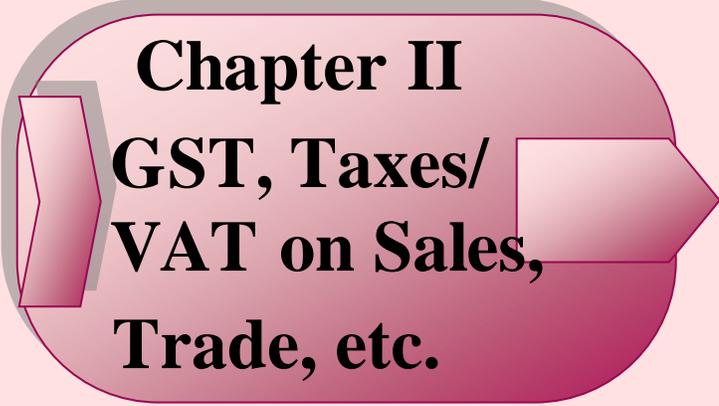
Position of Audit conducted during the year

Test-check of the records of 289 units of Sales Tax/ VAT, State Excise, Registration and other Departmental offices conducted during the years 2019-21 showed under-assessment/ short-levy/ loss of revenue aggregating to ₹498.42 crore in 853 cases. During the course of the years, the Departments concerned accepted under-assessment and other deficiencies of ₹12.73 crore involved in 32 cases, which were pointed out in Audit during the years 2019-21. The Departments collected ₹17.57 crore in 850 cases during 2019-21, pertaining to the audit findings of previous years.

⁴ Reduction in number of auditee units was due to reduction in the number of audit parties from 55 to 33 and reduction in man-days (12 months reduced to seven months) due to measures taken for Covid-19 pandemic control.

1.12 Coverage of the Report

The Report contains 19 paragraphs, which came to notice in the course of test audit of records during the year 2019-21, as well as those in earlier years, involving revenue impact of ₹66.76 crore. Instances relating to the period subsequent to 2019-21 were also included, wherever necessary. The Department/ Government accepted the audit observations involving ₹55.86 crore, out of which ₹0.68 crore was recovered. These are discussed in the succeeding Chapters II and III.



Chapter II

**GST, Taxes/
VAT on Sales,
Trade, etc.**

CHAPTER-II GST, TAXES/ VAT ON SALES, TRADE, ETC.

2.1 Tax Administration

Kerala General Sales Tax (KGST)/ Kerala Value Added Tax (KVAT)/ Goods and Services Tax (GST) laws and rules made thereunder are administered at the Government level by the Secretary, Taxes. The Commissioner, SGST Department is the head of the SGST Department who is assisted by Additional Commissioner, Joint Commissioners (JCs), Deputy Commissioners (DCs), Assistant Commissioners (ACs) and State Tax Officers (STOs). The assessment, levy and collection of tax are done by ACs and STOs.

KGST is leviable on sale of ganja, opium, foreign liquor and certain petroleum products. KVAT was leviable on the Intra-State sale of remaining commodities and Central Sales Tax (CST) on Inter-State sales. GST came into effect from 01 July 2017 subsuming VAT, CST etc.

2.2 Internal Audit

The Internal Audit Wing (IAW) of the SGST Department is monitored by the Commissioner. The effective functional unit of IAW for the year 2019-20 and 2020-21 was one Joint Commissioner assisted by 10 Deputy Commissioners, one Assistant Commissioner and 16 State Tax Officers. No specific training has been imparted to the officers of the IAW. During 2019-20, out of the overall outstanding 14,896 paragraphs, only 1,558 paragraphs (10.46 *per cent*) were cleared and during 2020-21, out of the overall outstanding 17,154 paragraphs, only 2,394 (13.96 *per cent*) were cleared. The reason for the low clearance in observations made by IAW, though called for (August 2021) has not been furnished (September 2022).

2.3 Results of Audit

There were 186 auditable units during 2019-20 and 295 auditable units during 2020-21 in the SGST Department. Out of these, Audit selected 106 units for test check during the year 2019-20 and 42 units during the year 2020-21. Test check of the records relating to KVAT/ KGST and CST assessments and connected documents during 2019-21 showed under-assessment of tax and other irregularities in 670 cases relating to non/ short levy of tax/ interest, irregular allowance of input tax credit, escape of turnover from assessment, misclassification and other lapses amounting to ₹471.33 crore. These cases are only illustrative as these are based on the test-check of records. As this was test audit in the test-checked cases and the audit observation is of a nature that may reflect in other cases not covered in test audit, the Department may therefore, like to internally examine the position in rest of the units with a view to ensure that the instances of non-compliance are taken care of by taking remedial measures, and may also fix responsibility for the lapses in all such

cases. Audit pointed out some of the similar omissions in the earlier years also. Not only do these irregularities persist, but they also remain undetected till the next audit is conducted. Under-assessment of tax and other irregularities involving ₹483.23 crore in 672 cases which fall under the following categories are given in **Table - 2.1**.

Table - 2.1
Details of under-assessment of tax and other irregularities

(₹ in crore)

Sl. No.	Categories	Number of cases	Amount
1	Compliance Audit on 'Transitional credits under GST'	1	10.15
2	'Processing of refund claims under GST'	1	1.76
3	Short payment of tax due to escape of turnover from assessment	178	127.04
4	Short payment of tax due to excess/ irregular availing of input tax credit	199	271.80
5	Short payment of tax due to misclassification/ incorrect rate of tax	88	27.34
6	Others	205	45.14
Total		672	483.23

During the course of the years 2019-21, the Department accepted under-assessment and other deficiencies amounting to ₹69.08 crore in 642 cases, which were pointed out by Audit. An amount of ₹17.76 crore pointed out in 814 cases were realised during the year.

The Department recovered an amount of ₹0.18 crore under the amnesty scheme⁵ in two cases (₹0.43 crore) pointed out by Audit during 2019-21. A few Audit observations involving ₹63.19 crore are given in the succeeding paragraphs.

⁵ The Government has unveiled an amnesty scheme to settle outstanding tax dues pertaining to the period before the introduction of the GST to clear the backlog of arrear demand by waiving interest/ penalty and giving reduction in tax arrears.

2.4 GST Registrations

2.4.1 Pan-India GST Registrations

The category-wise registrations under GST have been given in **Table - 2.2** below:-

Table - 2.2
Details of registrations

Category of Registrant	No. of Registrants as on 31 March 2020	Percentage of total as on 31 March 2020	No. of Registrants as on 31 March 2021	Percentage of total as on 31 March 2021
Normal taxpayers	2,97,897	84.03	3,01,411	84.39
Composition taxpayers	49,462	13.95	47,862	13.40
Tax Deductors at Source	6,189	1.75	6,765	1.90
Tax Collectors at Source	351	0.10	543	0.15
Input Service Distributors	84	0.02	81	0.02
Others (Casual, NRTP, OIDAR) ⁶	536	0.15	498	0.14
Total Registrants	3,54,519	100	3,57,160	100

Source: Details furnished by SGST Department.

The total registrations under GST as on 31 March 2020 and 31 March 2021 were 3.55 lakh and 3.57 lakh respectively of which normal taxpayers accounted for around 84 *per cent* and composition taxpayers were around 13 *per cent* for both years.

GST Return filing pattern

2.4.2 Filing pattern of GSTR-1 and GSTR-3B

The trends of filing of GSTR-1⁷ and GSTR-3B⁷ as on 31 March 2021 for the period from April 2019 to March 2021 as compiled from the summary reports shared by SGST Department, have been depicted in **Table - 2.3**.

⁶ NRTP - Non Resident Taxable Person, OIDAR - Online Information Database Access and Retrieval Services.

⁷ GSTR-1 is a return filed monthly or quarterly by a registered entity containing details of all outward supplies regarding goods or services (sales). GSTR-3B is a return containing the summary of a business owner's outward and inward supplies.

Table - 2.3
Filing pattern of GSTR-1 and GSTR-3B

Return Type	GSTR-1			GSTR-3B				
	Months	Due for filing	Returns filed	Return filing per cent	Due for filing	Returns filed as on 31 March 2020 & 2021	Return filing per cent	Returns filed by due date
April'19	2,79,475	1,44,723	51.78	2,79,475	2,61,094	93.42	1,04,985	37.57
May'19	2,81,241	1,45,491	51.73	2,81,241	2,62,829	93.45	93,352	33.19
June'19	2,83,381	2,59,120	91.44	2,83,381	2,64,437	93.32	89,386	31.54
July'19	2,86,357	1,47,373	51.46	2,86,357	2,66,915	93.21	80,093	27.97
Aug'19	2,88,647	1,48,406	51.41	2,88,647	2,69,041	93.21	1,10,898	38.42
Sep'19	2,90,072	2,64,510	91.19	2,90,072	2,70,324	93.19	1,22,458	42.22
Oct'19	2,92,185	1,50,372	51.46	2,92,185	2,72,402	93.23	1,03,078	35.28
Nov'19	2,94,858	1,51,999	51.55	2,94,858	2,74,570	93.12	61,145	20.74
Dec'19	2,96,505	2,68,222	90.46	2,96,505	2,76,258	93.17	1,05,625	35.62
Jan'20	2,98,159	1,52,544	51.16	2,98,159	2,77,464	93.06	96,142	32.25
Feb'20	3,00,095	1,52,339	50.76	3,00,095	2,78,709	92.87	1,05,642	35.20
Mar'20	3,01,901	2,65,196	87.84	3,01,901	2,79,594	92.61	2,71,920	90.07
April'20	1,93,566	1,13,654	58.72	1,95,050	1,84,457	94.57	*	
May'20	1,93,414	1,14,051	58.97	1,95,022	1,84,366	94.54		
June'20	1,94,481	1,79,414	92.25	1,96,310	1,85,177	94.33		
July'20	1,95,549	1,12,831	57.70	1,97,610	1,85,892	94.07		
Aug'20	1,96,501	1,12,737	57.37	1,98,824	1,86,685	93.89		
Sep'20	1,97,755	1,76,458	89.23	2,00,319	1,87,599	93.65		
Oct'20	1,99,049	1,00,499	50.49	2,01,929	1,88,588	93.39		
Nov'20	2,00,859	98,987	49.28	2,03,928	1,90,280	93.31		
Dec'20	2,02,428	1,84,865	91.32	2,05,638	1,91,605	93.18		
Jan'21	2,03,034	1,45,961	71.89	1,52,614	1,38,185	90.55		
Feb'21	2,03,974	1,48,100	72.61	1,53,993	1,39,363	90.50		
Mar'21	2,05,006	1,86,439	90.94	2,42,645	1,94,184	80.03		

*Return filed by due date for the period 2020-21 has not been furnished by the Department.

The filing of GSTR-3B for April 2019 was 93.42 per cent while the filing per cent for March 2021 was only 80.03 per cent. It was noticed that GSTR-3B returns were being filed within the due date on an average by 38.34 per cent taxpayers and 55 per cent filed the returns after due date (status based on 2019-20)

- i. The filing percentages of GSTR-1 returns were throughout less in comparison to the corresponding filing of GSTR-3B returns during the period April 2019 to March 2021. The introduction of GSTR-3B

resulted in filing of returns with ITC claims which could not be verified and it appears to have disincentivised filing of even GSTR-1.

- ii. With the changes made to returns mechanism, GSTR-1 has been the only return which would provide invoice level details. Further, GSTR-1 contains GSTIN-wise details of supplies made and hence by collating details from across various GSTR-1 returns, it would be possible to prepare a profile of taxpayers which could be used to identify liable businesses not registered under GST or those under-reporting their turnover.

GSTR-3B being only a summary return, short-filing of GSTR-1 implied that the tax departments did not have complete invoice level details as filed by the suppliers, which could be used to verify details given in GSTR-3B or to arrive at turnover. Since filing of GSTR-1 is mandatory, short-filing is an area of concern and needs to be addressed.

Revenue from GST, bi-monthly compensation received from the Government of India and details regarding Integrated Goods and Services Tax are detailed in **Appendices - VII, VIII and IX** respectively.

2.5 Compliance Audit on 'Transitional credits under GST'

2.5.1 Introduction

Introduction of Goods and Services Tax (GST) was a significant reform in the field of indirect taxes in our country, which replaced multiple taxes levied and collected by the Centre and States. GST is a destination based tax on supply of goods or services or both, which is levied at multiple stages wherein the taxes will move along with supply. The tax, which is levied simultaneously by the Centre and States on a common tax base, accrues to the taxing authority having jurisdiction over the place of supply. Central GST (CGST) and State GST (SGST)/ Union Territory GST (UTGST) are levied on intra-State supplies, whereas Integrated GST (IGST) is levied on inter-State supplies. Availability of ITC of taxes paid on inputs, input services and capital goods for set off against the output tax liability is one of the key features of GST. This avoids cascading effect of taxes and ensures uninterrupted flow of credit from the seller to buyer. To ensure the seamless flow of input tax from the existing laws into the GST regime, 'Transitional arrangements for input tax' were included in the GST Acts to provide for the entitlement and manner of claiming input tax in respect of appropriate taxes or duties paid under existing laws.

2.5.2 Transitional arrangements for input tax

Section 140 of the SGST Act, 2017, (and CGST/ UTGST Acts) enables the taxpayers to carry forward the ITC earned under the existing laws to the GST regime. The Section, read with Rule 117 of Kerala GST Rules, 2017, prescribes elaborate procedures in this regard. Under transitional arrangements for ITC, the ITC of various taxes paid under the existing laws such as Central Value Added Tax (CENVAT), State Value Added Tax (VAT) etc., are eligible to be carried forward to GST regime as under:

(a) Closing balance of credit in legacy return: The closing balance of VAT credit/ CENVAT credit available in the returns filed under the existing law for the month immediately preceding the appointed day can be taken as credit in the Electronic Credit Ledger (ECL).

(b) Unavailed credit on capital goods: The balance instalment of unavailed credit on capital goods can be taken by filing the requisite declaration in TRAN-1.

(c) Credit on duty paid stock: A registered taxable person, who was not liable to be registered under the existing law or who was engaged in the sale of exempted goods, may take the credit of the duty/ tax paid on goods held in stock based on the invoices.

(d) Credit on duty paid stock when registered person does not possess the document evidencing payment of excise duty/ VAT: A registered taxable

person, other than the manufacturer or service provider, who does not have excise or VAT invoice, is eligible to take credit on the duty paid stock.

(e) Inputs in transit: The inputs received on or after the appointed day but where the duty or tax on the same was paid by the supplier under the existing law are also eligible for Transitional credit.

(f) Tax paid under the existing law under composition scheme: The taxpayers who had paid tax at fixed rate or fixed amount in lieu of the tax payable under existing law, now working under normal scheme under GST can claim credit of duty on their input stock, semi-finished and finished stock on the appointed date.

All registered taxpayers, except those who were opting for payment of tax under the composition scheme (under Section 10 of the Act), were eligible to claim Transitional credit by filing TRAN-1 declaration within 90 days from the appointed day. The time limit for filing TRAN-1 declaration was extended initially till 27 December 2017. However, many taxpayers could not file the declaration within the due date due to technical difficulties. The due date for filing TRAN-1 declaration was further extended to 31 March 2020 for those taxpayers who could not file TRAN-1 declaration due to technical difficulties and those cases recommended by the GST Council.

2.5.3 Context and materiality

The Transitional credit, being one-time flow of ITC from the legacy regime into the GST regime, can be availed both by the taxpayers migrating from the previous regime as well as new registrants under GST. As of June 2018, 3.72 lakh taxpayers were registered under GST, out of which 9,664 taxpayers had claimed SGST credit.

2.5.4 Audit objectives

Transitional credit claims directly impact GST revenues as the credit is eligible for set off against the output tax liability of taxpayers. Thus, the audit of Transitional credit was taken up with the following objectives, seeking assurance on:

- i. Whether the mechanism envisaged by the Department for selection and verification of Transitional credit claims was adequate and effective; and
- ii. Whether the Transitional credits carried over by the assessee into GST regime were valid and admissible.

2.5.5 Audit Scope, Methodology and Coverage

The Audit scope comprised review of Transitional credit declarations filed by the taxpayers under Section 140 of the SGST Act, 2017, from the appointed

date⁸ to the end of March 2020. This involved examination of adequacy of rules specified for Transitional credit under the Act, effectiveness of departmental verification process, follow up action taken on the deviations detected, process adopted for implementation of cross-jurisdictional functions regarding Transitional credit and independent examination of selected transitional credit claims for compliance assurance.

The verification of TRAN-1 declarations and collection of details were carried out at the Assessment Circle Offices of SGST Department. The period of coverage of audit was from 2017-18 to 2019-20 and audit was conducted from March 2021 to July 2021.

A sample of 1,174 transitional cases amounting to ₹ 42.66 crore pertaining to the seven⁹ districts was identified for detailed verification. The sample was selected, keeping in view the representation from various types of ITCs (from table 5(c), 6(b) etc. of TRAN-1) and the financial materiality threshold of ₹ 50,000.

An entry conference was held with the Additional Secretary to Government, Taxes Department, Principal Commissioner of CGST, Kochi, Commissioners of CGST of Thiruvananthapuram and Kozhikode, Special Commissioner of SGST on 5 March 2021, wherein the objective, scope and methodology of audit were discussed. The exit conference was held on 23 September 2021 with the Secretary, Taxes Department, Commissioner, SGSTD and Commissioners of CGST, wherein the Audit findings were discussed.

2.5.6 Audit criteria

Section 140 of the SGST Act, 2017, governs the transition of ITC from legacy Kerala Value Added Tax (KVAT) provisions. The Section read with Rule 117 of the SGST Rules, 2017, and relevant Notifications/ Circulars issued by CBIC/ State constitute the criteria for Audit.

Audit findings

The extent of deficiencies noticed during the audit of Transitional credit cases selected for detailed audit are detailed in **Appendix - X**. Audit findings and the lapses identified are included in the subsequent paragraphs.

2.5.7 Irregular claim of transitional credit on goods in stock with duty paid documents

As per Sections 140(3), 140(4)(b) and 140(6) of SGST Act, 2017, and Rule 117(4) of Kerala GST Rules, 2017, the amount of Value Added Tax and Entry Tax paid on inputs held in stock and inputs contained in semi-finished or

⁸ 1 July 2017.

⁹ Alappuzha, Idukki, Kannur, Kasaragod, Kottayam, Kozhikode and Wayanad.

finished goods held in stock on the appointed day supported by invoices/ documents evidencing payment of tax can be carried forward to ECL as credit by the GST registered person in the following circumstances:

- i. The person was not liable to be registered under KVAT Act.
- ii. The person was engaged in sale of exempted goods.
- iii. Goods suffered tax at first point of sale and subsequent sales were not subjected to tax.
- iv. The person was entitled to take ITC at the time of sale of goods.
- v. The person was paying tax at fixed rate under KVAT Act.

Taxpayers were required to claim credit under Table 7(c) for the stock supported by invoices.

Audit noticed that in 27 (28.72 *per cent*) out of 94 cases, credits were carried forward even though these taxpayers did not fulfil any of the above mentioned criteria. Non-adherence of the above provisions resulted in the availing of irregular Transitional credit amounting to ₹6.25 crore as detailed in **Appendix - XI**.

On this being pointed out (June 2021), the Government stated (November 2021) that notices were issued in 14 cases involving an amount of ₹0.25 crore. Replies to the remaining 13 cases are awaited (September 2022).

Illustrative cases are given below:

- (a) M/s QRS Retails Ltd. (GSTIN: 32AAACQ1665J1ZJ), a taxpayer coming under the jurisdiction of Statue Range in Thiruvananthapuram South Division had claimed credit of ₹4.49 crore as eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day. Verification of claims revealed that the taxpayer was a regular taxpayer who dealt with electronic goods during the KVAT regime and is not eligible to avail credit for such goods. The irregular credit claimed by the taxpayer amounts to ₹4.49 crore.
- (b) M/s Trinity Global (GSTIN: 32AAIFT0033A1Z1), a taxpayer coming under the jurisdiction of Alappuzha Range in Alappuzha Division had claimed credit of ₹0.35 crore as eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day. Verification of claims revealed that the taxpayer was a regular taxpayer who dealt with white goods, telephone and telephone equipment during the KVAT regime and he is not eligible to avail credit for such goods. The irregular credit claimed by the taxpayer amounts to ₹0.35 crore.

2.5.8 Irregular claim of Transitional credit on goods in stock without duty paid documents

As per Section 140(3) of Kerala GST Act, 2017, and Rule 117(4) of Kerala GST Rules, 2017, a registered person, holding stock of goods which have suffered tax at the first point of their sale in the State and the subsequent sales of which are not subject to tax in the State shall be allowed to avail ITC on goods held in stock in respect of which he is not in possession of any document evidencing payment of VAT in the following conditions:

- i. The credit shall be allowed at the rate of 60 *per cent* on such goods which attract State tax at the rate of nine *per cent* or more and 40 *per cent* for other goods of the State tax applicable on supply of such goods.
- ii. The scheme shall be available for six tax periods from the appointed date.
- iii. Such goods were not wholly exempt from tax under the KVAT Act, 2003.
- iv. The registered person availing of this scheme and having furnished the details of stock held by him, submits a statement in FORM GST TRAN-2 at the end of each of the six tax periods during which the scheme is in operation indicating therein the details of supplies of such goods effected during the tax period.

The amount of credit allowed shall be credited to the ECL of the applicant maintained in FORM GST PMT-2 on the Common Portal.

Scrutiny of TRAN-1 and TRAN-2 declarations of taxpayers who availed input tax credit revealed that in respect of six (2.96 *per cent*) out of 203 cases, credits were not within the purview of the above provision. This resulted in irregular claim of Transitional credit amounting to ₹2.89 crore as detailed in **Appendix - XII**.

On this being pointed out (June 2021) the Government stated (November 2021) that reply from the Central jurisdiction is awaited.

An illustrative case is given below:

M/s QRS Retails Ltd. (GSTIN: 32AAACQ1665J1ZJ), a taxpayer coming under the jurisdiction of Statue Range in Thiruvananthapuram South Division had claimed credit of ₹2.59 crore as eligible duties in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock and was not in possession of an invoice or any other document evidencing payment of tax in respect of inputs on the appointed day. Verification of claims revealed that the taxpayer was a regular taxpayer who dealt in electronic goods during KVAT regime and was not eligible to avail credit for such goods. The irregular credit claimed by the taxpayer amounted to ₹2.59 crore.

2.5.9 Excess carry forward of ITC

As per Section 140(1) of the SGST Act, 2017, a registered person, other than a person opting to pay tax under Section 10, shall be entitled to take in his ECL the amount of Value Added Tax and Entry Tax, if any, carried forward in the return relating to the period ending with the day immediately preceding the appointed day, furnished by him under the existing law in such manner as may be prescribed. The registered person shall not be allowed to take credit in the following circumstances:

- i. Where the said amount of credit is not admissible as ITC under the Act; or
- ii. Where he has not furnished all the returns required under the existing law for the period of six months immediately preceding the appointed date; or
- iii. The said credit is attributable to any claim related to Section 3, Section 5(3), Section 6, Section 6A or Section 8(8) of the Central Sales Tax (CST) Act, 1956 which is not substantiated in the manner, and within the period, prescribed in Rule 12 of the CST (Registration and Turnover) Rules, 1957.

The input tax under this category was required to be claimed under Table 5(c) of TRAN-1 declaration.

Audit verified the transitional claims of 867 taxpayers and noticed that the taxpayers had carried forward irregular ITC in 22 claims (2.54 *per cent*) amounting to ₹0.67 crore under Table 5(c) of TRAN-1 declaration. These irregularities included transition of excess credit due to non-matching of closing balance of the credit in the last KVAT return and credit claimed without filing legacy returns.

Significant findings in each of these categories are illustrated below:

(a) **Non-matching of closing balance of the credit in the last KVAT return**

Audit noticed that 19 (2.19 *per cent*) out of 867 taxpayers carried forward higher transitional credits in the ECL than the amount declared in their last return under KVAT. The irregular availing of Transitional credit, without adhering to the provision of SGST Act, involved an excess credit carry forward of ₹0.63 crore as detailed in **Appendix - XIII**.

On this being pointed out (June 2021) the Government stated (November 2021) that notices were issued in four cases involving an amount of ₹0.04 crore. Replies in the remaining 15 cases are awaited (September 2022).

Illustrative cases are detailed below:

- i) M/s EICL Limited (GSTIN: 32AAACE5011C1ZM), a taxpayer coming under the Veli Range in Thiruvananthapuram North Division, had carried forward ₹0.24 crore as closing ITC balance from the KVAT returns under Table 5(c) of TRAN-1. However, verification of KVAT returns of the taxpayer revealed that the actual ITC balance as per the said returns was only ₹0.64 lakh leading to an excess credit carried forward of ₹0.24 crore.
- ii) M/s Muthoot Homez (GSTIN: 32AAECM1840M6ZF), a taxpayer coming under the Statue Range in Thiruvananthapuram North Division had carried forward ₹0.15 crore as closing ITC balance from the KVAT returns under Table 5(c) of TRAN-1. However, verification of KVAT returns of the taxpayer revealed that the actual ITC balance as per the said returns was 'NIL' leading to an excess credit carried forward of ₹0.15 crore.

(b) Transitional credit claimed without filing legacy returns

Audit noticed that three (0.35 *per cent*) out of 867 taxpayers claimed Transitional credit of ITC balances remaining in the accounts even though they have not filed all the returns as required under the existing law. Amount of credit transitioned in three such cases amounted to ₹0.04 crore as detailed in **Appendix - XIV**.

On this being pointed out (June 2021) in Audit, the Government stated (November 2021) that notice was issued in one case involving an amount of ₹0.88 lakh. Replies in the remaining two cases are awaited (September 2022).

2.5.10 Irregular availment of transitional credits on capital goods

As per Section 140(2) of the SGST Act, 2017, a taxpayer other than a person opting to pay tax under Section 10, shall be entitled to take in his ECL, credit of unavailed portion of ITC in respect of capital goods not carried forward in a return, furnished under an existing law for the period ending with the day immediately preceding the appointed day. This is subject to the provision that the taxpayer shall not be allowed to take credit unless the said credit was admissible as ITC under the existing law and is also admissible as ITC under GST Act.

The unavailed ITC on capital goods represents the amount that remains after subtracting the amount of ITC already availed in respect of capital goods by the taxable person under the existing law from the aggregate amount of ITC to which the said person was entitled in respect of the said capital goods under the existing law.

Taxpayers were required to claim unavailed ITC of capital goods under Table 6(b) of TRAN-1 declaration.

As per KVAT monthly returns of 192 taxpayers, Audit noticed in 12 cases (6.25 per cent) that the unavailed portion of credit on capital goods was 'Nil' and in eight cases (4.17 per cent) the unavailed portion of credit was less than the credit claimed in TRAN-1 declaration. Thus, the Transitional credit on capital goods amounting to ₹0.34 crore in 20 cases was inadmissible as detailed in **Appendix - XV**.

On this being pointed out (June 2021), the Government stated (November 2021) that notices were issued in eight cases involving an amount of ₹0.08 crore and ₹0.06 crore recovered in three cases. Replies in the remaining cases are awaited (September 2022).

Illustrative cases are given below:

- i) M/s QRS Retails Ltd. (GSTIN: 32AAACQ1665J1ZJ), a taxpayer coming under the jurisdiction of Statue Range in Thiruvananthapuram North Division had claimed unavailed ITC in respect of capital goods amounting to ₹0.10 crore under Table 6(b) of TRAN-1 declaration. Verification of KVAT return for June 2017 revealed that the taxpayer had 'NIL' credit as unavailed KVAT capital goods credit to carry forward to GST regime. The irregular credit claimed on such goods amounts to ₹0.10 crore.
- ii) M/s Lilly Whites Garments Pvt. Ltd. (GSTIN: 32AABCL9777F1ZB), a taxpayer coming under the jurisdiction of Statue Range in Thiruvananthapuram North Division had claimed unavailed ITC in respect of capital goods amounting to ₹0.06 crore under Table 6(b) of TRAN-1 declaration. Verification of KVAT return for June 2017 revealed that the taxpayer had 'NIL' credit as unavailed KVAT capital goods credit to carry forward to GST regime. The irregular credit claimed on such goods amounts to ₹0.06 crore.

2.5.11 Conclusion

Audit noticed deviation from Act/ Rules in 75 cases (6.39 per cent) amounting to ₹10.15 crore (23.79 per cent) out of 1,174 cases amounting to ₹42.66 crore test-checked in Audit. The deficiencies noticed were primarily on irregular claim of Transitional credit on goods in stock, excess carry forward of ITC and irregular availment of Transitional credits on capital goods.

2.5.12 Recommendation

The verification of Transitional Credit claims should not be allowed to linger and the Department should ensure that it is completed expeditiously as per the merits of the case in a time bound manner.

2.6 'Processing of refund claims under GST'

2.6.1 Introduction

The provisions pertaining to refund contained in the GST laws aim to streamline and standardise the refund procedures under GST regime. It was decided that the claim and sanctioning procedures would be completely online. Due to the unavailability of Electronic Refund module in the common portal, a temporary mechanism was devised and implemented which involved physical submission of application and supporting documents.

Later, the refund procedure was made fully electronic from 26 September 2019 (also called Automation of Refund Process). The Circulars issued by the Government of India as per the recommendations of the GST Council meetings are being followed by the State GST Department also. However, all refund applications filed on the common portal before 26 September 2019 are to be processed manually as was done prior to deployment of the new system.

2.6.2 Audit Scope and Methodology

The Audit was conducted between December 2020 and May 2021 to assess the adequacy of the statutory provisions of refund and effectiveness of its internal control mechanism to dispose of the refund applications. For this GSTN provided pan-India Refund Data for the period from July 2017 to July 2020. For the period prior to 26 September 2019, i.e., pre-automation period, the refund applications under each category were sorted out in descending order of refund amount claimed by taxpayers. The sorted refund applications were divided into four quartiles for drawing the sample.

For selecting refund applications filed after 26 September 2019, a composite risk score was devised using risk parameters such as refund amount claimed (60 *per cent*), delay in sanctioning refund (15 *per cent*), refund sanctioned/refund claimed ratio (10 *per cent*) and issue of deficiency memo. Based on the risk score arrived as per this process, refund applications were selected.

Based on the above procedure, a sample of 868 out of 6,026 refund cases pertaining to Kerala State was selected for Audit. Out of these, 451 cases relate to refunds filed after 26 September 2019. Of the 417 cases relating to refunds filed prior to 26 September 2019, in 72 cases though ARN¹⁰ was generated, refund applications were not submitted by the taxpayer to the proper officer¹¹ for refund processing. Thus, the total number of cases test-checked during the audit was 796.

¹⁰ ARN : Application Reference Number. On submission of refund application, ARN number is generated against the refund application. Taxpayers can track refund status using this number.

¹¹ Section 2(91) of the Kerala State Goods and Services Tax Act, 2017.

Apart from the above, communication of refund orders to and from the counterpart Tax Authorities for the purpose of payment of the sanctioned refund amount of tax were also test checked.

Audit Findings

2.6.3 Acknowledgment not issued within time

During audit scrutiny of 796 refund cases it was noticed that the delay in issue of acknowledgement in 167 cases (21 *per cent*) ranged from one to 198 days as detailed in **Appendix - XVI**. Of these, 154 cases were delayed by one to three months, 10 cases were delayed by three to six months and three cases were delayed by more than six months. Further, acknowledgements were not issued in 108 cases (13.75 *per cent*). Thus, the Department did not adhere to the timelines for issuing acknowledgement as prescribed in the rules *ibid*.

The matter was reported to the Government (October 2021). The Government replied (February 2022) that during the relevant period there were technical glitches in the GST website which made the process slower. Moreover, in many cases the assesseees were not aware of the documents to be submitted along with the application for refund. Therefore, the entire claim had to be verified with reference to the returns and the annexures submitted to ensure the veracity of the claim and to prevent loss of revenue. The same had caused delay in issuing acknowledgement and processing of refunds in certain cases. Further, no loss of revenue could be attributed for the technical default of delay in issuing acknowledgments.

The reply is not acceptable as the Rule stipulates that if the claim submitted by the assesseees is not supported by requisite documents, the officer concerned should issue deficiency memo within 15 days and direct the assessee to re-submit the claim. Such re-submitted claims are to be treated as fresh claims and acknowledgements have to be issued within 15 days from the date of submission. Audit pointed out only those cases in which neither acknowledgement nor deficiency memo was issued within the stipulated time (July 2022).

2.6.4 Refund orders not sanctioned in time

Audit observed that in 276 cases (34.67 *per cent*) out of the 796 cases examined, there was delay in sanctioning of refunds ranging from one to 628 days. Of these, 201 cases were delayed by one to three months, 53 cases were delayed by three to six months and 22 cases were delayed by more than six months. Further, the Department did not pay interest of ₹51.03 lakh which was due to the claimants.

The matter was reported to the Government (October 2021). The Government replied (February 2022) that before sanctioning a refund, the proper officer had to scrutinise the GSTR1, GSTR3B, ECL, purchase invoices, etc. for the

relevant period. In certain cases, deficiency memos were issued to the assessee and due to the delay in obtaining the replies the applications were kept pending as the GST website was not fully functional during the relevant period. The delay in processing the refunds had occasioned only due to the above mentioned reason and was neither willful nor negligent. Moreover, no loss of revenue was caused to the State exchequer due to the delay in sanctioning or by payment of interest for the delay in processing the refund.

The reply of the Government is not acceptable, as Audit excluded those cases in which delay was due to delay in furnishing of replies by the taxpayers. Moreover, as per the statute, the Government should pay interest for the delayed payment of refunds (July 2022).

2.6.5 Non-issue/ delay in sanction of provisional refund on account of zero-rated supply

During the audit period, 1,969 refund cases were processed on account of zero-rated supply of goods or services or both by the Department. Out of these, 364 refund cases were examined and it was noticed that in 277 refund cases (76.10 *per cent*) the provisional refunds were not sanctioned by the proper officer even though final refunds were sanctioned. Further, out of the 87 cases where provisional refunds were sanctioned, in 34 cases (39.08 *per cent*) there was delay in sanction of provisional refunds ranging from one to 337 days. Of these, 31 cases were delayed by one to three months, two cases were delayed between three to six months and one case was delayed by more than six months. This has resulted in non-observance of the provisions of Rule 91(2) of the KSGST Rules, 2017.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that the said provision of the Act is only directory and not mandatory and 90 *per cent* of the claim is to be sanctioned only after ascertaining the veracity of the claim *prima facie*. The said cases needed detailed verification and so it caused a delay in sanctioning provisional refund.

The reply is not tenable as Rule 91(2) of KSGST Rules, 2017 stipulates that the proper officer shall make an order in Form GST RFD-04, sanctioning the amount of refund due to the applicant on a provisional basis within a period not exceeding seven days from the date of acknowledgement. As such, sanctioning of refund within seven days is a mandatory provision to be complied with. Moreover, it is also a part of the Government's policy of 'ease of doing business' to release the blocked revenue as soon as possible to the concerned businesses (June 2022).

2.6.6 Abnormal delay in communicating refund orders to counterpart Tax Authority

Audit scrutiny of the refund data made available by five¹² offices out of 15 offices of Joint Commissioners in Kerala State Goods and Services Tax Commissionerate revealed that out of 1,922 refund orders, 1,592 refund orders (82.83 *per cent*) were forwarded to the counterpart Central Tax Authority with delay ranging from one to 311 days. Of these, 1,523 cases were delayed by one to three months, 29 cases between three to six months and 40 cases were delayed by more than six months.

Further, it was also observed that out of 1,508 refund orders involving an amount of ₹42.58 crore which got transferred from the counterpart Central Tax Authority, 1,007 refund orders involving ₹28.55 crore (67.06 *per cent*) were received with delays ranging from one to 563 days. Of these, 914 cases were delayed by one to three months, 87 cases were delayed by three to six months and six cases were delayed by more than six months.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that during the initial stage of implementation of GST, the Department had faced technical glitches which affected the procedures to be followed. Also, being a new tax system and having no previous experience there was delay of a few days in submitting the application to the Nodal Officer. As there is no loss of revenue, the delay in communicating refund orders to counterpart tax authority may be condoned.

The reply is not acceptable as any accepted application for refund, if not refunded within the period of sixty days, interest at such rate shall be payable in respect of such delayed refund. In the above reported cases, though refunds were sanctioned within the time limit, the payment of the same got delayed due to delay in communication. Moreover, there is no provision in the Act to condone the delay (July 2022).

2.6.7 Non-conducting of post-audit of refund claims

During Audit scrutiny of the 796 refund cases it was observed that none of these cases were sent for post-audit. This, apart from resulting in non-adherence to Commissioner's instructions, may also lead to possible loss of revenue to exchequer.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that during manual sanctioning of refund, before sanctioning of refund, proper officers had obtained approval from higher authority and hence the concept of post-audit had no relevance.

¹² Offices of Joint Commissioner Thiruvananthapuram, Joint Commissioner Kollam, Joint Commissioner Kozhikode, Joint Commissioner Kannur and Joint Commissioner Kasaragod.

The reply is not tenable as CBIC on recommendation of GST Council vide circular No 17/17/2017-GST dated 15 November 2017 directed that post-audit of refund orders should be done as per the extant guidelines. The Commissioner of State GST had also issued directions in this regard. Hence the Department should adhere to the instructions issued by the Commissioner.

2.6.8 Irregular allowance of IGST and CGST refund despite drawback allowed at higher rate

During the audit period in 76 STOs, 1,969 refund cases were processed on account of zero rated supply of goods or services or both by the Department. Out of these, 364 refund cases were examined and it was noticed that in three refund cases in two¹³ STOs, the assessees availed Duty drawback at a higher rate and did not submit a copy of the self-declaration submitted to the jurisdictional Customs Officer to the effect that no ITC of CGST/ IGST is claimed, no refund of IGST paid on export goods is claimed and no CENVAT credit is carried forward. The allowance of ITC in respect of IGST and CGST resulted in irregular allowance of ₹0.15 crore.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that in one case¹⁴ notice in DRC01A¹⁵ was issued to the taxpayer demanding an amount of ₹0.04 crore including interest. Replies in the remaining two cases are awaited (September 2022).

2.6.9 Irregularity in processing of refund of inverted duty structure

During the Audit of 25 STOs in KSGST Commissionerate, 1,548 refund cases on account of inverted duty structure were processed till 31 July 2020. Out of these, 296 refund cases were examined and it was noticed that seven refunds were issued irregularly. Out of this, in four cases in respect of two¹⁶ assessees, the proper officer erred in considering the 'Adjusted Total Turnover' correctly. This resulted in irregular allowance of refund of ₹0.02 crore as detailed in **Appendix - XVII (a)**. In the other three¹⁷ cases, refund was allowed on a commodity which was initially ineligible for refund and later allowed for the same under certain conditions. It was noticed that the assessee carried forward the net ITC from July 2018 to subsequent periods and was allowed refunds instead of disallowing the net ITC available at the end of July 2018. This resulted in non-reversal of ITC of ₹0.19 crore as detailed in **Appendix - XVII (b)**.

¹³ State Tax Office III Circle and State Tax Office IV Circle, Kozhikode.

¹⁴ S.M.Fruits.

¹⁵ As per Notification No. 49/2019-Central Tax dated 09.10.2019, the proper officer should, before serving the notice to the person chargeable with tax, interest and penalty under various sections, communicate the details of any tax, interest and penalty as ascertained by the said officer using this form.

¹⁶ Slipons India Private Limited and Holyprops Industries.

¹⁷ Supreme Narrow Fabrics, Supreme Textiles, Ariham Industries.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that in three¹⁸ cases the taxpayer had reversed an amount of ₹0.14 crore through Form GST DRC 03¹⁹ and in one²⁰ case, an amount of ₹0.05 crore was reversed through GSTR 3B. Reply in the remaining three cases are awaited (September 2022).

2.6.10 Excess allowance of refund due to omission to exclude credit notes

During the scrutiny of 364 cases out of 1,969 refund cases processed on account of zero-rated supply of goods or services or both by the Department it was noticed that in one²¹ STO, refunds related to M/s IBS Software Services Pvt. Ltd. for three²² periods were sanctioned completely as claimed by the assessee, without deducting the input tax reversed by the suppliers by issuing credit notes. This resulted in excess allowance of refund of ₹0.14 crore.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that the proper officer issued DRC07 creating an additional tax effect of ₹0.63 crore which includes other deficiencies also.

2.6.11 Excess grant of refund due to non-reversal of ITC on exempted supplies

Audit scrutiny of 364 cases revealed that in two refund cases in two²³ STOs, the entire ITC availed during the period was allowed while calculating the refund amount, though the assessee had exempted supplies during the relevant period. Non-reversal of proportionate ITC for the exempted supplies resulted in excess refund of ITC of ₹0.01 crore.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that in one²⁴ case, detailed verification was being done. However, a show cause notice had been issued. Reply in the remaining one case is awaited (September 2022).

2.6.12 Refund sanctioned on time barred application

Audit scrutiny of 796 cases revealed that four refunds with respect to two²⁵ assesseees in two²⁶ STOs were issued beyond the period of limitation

¹⁸ Holyprops Industries, Supreme Narrow Fabrics, Supreme Textiles.

¹⁹ For intimation of voluntary payment made by the taxpayer or made against the show cause notice by the taxpayer.

²⁰ Ariham Industries.

²¹ Special Circle, Thiruvananthapuram.

²² For the relevant periods October 2017- November 2017, December 2017-January 2018 and February 2018-March 2018.

²³ Special Circle II, Ernakulam and Works Contract, Ernakulam.

²⁴ Amaco Impex Pvt. Ltd.

²⁵ M/s.Lunar Rubbers and AAK Exports.

²⁶ Special Circle, Thodupuzha and STO, Tirur.

prescribed under Section 54 of the KSGST Act, 2017, which resulted in irregular refund of ₹0.11 crore as detailed in **Appendix - XVIII**.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that in three cases of one²⁷ taxpayer, Form GST DRC 01 was issued and the taxpayer had filed adjournment letter. Reply in the remaining one case is awaited (September 2022).

2.6.13 Non demand of tax in respect of ITC disallowed as ineligibly availed

During Audit scrutiny of 660 cases out of 3,517 refund cases relating to zero-rated supply of goods or services or both and inverted duty structure, it was noticed that in three refund cases in respect of two assesseees, the Department after verification of the input invoices disallowed ITC of ₹37.60 lakh as it was not matching with Form GSTR 2A for the relevant period. Even though the rejection of ITC was on account of ineligibility of the credit, the Department did not issue an order of demand to recover the ITC wrongly availed. This had resulted in non-demand of tax of ₹0.38 crore as detailed in **Appendix - XIX**.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that in one²⁸ case, the proper officer issued DRC 07 creating an additional tax effect of ₹0.63 crore which includes other compliance deviations also. Reply in the remaining two cases are awaited (September 2022).

2.6.14 Excess refund sanctioned due to wrong admission of Net ITC

Audit examined 364 cases out of 1,969 refund cases relating to zero rated supply of goods or services or both and it was noticed that in one²⁹ case, the net ITC taken by the Department for calculating the maximum refundable amount included ITC for a previous period which got re-credited through manual orders in Form GST PMT 03 to the assessee's ECL. The re-credited ITC of ₹0.40 crore relates to the period from July 2017 to September 2017 which was disallowed by the Assessing Authority during that period. Reckoning the disallowed ITC for another period in arriving at the eligible refund is against the provisions of the Act. The irregular admission of ITC resulted in excess refund of ₹0.10 crore.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that the proper officer had issued notice to the taxpayer.

²⁷ AAK Exports.

²⁸ IBS Software Services Pvt. Ltd.

²⁹ M/s NS Cashew Company (GSTIN 32AEEPR6378G1ZA), relevant period April 2018 to October 2018.

2.6.15 Irregular refund of excess balance in Electronic Cash Ledger

Audit examined 78 cases out of 1,078 refund cases relating to Electronic Cash Ledger revealed that in three cases in three³⁰ STOs, the entire Tax Deducted at Source (TDS) credit as reflected in the Electronic Cash Ledger of the assesseees were refunded, even though the assesseees did not fill up the prescribed undertaking as per Section 16(2)(c) and 42(2). Also the Department did not verify whether the tax liability was discharged on the value of supply received from the deductor. This had resulted in irregular sanction of refund amounting to ₹0.54 crore.

The matter was reported to the Government (October 2021).The Government stated (February 2022) that in one case³¹ the refund claimed by the taxpayer was on account of excess balance in Electronic Cash Ledger. Further, the assessee filed undertaking under Section 16(2)(c) and TDS certificates in Form GST 7A. In another case³², the TDS return for 2019-20 included invoices pertaining to the period 2018-19.

The reply is not tenable, as verification of tax returns, filed from the date of credit of TDS to the date of refund of it showed that the tax liability on the turnover on which TDS was effected was not discharged fully. Moreover, the statute allows refund of excess cash balance on account of TDS, only in cases where tax deducted in excess than is required is also paid by the deductor as per CBIC Circular No.125/44/2019 – GST dated 18 November 2019.

2.6.16 Refund of unutilised ITC other than by way of zero-rated supply or inverted duty structure

Audit examined 660 cases out of the 3,517 refund cases relating to zero-rated supply and inverted duty structure, and it was noticed that in three refund cases in three³³ STOs, the assesseees had availed ITC on inputs received for the entire relevant period³⁴ despite the fact that the assesseees were not having zero-rated sales after a certain period in the relevant period³⁵ of refund claim. It was also observed that the proper officers had taken the entire ITC claimed during the relevant period for determining the net ITC. Since the assesseees had not exported any goods during the last months of the relevant period for which refund was claimed, the unutilised ITC accumulated during such months in respect of the goods which were actually kept in stock was not to be refunded as per the provision. Refund of unutilised ITC accumulated during the tax

³⁰ Special Circle, Thiruvananthapuram, Works Contract, Thiruvananthapuram and STO, Adoor.

³¹ Adani Ports and Special Economic Zone Ltd.

³² Karippolil Enterprises.

³³ Special Circle, Kollam and STOs, Ottappalam and Alathur.

³⁴ Relevant period means the period for which the claim has been filed.

³⁵ M/s Sea Land Cashew – April to December 2018 (relevant period), Blissful Garments Pvt Ltd – April 2018 to March 2019 (relevant period), Transcedence Automation Pvt Ltd – April 2019 to March 2020 (relevant period).

periods, after the month of last export invoice, was irregular which amounted to ₹0.12 crore.

The matter was reported to the Government (October 2021). The Government stated (February 2022) that in one³⁶ case order of demand was issued and in another case³⁷, show cause notice was issued to the taxpayer. Reply in the remaining one case is awaited (September 2022).

2.6.17 Non-production of records regarding constitution of Consumer Welfare Fund

The Government of Kerala (GoK), constituted³⁸ the Consumer Welfare Fund and decided to operate a new head of account SH-87 (Consumer Welfare Fund under the Kerala State GST Act, 2017) below the existing head(s) of account MH-8229 and MIH-200.

Audit called for the details regarding the management of the Fund such as modes of crediting to the Fund, amount credited to the Fund, amount utilised from the Fund, Refund given from the Fund etc., which were not made available. Records such as minutes of discussion regarding the constitution of Fund, files relating to the constitution of the Fund, bylaw, if any, for the management of funds, etc. were also not made available to Audit. In a correspondence made by the CGST Department to the Director General of Anti-Profitteering, it was noticed that there was no electronic mode of payment for depositing money in the State Consumer Welfare Fund as of December 2020. In the absence of records/ data/ details, Audit could not ascertain how money was transferred to this Fund, utilisation of money from the Fund, etc. The matter was reported to the Government (October 2021). Reply of the Government is awaited (September 2022).

2.6.18 Conclusion

There was significant delay in issuance of acknowledgement and issuance of refund orders in 35 *per cent* of the cases. There was non-issue/ delay in sanction of provisional refund in 85 *per cent* cases and abnormal delay ranging from one to 311 days in communicating refund orders to the counterpart Tax Authority. There were cases of irregular allowance of refunds in case of inverted duty structure, irregular refund of excess balance in ECL, etc. The deviation ranged from 0.82 *per cent* to 85.44 *per cent* in the audit sample. None of the refund claims were subjected to post-audit. Department did not provide records/ data/ details of the State Consumer Welfare Fund.

³⁶ M/s Blissful Garments Pvt. Ltd.

³⁷ M/s Transcendence Automation Pvt. Ltd.

³⁸ Vide G.O.(Rt)No.1215/2019/Fin dated 18 February 2019.

2.6.19 Recommendations

The Government

- i) should ensure timely refunds as per GSTN formats;
- ii) may conduct post-audit of the refunds which will *inter alia* curtail the possible loss of revenue to exchequer;
- iii) may make available records/ details with respect to Consumer Welfare Fund for examination by Audit.

During the years 2019-21, 148 units under the SGSTD were audited including State Tax Offices/ Assessment circles. Some illustrative cases on application of incorrect rate of tax, incorrect exemption, incorrect assessment and short levy of purchase tax are detailed below:

2.7 Short levy of tax due to application of incorrect rate of tax

Application of incorrect rate of tax on the turnover of ₹312.30 crore resulted in short levy of tax and interest of ₹11.03 crore.

2.7.1. As per Section 8(a)(i) of KVAT Act, 2003, any works contractor who imports any goods into the State from other States or Country for incorporation in the works contracts and or who is registered under the provisions of the CST Act, 1956, may at his option, instead of paying tax in accordance with the provisions of Section 6, pay tax at the rate of seven *per cent* of the whole contract amount for all works contracts undertaken by him subject to certain conditions. The compounded tax payable on the works contracts awarded by GoK, Kerala Water Authority or Local Authorities shall be at five *per cent* on the whole contract amount. Under Section 31(5) of the Act, if the tax or any amount assessed or due under this Act is not paid by any dealer or any other person within the time prescribed, the dealer or the other person shall pay simple interest at the rate of twelve *per cent* per annum.

Audit conducted (April 2019) test check of assessment files and related records in eight Works Contract Circle Offices³⁹. On scrutiny, it was revealed that 31 assesseees out of the 1,156, who opted for paying tax at compounded rate of seven *per cent* for the works contract undertaken by the assessee and five *per cent* on the works contract awarded by the Government of Kerala, Kerala Water Authority or Local Authorities applied incorrect rate of tax on the taxable turnover of ₹312.30 crore instead of the applicable rate as per Section 8(a)(i). The application of incorrect rates of tax resulted in short levy of tax and interest of ₹11.03 crore as detailed in **Appendix - XX**.

On this being pointed out (August 2021), the Government stated (April 2021, September 2021, November 2021, December 2021, February 2022) that in 30 cases assessments were completed creating additional demand of tax. Out of this 30 cases an amount of ₹0.36 crore were collected in 12 cases under amnesty scheme⁴⁰. In the remaining one case reply is awaited (September 2022).

³⁹ Works Contract Offices at Alappuzha, Ernakulam, Kollam, Kottayam, Kozhikode, Malappuram, Mattancherry and Pathanamthitta.

⁴⁰ The Government has unveiled an amnesty scheme to settle outstanding tax dues pertaining to the period before the introduction of the Goods and Services Tax to clear the backlog of arrear demands by waiving interest/ penalty and giving reduction to tax arrears.

It is recommended that the Department may put adequate controls to conduct proper verification of records and ensure that there is no short payment of tax.

Failure of the Assessing Authorities to conduct proper verification of records resulted in short collection of tax and interest of ₹7.54 crore.

2.7.2. As per Section 6(1) (f) of the KVAT Act 2003, in the case of transfer of goods involved in the execution of works contract, where the transfer is not in the form of goods, but in some other form, tax is to be levied at the rate of 14.5 *per cent* and when the transfer is in the form of goods at the rates prescribed under the respective schedules. As per the proviso below the above sub-section the tax payable under Clause (f) in respect of transfer of declared goods not in the form of goods but in some other forms, shall be at the rate prescribed under the respective schedules. Under Section 31(5) of the Act, if the tax or any amount assessed or due under this Act is not paid by any dealer or any other person within the time prescribed, the dealer or the other person shall pay simple interest at the rate of twelve *per cent* per annum.

During 2018-19 and 2019-20, Audit test-checked the assessment files and connected records of 663 out of 10,026 works contractors registered in the four Works Contract Circle Offices⁴¹ for the period 2017-18. On scrutiny, it was revealed that five assesseees who opted for paying tax at non-compounded rate applied incorrect rate of tax on the taxable turnover. The failure of the Assessing Authorities to conduct proper verification of records while finalising the assessment resulted in short collection of tax and interest of ₹7.54 crore as detailed in **Appendix - XXI**.

On this being pointed out (July 2021) the Government stated (February 2022) that the assessment has been completed in four cases creating additional demand. In the case of M/s Larsen Toubro Limited, the Government replied (February 2022) that purchase of iron and steel only has been taken into consideration. But the claim of declared goods reported by the assessee includes the value of pipes, steel structurals and other steel items such as bars, sheets, hoops, strings, discs, rings, plates, forgings, tools, alloys and special steel of any other categories, etc. which are also defined under Section 14 of CST Act, 1956. The purchase of these items were reported under Part E and F columns of the return in Form No. 10B. Hence as per the revised quarterly returns and invoice-wise purchase statement uploaded along with returns, the total purchase of declared goods during the year is ₹83.73 crore. The purchase value to be considered is the net value after adjusting stock element and after deducting value of goods used in the course of work and the property which is not transferred to clients. To this net purchase value, gross profit is added to arrive at the transfer value.

⁴¹ Works Contract Offices at Ernakulam, Kottayam, Mattancherry and Pathanamthitta.

Therefore, the taxable turnover at five *per cent* of ₹126 crore is as per books of accounts and rate of tax applied is found correct.

The reply is not acceptable. As per the turnover of purchases/ stock transfer, returned under Part E and F columns of the return filed in Form No. 10B, the five *per cent* taxable items, other than Iron and Steel, reported by the assessee were plastic articles, pipes of all kinds, metallic products, cables of all kinds, aluminium products etc. None of these items comes under the items declared under Section 14 of CST Act 1956. It was also stated that the total purchase value of declared goods (including pipes and other five *per cent* taxable items) was ₹83.74 crore and the net purchase value should be arrived after adjusting stock element and after deducting value of goods used in the course of work and the property which is not transferred to clients. As per the statement furnished along with the reply, there was reduction in the stock during the year and there were goods used but not transferred to the clients. Hence, the net purchase value must be much lower than ₹83.74 crore and as per accounts the *per cent* of gross profit is about 8.50. Therefore, the transfer value will be ₹75.22 crore as worked out by Audit as against the claimed turnover of ₹126.37 crore. Moreover, the bifurcated purchase and stock of the declared goods as claimed was also not submitted with the reply. As such transfer of those five *per cent* items, not declared under Section 14 of CST Act 1956, into the execution of works contract attracts 14.5 *per cent* tax.

It is recommended that the Assessing Authorities shall conduct proper verification of records and ensure that the correct rate of tax is applied.

2.8 Short levy of tax due to incorrect exemption

Ineligible exemption claimed through the annual returns resulted in short levy of tax and interest of ₹9.72 crore.

2.8.1 As per Section 8(a) of KVAT Act 2003, tax at the compounded rate is payable for the whole of contract amount received. Explanation I below this Section provides that the 'whole contract amount' shall not include the amount paid to sub-contractors for execution of the portion of works contracted, if the sub-contractor is a registered dealer liable to pay tax. As per Section 10, every awardee shall deduct from every payment made by him to any works contractor, tax payable by the contractor in respect of works contract awarded. Rule 42(2) of KVAT Rules 2005, provides that the awardee making such deduction shall pay the amount so deducted to the Assessing Authority along with a statement in Form No. 20C. Under Section 31(5) of the Act, failure to pay tax or any amount assessed or due, within the time prescribed, shall lead to payment of simple interest at the rate of twelve *per cent* per annum.

Audit test-checked records of 226 out of 3,573 works contractors registered in the Works Contract Circle Office, Ernakulam for the period 2015-16 and 2016-17. It was noticed that the assessee, Kerala State Construction Corporation Ltd. claimed exemption for ₹546.14 crore and ₹476.77 crore in the annual return for the years 2015-16 and 2016-17 respectively for sub-contractor payments. The claim of exemption was not supported by the declaration certificate in Form 20H⁴². The verification of the awardee details in the KVATIS further revealed that the dealer awarded sub contract works to various dealers for an amount of ₹428.12 crore and ₹435.73 crore for the years 2015-16 and 2016-17 respectively. The ineligible exemption of ₹159.06 crore claimed through the annual returns resulted in short levy of tax and interest amounting to ₹9.72 crore.

On this being pointed out (November 2020) the Government stated (September 2021) that the assessment was completed (July 2021) creating an additional demand of ₹5.08 crore for the year 2015-16 and ₹1.47 crore for the year 2016-17. Further progress is awaited (September 2022).

It is recommended that the Assessing Authorities may insist on the dealers to file declaration in Form 20H for which exemption is claimed.

Excess claim of eligible component as exemption in the annual return resulted in short levy of tax and interest amounting to ₹1.37 crore.

2.8.2 As per Rule 10(2)(a) of the KVAT Rules, 2005, works contract in which transfer of property takes place not in the form of goods but in some other form, the taxable turnover in respect of the transfer of property involved can be determined by allowing the deductions viz., labour charges for the execution of work, charges for planning and designing and architect fee, charges for obtaining on hire or otherwise, machinery and tools used for the execution of works contract, cost of consumables used, cost of establishment and overhead charges of the dealer to the extent it is relatable to the labour and services, profit earned to the extent it is relatable to the labour and services, amount paid to the sub-contractors as consideration for execution of the works contract whether wholly or partly subject to the production of prescribed certificate. Besides, according to Section 10(2)(b) of the Act, when labour and other charges are not ascertainable from the books of accounts maintained by the dealer engaged in the installation of elevators and escalators, the table below Rule 10(2)(b) of KVAT Rules provides for deduction of 15 percentage of the value of the contract as labour and other charges. Under Section 31(5) of the KVAT Act, 2003 failure to pay tax or any amount assessed or due, within the time prescribed attracts simple interest at the rate of twelve *per cent* per annum.

⁴² Declaration issued by the sub contractor to the principal contractor committing that tax in respect of the contract amount would be paid by the sub contractor.

Scrutiny of the records (October 2019) of the STO, Works Contract, Mattancherry revealed that an assessee M/s Kunnel Engineers and Contractors Private Limited showed contract receipts for non-compounded works as ₹31.69 crore and ₹23.95 crore in the annual returns for the years 2013-14 and 2015-16. The assessee claimed exemption from payment of tax by virtue of Rule 10 for ₹18.48 crore and ₹14.99 crore respectively in the annual returns for these years. Thus, deduction of 58 *per cent* and 63 *per cent* over the total non-compounded receipts was availed by the assessee in the respective years. As per the certified accounts, the exemptions as per Rule 10 of KVAT Rules were only 49 *per cent* and 52 *per cent* respectively for the years 2013-14 and 2015-16. The claim in excess of eligibility of labour component as exemption in the annual return resulted in short levy of tax and interest amounting to ₹1.37 crore.

On this being pointed out (November 2020), the Government stated (February 2021) that the assessments were completed for the years 2013-14 and 2015-16 creating an additional demand of ₹0.54 crore and ₹0.09 crore respectively and the demand notice was issued on February 2020 and March 2020 and is under revenue recovery (September 2022).

It is recommended that the Assessing Authorities may limit the claim of exemptions on the basis of Rule 10 of KVAT Rules.

2.9 Short levy of tax due to incorrect assessment

Incorrect assessment by the Assessing Authority resulted in short levy of tax and interest amounting to ₹6.36 crore.

2.9.1 As per Section 6(1) of KVAT Act, 2003, tea is taxable at the rate of five *per cent* as per entry 128 of third schedule to KVAT Act. Rule 10(1)(h)(i) of KVAT Rules, 2005, provides that at the time of determining taxable turnover, the turnover of sales or purchases made by a dealer through his agent in respect of which tax has been paid by the agent can be deducted from the total turnover of the dealer. However, to avail such deduction, the principal or agent claiming the deduction should furnish a declaration in Form 25F issued by the principal or agent, as the case may be.

Scrutiny (March 2021) of the assessment and refund files in the STO, Idukki, revealed that, an assessee, M/s Kannan Devan Hill Plantations Company Pvt. Ltd., claimed exemption from payment of tax for the sales turnover of tea amounting to ₹95.24 crore and ₹94.47 crore in the annual returns for the years 2012-13 and 2013-14 respectively. The tax due for these exempted turnovers were ₹4.76 crore and ₹4.72 crore for the respective years as per Section 6(1) of KVAT Act. The assessee claimed exemption as per Rule 10(1)(h)(i) of KVAT Rules. According to the certified copy obtained from the Deputy Commissioner, Idukki the assessee filed form 25F declarations for the years

2012-13 and 2013-14 which disclosed the sales turnover as ₹95.53 crore and ₹94.47 crore respectively. Further, the tax declared to be paid by agents through Form 25F were ₹3.16 crore and ₹3.17 crore only for the respective years.

Rule 10(1)(h)(i) of KVAT Rules, 2005 mandates that the turnover of sales or purchase made by the dealer through his agent in respect of which tax has been paid by the agent can only be deducted from the total turnover of the dealer. Hence, the assessee was eligible for a deduction in tax of ₹3.16 crore and ₹3.17 crore only for the respective years. However, the assessee availed deduction of ₹4.76 crore and ₹4.72 crore from the total tax payable for these years. Thus, there was a short payment of tax for these two years amounting to ₹1.60 crore and ₹1.55 crore.

The assessment for the year 2012-13 was completed in March 2019 and modified in May 2020 and the assessment for the year 2013-14 was completed in November 2019. However, while completing the assessments, the Assessing Authority failed to detect the short payment of tax for these two years. This resulted in short levy of tax and interest amounting to ₹5.34 crore.

On this being pointed out (October 2021), the Government stated (January 2022) that the assessment for the years 2012-13 and 2013-14 is completed by creating an additional demand of ₹3.83 crore and ₹2.95 crore respectively. Further progress is awaited (September 2022).

It is recommended that the Assessing Authorities shall conduct proper verification of records and ensure that there is no short payment of tax.

2.9.2 According to Section 6(2) of KVAT Act, 2003 every dealer who purchases taxable goods from any person other than a registered dealer shall pay tax on the purchase turnover of goods at the scheduled rate. Section 12 of KVAT Act, 2003 provides that in calculating the net tax payable by the dealer for a return period there shall be deducted from the tax payable for the return period a sum equal to the tax paid under Section 6(2). As per third proviso below Section 12(1), where the sale in the course of inter-state trade is exempted from tax, the special rebate under this section shall be limited to the amount of tax paid in excess of five *per cent* under Section 6(2). Interstate sale of natural rubber supported with C Form is exempted from tax as per GO(P) No.181/2011/TD dated 30 November 2011.

Audit test-checked (February 2020) 166 out of 738 records in the Office of the Assistant Commissioner, Special Circle, Kottayam. It was noticed that in the case of the assessee M/s Kaduthuruthy Rubber Marketing and Processing Society, the annual return for 2012-13 showed the purchase of rubber sheet from unregistered dealer as ₹31.72 crore and inter-state sales of rubber as ₹13.30 crore. The assessment was finalised (July 2018) by allowing special rebate of two *per cent* under Section 12 of KVAT Act on the turnover of

₹10.03 crore supported with Form C, whereas the inter-state sale of natural rubber was exempt from tax. The tax due under Section 6(2) for the purchase turnover of rubber sheets from unregistered dealers and sold within the State with the support of Form C is ₹0.50 crore (tax at the rate of five *per cent* for the turnover of ₹10.03 crore). The Assessing Authority failed to disallow the special rebate under Section 12 of KVAT Act to the assessee. Incorrect assessment resulted in short levy of tax and interest amounting to ₹0.67 crore.

The Government stated (November 2021) that the assessment in respect of the assessee was revised creating an additional demand of ₹1.01 crore as tax and interest. The dues outstanding are under revenue recovery (September 2022).

It is recommended that the Assessing Authorities shall check the returns thoroughly to avoid omissions while finalising the assessment.

2.9.3 Section 8(a)(ii) of KVAT Act stipulates that a works contractor, instead of paying tax in accordance with provisions of Section 6, can opt to pay tax at three *per cent* of the contract amount, after deducting the purchase value of goods excluding freight and gross profit element, purchased from outside the State. For the purchase value of goods so deducted the contractor should pay tax at the scheduled rate applicable to such goods.

Audit checked (February 2021) all the 31 assessment completed cases during 2019-20 in the STO, Works Contract, Kottayam. In the case of assessee M/s Vettoor Construction Engineers Private Limited it was noticed that as per the annual return the assessee remitted tax at the rate of three *per cent* on the total contract amount of ₹14.41 crore. As per Section 8(a)(ii) of KVAT Act the assessee was to pay tax at the rate of three *per cent* for the total contract amount of ₹14.41 crore after deducting the purchase value of goods purchased from outside the State (₹1.29 crore). For the purchase value of goods so deducted (₹1.29 crore) the assessee has to pay tax at the scheduled rate of 12.5 *per cent*. Further, the assessee remitted tax at the rate of 12.5 *per cent* for the inter-state purchase turnover of ₹0.31 crore, but did not pay tax for the inter-state purchase turnover of ₹0.98 crore. The Assessing Authority failed to invoke the provisions as per Section 8(a)(ii) of KVAT Act and assessed tax only for the suppression detected by the State Tax Officer (Intelligence) for ₹0.85 crore. These omissions on the part of Assessing Authority led to the incorrect assessment which resulted in short levy of tax and interest amounting to ₹0.19 crore.

On this being pointed out (September 2021), the Government stated (February 2022) that the case was reopened and created a demand of ₹0.13 crore after giving credit to all the amounts paid during the appeal stage of the original assessment order. Further progress is awaited (September 2022).

2.9.4 As per Section 8(a) of KVAT Act, 2003 as amended by Kerala Taxation Law Amendment Act 2014, a works contractor who is registered

under CST Act or who is an importer shall be liable to pay compounded tax at the rate of seven *per cent*. Proviso to this section states that the compounded tax payable by a works contractor in respect of works contract awarded by GoK, Kerala Water Authority or Local Authorities shall be five *per cent* with effect from 01 April 2014.

Audit checked (February 2021) all the 31 assessment completed files, during 2019-20 in the STO, Works Contract, Kottayam. In the case of an assessee M/s S J Enterprises it was noticed that as per the audited accounts for the year 2015-16 the assessee received contract receipt of ₹2.73 crore for Non-Government work and ₹5.74 crore for Government work. While finalising the assessment for the year 2015-16 in December 2018 the Assessing Authority levied tax at the rate of seven *per cent* for ₹ 0.07 crore, five *per cent* for ₹5.04 crore and three *per cent* for ₹3.36 crore. As per Section 8(a) of KVAT Act, 2003 as amended vide Kerala Taxation Law Amendment Act 2014, the assessee was liable to pay tax at the rate of seven *per cent* for Non-Government work amounting to ₹2.73 crore and five *per cent* for Government work amounting to ₹5.74 crore. The incorrect assessment by the Assessing Authority resulted in short levy of tax and interest amounting to ₹0.16 crore.

On this being pointed out (September 2021), the Government stated (February 2022) that revised orders were issued creating demand of ₹0.20 crore and the dealer opted for amnesty scheme 2021 to settle the demand. Further progress is awaited (September 2022).

It is recommended that the Assessing Authorities may be advised to cross check all the mandatory checks before finalising the assessment.

2.10 Non-recovery of tax due to incorrect assessment

Failure of the Assessing Authority to disallow the credit already given resulted in short levy of tax and interest of ₹0.64 crore.

As per Section 66 of KVAT Act, 2003, any authority including Appellate Tribunal and Settlement Commission issuing any order or proceedings under this Act may, on application or otherwise, at any time within four years from the year in which the order was passed by it, rectify any error apparent on the face of the record.

Audit test-checked 136 assessment files of the STO, Works Contract, Palakkad. It was noticed (May 2018) in the case of M/s Oceanus Dwellings Private Limited that while completing the assessment for the first quarter of 2011-12 in February 2012, ITC, advance tax and tax paid totaling to ₹0.38 crore paid along with the return was allowed as credit. This credit was again allowed while fixing tax for the remaining period in December 2017. The failure on the part of the Assessing Authority to disallow the credit already allowed resulted in short levy of tax and interest of ₹0.64 crore.

On this being pointed out (July 2021), the Government stated (January 2022) that the error apparent on the face of the record was rectified and revised assessment order was passed creating a demand of ₹1.53 crore and revenue recovery proceedings are initiated. Further progress is awaited (September 2022).

It is recommended that the Assessing Authorities shall check all the previous assessments done in respect of the assessee before completing the final assessment of the relevant period.

2.11 Short levy of tax due to incorrect application of concessional rate

Incorrect application of concessional rate of five per cent instead of 14.5 per cent resulted in short levy of tax and interest amounting to ₹0.61 crore.

Proviso below Section 6(1)(f) of KVAT Act provides that where sale of goods other than petroleum products, manufactured in the State is to Kerala State Electricity Board (KSEB), the tax payable under clause 6(1)(d) (i.e. 14.5 per cent) shall, subject to such conditions and restrictions as may be prescribed, be at five per cent. Rule 12C(5) of KVAT Rules provides that every dealer who is a manufacturer effects any sale of taxable goods manufactured by him in the State to KSEB shall furnish a declaration in Form No. 48 duly signed and sealed by the buyer and produce on demand for verification by any authority under the Act.

Audit test checked (February 2021) 68 out of 106 assessment files for the period 2019-20 in the STO, Works Contract, Kottayam. It was observed that the assessments of the assessee M/s Pooja Industries, for the years 2015-16 and 2016-17 were completed in May 2019 and December 2019 respectively. Audit noticed that the assessee furnished Form 48 for the turnover of ₹9.42 crore out of ₹11 crore and ₹11.15 crore out of ₹13.82 crore for the years 2015-16 and 2016-17 respectively. The turnover not covered in Form 48 was received from KSEB in the form of transportation charge, hire charge and price revision. The turnover not covered by Form 48 was taxable at the rate of 14.5 per cent as per Section 6(1)(d) of KVAT Act. The Assessing Authority failed to notice the same and levied tax at the concessional rate of five per cent on the turnover not covered by Form 48. This resulted in short levy of ₹0.40 crore and ₹0.21 crore towards tax and interest respectively.

On this being pointed out (August 2021) the Government stated (January 2022) that for the years 2015-16 and 2016-17 the transportation and hire charges are related to sales effected to KSEB and the concessional rate availed is supported by Form 48 declaration. As such there is no irregularity in assessing the transportation and hire charges received and the self assessed price variation at five per cent.

The reply is not acceptable, as Explanation III(i) below Section 2(lii) states that the amount for which goods are sold shall include any sum charged for anything done by the dealer in respect of the goods sold at the time or before delivery thereof. Tax is levied on the entire turnover which includes material value as well as expenses incurred by the assessee at the time or before the delivery of materials.

It is recommended that an adequate system be put in place to cross check all the mandatory records before finalising the assessment.

2.12 Non-levy of tax

Omission to levy tax by the Assessing Authority for a turnover of ₹2.62 crore resulted in short collection of tax and interest of ₹0.30 crore.

As per Section 3(4) of KVAT Act, all officers and persons employed for the execution of the Act shall observe and follow the orders, instructions and directions of the officers superior to them.

Audit test checked 114 (50.22 per cent) out of 227 assessment files for the period 2019-20 in the STO, Special Circle, Palakkad in January 2021. It was observed that the assessment for the period 2011-12 of the assessee M/s Rathna Steels was originally completed in August 2016 with a total turnover of ₹20.04 crore creating an additional demand of tax of ₹0.07 crore. The assessee filed appeal against this order. While examining the documents produced by the assessee, the Deputy Commissioner (Appeals) dismissed the appeal in March 2018 and observed that the turnover to the tune of ₹4.8 crore was not assessed. The Appellate Authority ordered in March 2018 that the Assessing Authority shall initiate separate assessment for assessing the under assessed turnover only. Audit noticed in January 2021 that while completing the assessment in August 2018 the Assessing Authority omitted to levy tax on the turnover of ₹2.62 crore resulting in short collection of tax and interest of ₹0.30 crore.

On this being pointed out (July 2021) the Government (September 2021) stated that the assessment was completed creating an additional demand of ₹0.37 crore. The dues outstanding are under revenue recovery. Further progress is awaited (September 2022).

It is recommended that cross checking the details available in the previous assessment orders, if any pertaining to the period, would enable avoiding any omissions while finalising the assessments.

2.13 Short levy of tax due to irregular allowance of ITC

The Assessing Authority allowed claim of ITC for the subsequent exempted sale which resulted in short levy of tax and interest of ₹0.13 crore.

Section 6(1) of KVAT Act 2003 states that cardamom is taxable at the rate of five *per cent* as per entry 120 (6)(c) of third schedule to KVAT Act. Rule 12A of KVAT Rules 2005 specifies that where taxable goods are used during a return period partly in relation to taxable transaction and partly in relation to exempted or non-taxable transaction, the input tax paid or special rebate to which the dealer has become entitled to during such return period shall be apportioned between taxable and exempted or non-taxable transactions on the basis of the ratio of taxable and exempted turnover during the period in which the ITC or special rebate or refund is claimed.

Audit checked (March 2021) all the 36 VAT assessments completed during 2019-20 in the STO, Kattappana. Scrutiny of the assessment files revealed that the assessee M/s Green Valley Spices, in the annual return for the year 2016-17, disclosed ₹2.81 crore as exempted sales of cardamom at auction center for the period from April 2016 to July 2016. During the same months, the purchase of cardamom from registered dealers was shown as ₹2.37 crore for which the assessee availed ITC of ₹0.09 crore. The ITC availed for purchases from registered dealers for subsequent exempted sale was to be disallowed in accordance with the provision envisaged in Rule 12A. The Assessing Authority allowed this irregular ITC availed by the assessee, which resulted in short levy of tax and interest of ₹0.13 crore.

On this being pointed out (September 2021), the Government stated (January 2022) that the assessment for the year 2016-17 was completed creating an additional demand of ₹0.34 crore. Further progress is awaited (September 2022).

It is recommended that the Assessing Authorities shall conduct proper verification of records and ensure that ineligible input tax credit is not availed by the assesseees.

2.14 Short levy of purchase tax and excess claim of special rebate

Incorrect assessment by allowing ineligible exemption and by not limiting the special rebate to the extent of output tax paid resulted in short levy of tax and interest amounting to ₹0.12 crore.

Section 12(1) of KVAT Act allows a rebate equal to the tax paid under Section 6(2) to the dealer. This amount (special rebate) shall be deducted from the tax payable for the return period to arrive at the net tax payable by the dealer,

provided the special rebate shall not exceed the output tax payable in respect of such goods or goods manufactured out of such goods. As per proviso below Section 6(1) of KVAT Act, the tax on sale of cardamom, at the point of auction only, conducted at the auction center shall be at the rate of two *per cent* and as per Section 6(2) of KVAT Act, every dealer who purchases cardamom from any unregistered dealer is liable to pay purchase tax on the purchase turnover of cardamom at the rate of five *per cent*.

Audit checked all the 32 assessment files of STO, Vandiperiyar for the years 2016-17 and 2018-19. It was noticed that during 2016-17, the assessee M/s Perumpallil Spices, purchased cardamom from unregistered dealers for ₹3.37 crore and sold cardamom at auction centre for ₹3.33 crore and claimed exemption from payment of tax. The assessee claimed tax exemption through Form 25F⁴³ stating that the auction centre paid the tax. The assessee also claimed exemption from payment of tax for ₹1.51 crore on the local purchase of cardamom from unregistered dealers and special rebate of ₹ 0.09 crore for cardamom in the annual return.

Audit verified Form 25F produced by the assessee and observed that the auction centre remitted ₹0.06 crore instead of ₹0.07 crore as output tax for the sale of cardamom valued at ₹3.33 crore. As per Section 12(1) of KVAT Act, the special rebate on account of this sale cannot exceed the output tax paid and the special rebate eligible to the assessee was ₹0.06 crore. Besides, the assessee was liable to pay tax on the cardamom valued at ₹3.37 crore purchased from unregistered dealer, except for the closing stock of cardamom available with the assessee, under Section 6(2) of KVAT Act at the rate of five *per cent*.

The Assessing Authority completed the assessment for the year 2016-17 in July 2018 by allowing the exemption claimed by the assessee on purchase from unregistered dealer. Further, the Assessing Authority did not limit the special rebate for cardamom sale to ₹0.06 crore as stipulated in the Act. This resulted in short levy of tax and interest amounting to ₹0.12 crore.

On this being pointed out (October 2021) the Government stated (February 2022) that the assessment for the year 2016-17 was completed creating an additional demand of ₹0.15 crore. Further progress is awaited (September 2022).

It is recommended that the Assessing Authorities may check Form 25F before allowing the exemption in respect of payment made by the Principal/ Agent.

⁴³ Form 25F-Declaration of payment of tax by the Principal/ Agent.

2.15 Short levy of purchase tax due to excess availment of special rebate

Excess allowance of special rebate availed by the assessee resulted in short levy of tax and interest amounting to ₹0.21 crore.

Section 12(1)(a) of KVAT Act 2003 stipulates that the net tax payable by a dealer for a return period shall be deducted from the tax payable for the return period⁴⁴, a sum equal to the tax paid under Section 6(2) and as per fourth proviso to Section 12(1)(b) of the Act, the special rebate shall not exceed the output tax payable in respect of such goods or goods manufactured out of such goods. According to proviso below Section 6(1) of KVAT Act, the tax on sale of cardamom, at the point of auction only, conducted at the auction center shall be at the rate of two *per cent* and as per Section 6(2) of KVAT Act, dealer who purchases cardamom from any unregistered dealer is liable to pay purchase tax⁴⁵ on the purchase turnover of cardamom at the rate of five *per cent*.

Audit scrutinised 70 self assessment files of STO, Idukki for the years 2015-16 and 2016-17 during November/ December 2019 and noticed that the assessee, M/s K E Zidhique, in the annual returns disclosed purchase of cardamom from unregistered dealers as ₹2.94 crore and ₹2.34 crore for 2015-16 and 2016-17 respectively. The assessee was liable to pay tax on this purchase turnover at the rate of five *per cent*. During the same period the sale of cardamom at auction centre was shown as ₹2.98 crore and ₹1.89 crore for which the assessee was liable to pay output tax at the rate of two *per cent*. As per Section 12(1)(b) read with Section 6(1) of KVAT Act, the assessee was eligible to avail special rebate at the rate of two *per cent* only for the amount of goods sold at auction centre which comes to ₹0.06 crore and ₹0.04 crore respectively. However, the assessee availed special rebate at the rate of five *per cent* amounting to ₹0.15 crore and ₹0.09 crore respectively for the corresponding years. Special rebate availed in excess of eligibility resulted in short levy of tax and interest amounting to ₹0.21 crore for the years 2015-16 and 2016-17.

On this being pointed out (September 2021), the Government stated (February 2022) that based on the audit observation assessment for the years 2015-16 and 2016-17 were completed by creating a demand of ₹0.14 crore and ₹0.06 crore for the years 2015-16 and 2016-17 respectively on March 2021. The dealer filed appeal before the first Appellate Authority and the case is now pending disposal with the First Appellate Authority (The Joint Commissioner

⁴⁴ As per Section 2(xli) of KVAT Act 2003 'Return period' means and includes a calendar month or a quarter of an year or an year.

⁴⁵ As per Section 6(2) of the KVAT Act 2003 'every dealer who purchases taxable goods from any person other than a registered dealer shall pay tax on the purchase turnover of goods at the rates specified under sub-section (1)'.

(Appeals)). No action can be initiated for recovery of revenue till the appeal is disposed, hence the Department should make efforts for timely disposal of the appeal so that the revenue due to the Government is received without delay.

It is recommended that the Assessing Authorities may insist the dealers to claim eligible special rebate on the basis of Section 6 and Section 12 of the KVAT Act.

2.16 Short levy of purchase tax

The Assessing Authority failed to identify the short payment of purchase tax while issuing the pre-assessment notice resulting in short levy of tax and interest of ₹0.18 crore.

Section 12(1) of KVAT Act allows a rebate equal to the tax paid under Section 6(2) to the dealer. This amount (special rebate) shall be deducted from the tax payable for the return period to arrive at the net tax payable by the dealer, provided the special rebate shall not exceed the output tax payable in respect of such goods or goods manufactured out of such goods. As per proviso below Section 6(1) of KVAT Act, the tax on sale of cardamom, at the point of auction only, conducted at the auction center shall be at the rate of two *per cent* and as per Section 6(2) of KVAT Act, every dealer who purchases cardamom from any unregistered dealer is liable to pay purchase tax on the purchase turnover of cardamom at the rate of five *per cent*.

As per the Kerala Finance Bill 2016, the sale of cardamom, at the point of auction, was exempted from tax for the period 01 April 2016 to 17 July 2016. Later, Commissioner of Commercial Taxes vide Circular No.18/2016 dated 27 August 2016 declared that the sale of cardamom conducted at the auction centre is to be taxed at two *per cent* with effect from 18 July 2016.

Scrutiny of the assessment and refund files in the STO, Kattappana revealed that the annual return of the assessee M/s Green Valley Spices for the year 2016-17 showed purchase of cardamom from unregistered dealers as ₹7.81 crore against which an exemption from payment of tax was claimed for a turnover of ₹3.64 crore. An amount of ₹0.21 crore was shown as output tax due for the balance turnover of ₹4.17 crore. In addition, the assessee claimed special rebate of ₹0.20 crore from the tax payable. This special rebate was claimed on a turnover of ₹3.93 crore relating to the purchase of cardamom from unregistered dealers in the annual return. The assessee sold cardamom at the auction centre for ₹12.32 crore during the year and claimed exemption for the entire amount.

Three exemptions claimed by the assessee in the annual return cannot be allowed by the Assessing Authority due to following reasons:

- i. The sale at auction centre during April 2016 to July 2016 was ₹2.82 crore out of ₹12.32 crore. During this period, the sale at auction centre was fully exempted from payment of tax. The assessee was liable to pay output tax for the balance turnover of ₹9.50 crore at the rate of two *per cent* for the period from August 2016 to March 2017.
- ii. Total sales turnover of cardamom was for ₹17.52 crore. Percentage of taxable sales affected at the auction centre to that of the total sales of cardamom is 54.2 *per cent* which comes to ₹4.23 crore. The assessee is eligible to avail special rebate from tax payable at the rate of two *per cent* only for the value of goods purchased from unregistered dealers (₹4.23 crore) and sold at auction centre. Balance tax payable under Section 6(2) for ₹4.23 crore at the differential rate of three *per cent* with interest works out to ₹0.18 crore.
- iii. The exemption from payment of purchase tax on a turnover of ₹3.64 crore was availed without enabling any provision in the Act or Rules.

Moreover, while issuing the pre-assessment notice in August 2020 the Assessing Authority failed to identify the short payment of tax. This resulted in short levy of tax and interest of ₹0.18 crore.

On this being pointed out (October 2021), the Government stated (January 2022) that the assessment for the year 2016-17 was completed by creating an additional demand of ₹0.34 crore. Further progress is awaited (September 2022).

It is recommended that the Assessing Authorities shall conduct proper verification of records to ensure that excess exemption is not claimed by the assessee and that there is no short payment of purchase tax.

KGST

2.17 Short levy of tax due to incorrect assessment

Incorrect assessment of turnover by the Assessing Authority resulted in short levy of tax and interest of ₹12.38 crore.

Section 5(a) of KGST Act, 1963 stipulates that every dealer who, in the course of his business, purchases from a registered dealer or from any other person any goods, the sale or purchase of which is liable to tax under this Act, in circumstances in which no tax is payable, under sub-section (1), (3), (4) or (5) and dispatches them to any place outside the State except as a direct result of sale or purchase in the course of inter-state trade or commerce; shall, whatever be the quantum of the turnover relating to such purchase for a year, pay tax on the taxable turnover relating to such purchase for the year at the rates mentioned in Section 5. As per Section 5(1)(a) of the Act, sale of Aviation Turbine Fuel (ATF), Motor Spirit (MS) and High Speed Diesel (HSD) by an Oil Marketing Company (OMC) to another OMC is exempted.

According to Section 6A of CST Act, 1956 read with Rule 12(5) of CST (Registration & Turnover) Rules, 1957, movement of goods from one State to another occasioned not by the reason of sale and the physical movement properly proved shall be exempted from tax in the State.

Audit test checked the assessment and related records in the STO, Special Circle II, Ernakulam. In the case of assessee M/s Indian Oil Corporation Limited, it was noticed that the assessment for the years 2012-13 and 2013-14 were completed in October 2018 and March 2019 respectively. Scrutiny of the assessment orders (February 2021) and related documents revealed that the assessee made local purchase of ATF from M/s Bharat Petroleum Corporation Ltd, a registered dealer in the State, for ₹899.72 crore and ₹1,074.33 crore for these years. The purchase of ATF from another OMC is exempted from payment of tax under Section 5(1) of KGST Act. The assessee transferred the ATF outside the State to the tune of ₹6.53 crore and ₹14.22 crore in 2012-13 and 2013-14 respectively without payment of tax, in violation of conditions as stipulated in Section 6A of CST Act. Failure of the Assessing Authority to levy tax under Section 5(A) of KGST Act for the turnover of ATF purchased without payment of tax and subsequent transfer outside the State other than by way of sale at the time of assessment for the years 2012-13 and 2013-14, resulted in short levy of tax and interest of ₹12.38 crore.

On this being pointed out (September 2021), the Government stated (February 2022) that as the time for revising the assessment order expired, the request to invoke the power of *suo motu* revision under Section 35 of KGST Act, 1963 is submitted. Further progress is awaited (September 2022).

It is recommended that the Department should initiate action to recover the dues to the Government before the expiry of the limitation period under Section 35 of KGST Act, 1963 and also instruct the Assessing Authorities to strictly carry out all the mandatory checks before finalising the assessments.

2.18 Short levy of tax due to allowance of irregular exemption

Irregular exemption granted by the Assessing Authority resulted in short levy of tax and interest amounting to ₹0.69 crore.

The Government of Kerala vide G.O.(P)No.47/05/TD dated 31.03.2005 (SRO No.319/2005) issued notification which superseded all earlier notifications issued under Section 10 of KGST Act granting exemptions and/ reduction in the rate, in respect of the tax payable under the Act. As per SRO No. 319/2005, sale to Special Economic Zone (SEZ) is not exempted from payment of tax.

Audit scrutinised the assessment files and related records in the STO, Special Circle II, Ernakulam in January 2021. It was noticed that in the case of the assessee, M/s Bharat Petroleum Corporation Limited, the Assessing Authority while finalising the assessment for the year 2008-09 in March 2019 allowed exemption of ₹1.26 crore claimed by the assessee towards the sale of HSD to the SEZ as per SRO No. 151/2004. As per, SRO No.319/2005 sale to SEZ is not exempted. The exemption granted by the assessing officer for the sales turnover of HSD to SEZ was irregular which resulted in short levy of tax and interest amounting to ₹0.69 crore.

On this being pointed out (September 2021) the Government stated (February 2022) that as the time for revising the assessment order had expired, the Deputy Commissioner had submitted the request to invoke the power of *suo motu* revision under Section 35 of the KGST Act 1963 and a notice had been issued to the dealer. The dealer raised the contention that the order is barred by limitation of time and stated that as per the Hon'ble High Court order in WP (C) No.14467/2019 and WC (C) No. 21031/2019 dated 22 October 2019 stay was granted against the assessment order and demand notice, with direction to refrain from taking any coercive steps against the dealer in the above assessments.

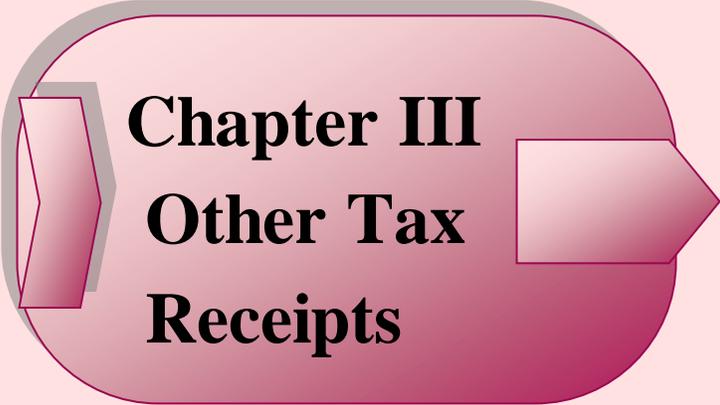
The reply of the Government that the assessee raised the contention that the order is barred by order of limitation and is stayed by Hon'ble High Court in 2019 is not acceptable for the reasons stated below:

- i) The interim stay furnished to Audit was for the assessment year 2008-09 on the CST assessment.
- ii) The Audit objection is with reference to KGST assessment for the year 2008-09.

- iii) The Audit objection is not time barred. According to Section 17(7) of KGST Act 1963, extension of period for assessment was given by the Deputy Commissioner from time to time. The assessment for the year 2008-09 was completed on 25 March 2019. As per Section 17(4) of KGST Act, the assessment of the dealer for the previous five years can be reopened and the limitation prescribed will not apply.

It is the responsibility of the Department to get the interim stay orders vacated timely and safeguard the financial interest of the State.

It is recommended that the Government may put in place a system wherein the Assessing Authority has to mandatorily check all the relevant Government orders before finalising the assessment.



Chapter III
Other Tax
Receipts

CHAPTER-III OTHER TAX RECEIPTS

A – STATE EXCISE

3.1 Tax Administration

The Secretary to Government (Excise) is the administrative head of the Excise Department at the Government level. The Department is headed by the Excise Commissioner (EC). The Department is divided into three⁴⁶ zones, which are headed by the Joint Excise Commissioners (JEC), South, Central and North zone. The divisions at the district level are working under the Deputy Excise Commissioners (DEC). Besides, Excise Circle Inspectors (ECI) and Excise Inspectors (EI) under the control of the DEC of the respective districts are deputed to oversee collection of excise duties, licence fees, etc.

3.2 Internal Audit

The IAW in the State Excise Department is under the direct control of the Excise Commissioner. The Wing consists of one Joint Commissioner of Excise assisted by one Assistant Excise Commissioner, three Superintendents, three Excise Inspectors and six Preventive Officers. Offices in districts in which more vehicles are seized, huge collectable arrears are pending and delay in collection noticed are prioritised in Internal Audit. During 2019-20, out of the 47 units planned for audit, the IAW audited 46 units and during 2020-21, out of the 59 units planned, 20 units were audited. During 2019-20, out of the 2,860 outstanding observations, the department cleared 1,486 audit observations (51.96 *per cent*) and during 2020-21, out of the 2,173 outstanding observations, the Department cleared 630 audit observations (28.99 *per cent*).

3.3 Results of Audit

There were 67 auditable units during 2019-20 and 347 auditable units during 2020-21 in the State Excise Department. Out of these, 20 units during the year 2019-20 and seven units during the year 2020-21 were selected for audit. Scrutiny of the records of these units during 2019-21 disclosed 35 cases of non/short realisation of excise duty and licence fee and other irregularities involving ₹4.11 crore. These cases are illustrative only as these are based on the test-check of records. Audit pointed out some of the similar omissions in the earlier years also. Not only do these irregularities persist, but they also remain undetected till the next Audit is conducted. The Government needs to improve the internal control system including strengthening of Internal Audit so that occurrence/ recurrence of the lapses can be avoided. Underassessment

⁴⁶ South zone (Alappuzha, Kollam, Kottayam, Pathanamthitta and Thiruvananthapuram), Central zone (Ernakulam, Idukki, Palakkad and Thrissur) and North zone (Kannur, Kasaragod, Kozhikode, Malappuram and Wayanad).

of tax and other irregularities involving ₹4.11 crore in 35 cases fall under the following categories are given in **Table - 3.1**.

Table - 3.1
Details of underassessment of tax and other irregularities

(₹ in crore)

Sl. No.	Categories	Number of cases	Amount
1	Non/ short levy of Excise duty/ fine/ penalty	5	0.18
2	Non-levy of fee and fine on unauthorised reconstitution of Board of Directors of Companies	18	2.33
3	Others	12	1.60
Total		35	4.11

During the course of the year, the Department accepted under-assessment and other deficiencies involving ₹1.79 crore in 41 cases pointed out by Audit. The Department realised an amount of ₹0.55 crore in 22 cases during the year 2019-21.

A few illustrative Audit observations involving ₹1.60 crore is mentioned in the succeeding paragraphs.

3.4 Unauthorised reconstitution of Board of Directors of companies holding Foreign Liquor Licences

Non-imposition of fine for unauthorised reconstitution and non-collection of fee for regularisation resulted in non-realisation of revenue of ₹0.88 crore from 17 companies during the period from 2018-19 to 2019-20.

Under Rule 19(iii) of Foreign Liquor Rules, reconstitution of partnership/directors of a company may be allowed on payment of Rupees one lakh. As per Section 67(2) read with 67(3) of Abkari Act, the Excise Commissioner (EC) may impose a fine of Rupees three lakh each on any person or persons holding a licence or permit for violation by reconstitution, alteration or modification without the permission of the EC of any deed on the strength of which any licence is granted and the EC may regularise such irregular reconstitution on payment of fine and application from the licensee.

Audit cross verified (May 2019 and September 2020) the data on reconstitution of Board of Directors of companies in different offices under Excise Department⁴⁷ with the data in the website of Ministry of Corporate Affairs, Government of India. The test check was conducted on the data of 161 companies holding FL3/FL11⁴⁸ Licences out of the 1,802 licences issued/renewed during the period from 2018-19 to 2019-20. Audit observed that out of the 161 companies test-checked, 17 companies modified/ reconstituted Board of Directors on 22 occasions by addition/ deletion of directors/ partners without permission from the EC. The EC also failed to find out these cases of unauthorised reconstitution and impose fine. Details are given in **Appendix - XXII**.

Non-imposition of fine for unauthorised reconstitution and non-collection of fee for regularisation resulted in non-realisation of revenue of ₹0.88 crore⁴⁹ from 17 companies during the period from 2018-19 to 2019-20.

The issue of unauthorised reconstitution of Board of Directors of companies holding Foreign Liquor Licences has been persisting in the Department and was already pointed out in the previous Audit Reports for the years ended March 2018, March 2017, March 2016 and March 2015. The Committee on Public Accounts had discussed the observations and directed the Department

⁴⁷ Excise Divisional Offices at Ernakulam, Kottayam and Kollam and the Office of the Commissioner of Excise, Thiruvananthapuram.

⁴⁸ FL3: Licence issued for the promotion of Tourism to hotels of three star and higher classification and to Heritage, Heritage Grand and Heritage Classic hotels having approval of the Ministry of Tourism, Government of India; FL11: Beer/ Wine Parlour licence.

⁴⁹ 22 occasions at the rate of Rupees four lakh each (fee of Rupees one lakh each and fine of Rupees three lakh each).

to take action. The Department thereby levied fees and fine in most of the cases pointed out by Audit. The data on reconstituted companies are available on the website of the Ministry of Corporate Affairs. The Government may take action to devise a system of cross-check to plug the revenue loss.

The cases were reported to the Government (February 2021). The Government replied (December 2021) that out of the 17 cases pointed out, objections with respect to 15 cases were accepted and notices are being issued in these cases;

- i. In two cases out of the 15 cases accepted by the Government, an amount of ₹14 lakh was recovered.
- ii. In the remaining two cases out of the 17 cases, reply will be furnished after detailed verification.

It is recommended that the Department may periodically cross verify the data available with the website of the Ministry of Corporate Affairs or other institutions to identify the unauthorised reconstitutions.

3.5 Unauthorised reconstitution of Board of Directors of Companies of Hotels holding Foreign Liquor Licences but not having two-star classification or above

Non-imposition of fee and fine of ₹0.46 crore for reconstitution of Board of Directors of Hotels not having two-star classification or above and holding Foreign Liquor Licences from April 2012 to March 2018.

As per proviso substituting the second proviso to Rule 19 of Foreign Liquor Rules, vide SRO.258/2012 dated 18 April 2012, the constitution/reconstitution of a partnership or Director Board of a company of a hotel which does not have two-star classification will be allowed on payment of Rupees two lakh for each partner/ director opted out of the partnership or Director Board of the company and on payment of ₹20 lakh for each partner inducted into the partnership or Director Board of the company, as the case may be. The proviso inserted vide SRO.258/2012 was omitted w.e.f. 01 April 2018 vide SRO.351/2018 dated 01 June 2018. Thus, ₹20 lakh was in force as fee for reconstitution during the interim period from 18 April 2012 to 31 March 2018. As per Section 67(2) read with 67(3) of Abkari Act, the EC may impose a fine of Rupees three lakh each on any person or persons holding a licence or permit for violation by reconstitution, alteration or modification without the permission of the EC of any deed on the strength of which any licence is granted and the EC may regularise such irregular reconstitution on payment of fine and application from the licensee.

The Hotel Companies with Foreign Liquor Licences, but without two star and above classification are permitted to reconstitute Board of Directors on

payment of the requisite fee to the State Excise Department. The data on reconstitutions are available in the website of Ministry of Corporate Affairs, Government of India. Audit cross verified (May 2019) the details in the website with the files/ records in the Excise Division Offices in Ernakulam and Kottayam districts. The test-check was conducted on the data of 19 companies holding FL11 licences out of 120 licences issued/ renewed during the year 2017-18. It was observed that two companies running hotels having no star classification certificate had not applied for permission from EC for reconstitution by addition of partners by paying the requisite fee. The Companies had not applied for regularisation of unauthorised reconstitution by paying the requisite fine also. Non-imposition of fee/ fine for the above reconstitutions resulted in non-realisation of revenue amounting to ₹0.46 crore⁵⁰ as detailed below in **Table – 3.2**.

Table - 3.2
Details of non-realisation of revenue

(₹ in crore)							
Sl. No.	Name of the Company holding FL11 licences	District	No. of occasions	Date of reconstitution	Non levy of fee	Non levy of fine	Total short levy of fee & fine
1	M/s Alankar Elite Inns and Hotels Pvt Ltd	Ernakulam	1	31.08.2017	0.20	0.03	0.23
2	M/s Malayalam Industries Ltd (Mermaid Hotels)	Ernakulam	1	20.10.2017	0.20	0.03	0.23
Total					0.40	0.06	0.46

The Department is required to periodically cross verify the data available with the website of the Ministry of Corporate Affairs or other institutions to identify the unauthorised reconstitutions and impose fee/ fine as per rules.

On this being pointed out (April 2021), the Government replied (February 2022) that an amount of ₹0.23 crore has been remitted by M/s Alankar Elite Inns and Hotels Pvt. Ltd. with respect to their FL11 licence at Chelakkara as per the directions of the Hon'ble High Court. The Department is examining the scope of imposing fees/ fine with respect to the FL11 licence at Aluva also. The Government also stated that the application for the regularisation of reconstitution given by M/s Malayalam Industries Limited is under the consideration of the EC.

⁵⁰ Two occasions at the rate of ₹23 lakh each (fee of ₹20 lakh each and fine of Rupees three lakh each).

It is recommended that the Department may periodically cross verify the data available with the website of the Ministry of Corporate Affairs or other institutions to identify the unauthorised reconstitutions.

3.6 Loss of revenue due to irregular transfer of Foreign Liquor Licences

Irregular transfer of licences due to misuse of rules by the Department resulted in loss of revenue of ₹0.26 crore.

As per Para 18 of Chapter XIX of the Kerala Excise Manual Vol. II, ordinarily, fixed fee licences shall not be transferred from the name of one person to another. Such transfers will help the pernicious habit of trading in licences and have to be discontinued, except for very strong reasons. If there is a need for a change in the case of such fixed fee licences, the proper procedure for the holder is to surrender the licence and to treat the case of the proposed transferee as a fresh applicant.

According to Rule 19(ii) of the Foreign Liquor (FL) Rules, reconstitution of partnership by addition or deletion of members or reconstitution of Board of Directors in a Company, resulting in change of ownership which owns/manages or operates any licence issued under this Rule shall be deemed to be transfer of licence. As per Rule 19(iii) of the FL Rules, reconstitution of partnership/ Directors of a company may be allowed on payment of Rupees one lakh only. Change of name of licensee is allowed on payment of Rupees two lakh vide Rule 19(iv) of the above Rules. As per Rule 13(3) of the FL Rules, the licence fee for FL3 (Bar) licence to hotels (three star and above) was ₹28 lakh during 2018-19 and as per Rule 13(11), that of FL11 (Beer/Wine Parlour) licence was Rupees four lakh.

Audit checked all the 16 files of reconstitution in the Office of the Deputy Commissioner of Excise, Thrissur for the period from 2018-19 to 2019-20 during February/ March 2021. In two cases, it was noticed that the EC accorded sanction for the transfer of licences held by an FL3 licensee and an FL-11 licensee to the persons to whom the hotel/ partnership firm was sold. Only the fee for reconstitution as per Rule 19(iii) and change of name as per Rule 19 (iv) of the Foreign Liquor Rules were imposed by the EC.

Misuse of rules by the EC, thereby allowing irregular transfer of licences resulted in loss of revenue of ₹0.26 crore as detailed in **Appendix - XXIII**.

The cases were reported to the Government (September 2021). The Government stated (February 2022) that the transfer of licence and ownership are legal under the provisions of Foreign Liquor Rules and Excise Manual. It was also stated that the issue of fresh licence after surrendering the existing one is not practical. Department may not be in a position to grant such licence,

if a new objectionable institution like school, temple etc., started functioning near the existing hotel.

The reply is not acceptable as it is improper to change the name of licensee with the name of a person outside the Board of Directors by invoking Rule 19(iv) of the FL Rules as this is meant for change of name within the Board of Directors. The Rules 19(ii) to 19 (iv) can only be invoked when the reconstitution of members/ Directors is done within a partnership/ company. However, in these two cases the persons who sold/ acquired the licences were distinct individuals and will not come under the purview of the above rule. Instead of directing the licensees to surrender the licence and issue a new licence treating the buyer of the firm as a fresh applicant, the EC allowed trading of licence by levying the fee for transfer and change of name.

It is recommended that during transfer of Foreign Liquor Licences the Department may verify whether to issue fresh licence after surrendering the existing one invoking provisions of Rule 19(ii) to 19(iv).

B – STAMP DUTY AND REGISTRATION FEE

3.7 Tax Administration

Receipts from Stamp Duty and Registration Fee are regulated under the Indian Stamp Act, 1899 (IS Act), Indian Registration Act, 1908 (IR Act) and the Rules framed thereunder as applicable in Kerala and are administered at the Government level by the Secretary to Government, Taxes Department. The Inspector General of Registration (IGR) is the head of the Registration Department who is empowered with the superintendence and administration of registration work. He is assisted by the District Registrars (DR) and Sub-Registrars (SR).

3.8 Internal Audit

The IGR monitors the functioning of the IAW of the Department at State level and the Zonal Deputy Inspector Generals are responsible for monitoring it at the district level. The District Registrars (Audit) of the respective districts conduct the internal audit of Sub Registrar Offices (SROs). The internal audit team consists of one District Registrar and three senior clerks for each district. The auditee offices are selected giving higher weightage to the pendency of internal audit and anticipated retirement of staff in the respective offices. During 2019-20, out of the 324 units planned for audit, the IAW audited 242 units and during 2020-21, out of the 254 units planned, 164 units were audited. During 2019-20, out of the 5,166 outstanding observations, the Department cleared 1,663 audit observations (32.19 *per cent*) and during 2020-21, out of the 4,343 outstanding observations, the Department cleared 1,299 Audit observations (29.91 *per cent*).

3.9 Results of Audit

Out of the total 334 offices in the Registration Department, 73 offices including 63 SROs during 2019-20 and 41 offices including 37 SROs during 2020-21 were test-checked. During the years 2019-21 non/ short levy of Stamp Duty and Registration Fee and other irregularities amounting to ₹ 11.07 crore were detected in 146 cases, which fall under the following categories as given in **Table - 3.3**.

Table - 3.3

Details of non/ short levy of Stamp Duty and Registration Fee and other irregularities
(₹ in crore)

Sl. No.	Categories	No. of cases	Amount
1	Short levy of Stamp Duty and Registration Fee due to incorrect Fair value/ classification by use	74	1.22
2	Short levy due to non-registration of sale agreements, ATM and Mobile tower installations, etc.	34	4.50
3	Other lapses	38	5.35
Total		146	11.07

During the course of the year, the Department accepted under-valuation and other deficiencies involving ₹1.01 crore in 66 cases. An amount of ₹0.12 crore pointed out in 41 cases was realised during the years 2019-21.

A few illustrative cases involving ₹1.54 crore are given in the following paragraphs.

3.10 Short levy of Stamp Duty and Registration Fees due to improper valuation of Flats

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

As per Section 28(2) of the Kerala Stamp (KS) Act 1959, in case of instruments relating to immovable property chargeable with ad valorem duty on the fair value of the land and property and not on the value set forth in the instrument or consideration, such instruments shall fully and truly set forth the value of all other properties including building, if any, in the land involved with effect from 01 April 2013. As per Section 28B of the KS Act, 1959, with effect from 13 November 2016, an instrument transferring land including flat/apartment chargeable with duty shall fully and truly set forth the value of flat/apartment therein and shall furnish the Valuation Certificate (VC) of flat/apartment conforming to the criteria approved by the Central Public Works Department (CPWD) for determining the value of the flat/ apartment issued by the competent authority. The registering officer shall, before registering an instrument, verify the certificate issued by the Competent Authority⁵¹ to ensure that the value of such flat/ apartment set forth in instrument is not less than the value assessed by the Competent Authority. As per the Guidelines for Valuation of Immovable Properties issued by the Income Tax Department (Valuation Cell) in 2009, Plinth area rates (PAR) are used prospectively and not retrospectively. CPWD issued PAR in the year 2012 and later updated it in the year 2019 only. Therefore, CPWD PAR 2012 is to be used for the valuation of flats which were completed in the year 2018. The Taxes Department vide Circular No. E2/281/2016/Taxes dated 10 August 2016 prescribed format for the Valuation Certificate to be issued under Section 28B of the Act. The certificate of the valuer details the rate per sqmt as per CPWD rates which is taken for valuation of the flat/ apartment to arrive at the final value of the flat/ apartment. The PAR published by CPWD is being used for valuation of flats/ apartments after taking into account the cost index for the city under consideration where the building is constructed. PAR for

⁵¹ Assistant Engineer of the Engineering wing of LSGD, PWD or Irrigation Department or the Kerala Water Authority or Chartered Engineers, Approved Valuers, Registered Valuers, Registered Architects/ Engineers etc vide GO (P) No. 73/2016/TD dated 19 July 2016 & GO (P) No. 80/2016/TD dated 09 August 2016.

Reinforced Cement Concrete (RCC) framed structure as on 01 October 2012 as per CPWD PAR 2012 is given in **Table - 3.4**.

Table - 3.4
PAR for RCC

Sl No	Description	Rates	CPWD value/ Sqft	Value after using CPWD cost index of 1.54
1	RCC framed structure (Specifications as per Appendix-I (b)) upto six storeys.	16,000/ sqmtr	1,487	2,290
2	Over six storeys upto nine storeys	16,560/ sqmtr	1,539	2,370
3	Over nine storeys upto twelve storeys	16,580/ sqmtr	1,541	2,373

Rule 30B of the Registration Rules (Kerala) 1958, incorporated vide Registration Department's notification No. R.R-9-4120/2016 dated 19 July 2016, stipulates that the registering officer should not register an instrument transferring 'land including flat/ apartment' if it is not accompanied by a valuation certificate issued by the competent authority under Section 28B of the KS Act, 1959.

The stamp duty leviable at the time of registration of conveyance (sale deed) shall be at the rate of eight Rupees for every 100 Rupees or part thereof of the fair value of the land, or the amount or value of consideration for such conveyance whichever is higher (vide Sr. No. 21 of the Schedule to the KS Act 1959, as amended vide Kerala Finance Act 2016). Similarly, the registration fees shall be levied at two Rupees for every 100 Rupees, or part thereof, of the fair value or value of consideration, whichever is higher, as per the fee notified by the Government.

Scrutiny (March/ April 2021) of the registered deeds and the VC in SRO, Pothencode for the period from 2016 to 2020 revealed that in 152⁵² out of 513 sale deeds test-checked, the floor-rate was fixed at ₹974 per Sq. Ft. in the VC prepared by a Chartered Civil Engineer. Audit found that the VC did not conform to the valuation-criteria approved by CPWD as it was not based on CPWD PAR 2012 for the construction of flats/ apartments. The floor-rate of flats/ apartments, calculated by Audit, based on CPWD PAR 2012 and Cost Index thereupon, ranges from ₹2,290 per Sq. Ft to ₹2,373 per Sq. Ft. The non-adoption of PAR published by CPWD resulted in short levy of Stamp Duty and Registration Fees amounting to ₹1.51 crore as detailed in **Appendix - XXIV (a) and (b)**.

⁵² Two apartment complexes -Confident Avior, Confident Green Valley containing total 168 flats which were completed in the year 2018.

On this being pointed out (September 2021), the Government replied (February 2022) that the Registering Authority strictly adhering to Section 28 B (ii) has verified that the VCs have been issued by the Competent Authority and has also ensured that the value set forth for the flat/ apartment in each sale deed is not less than the value assessed by the Competent Authority. Further, the registering officers have no technical knowledge or expertise to assess the accuracy of the value of a flat/ apartment fixed by competent authorities. Therefore, in the case of registration of flats, the Registering Officer has no option other than to solely depend on the VCs issued by the Competent Authority. Also, at present there is no fool proof mechanism to check whether any malpractice occurs in the preparation of VCs issued by the Competent Authorities.

The reply of the Government is not acceptable as Section 28 B(i) states that the VC of a flat/ apartment conforming to the criteria approved by the CPWD should be furnished for the execution of the instrument. However, it was noticed that the VC furnished for the execution of these flats were not conforming to the said criteria and thus the flats were undervalued resulting in loss of revenue to State Exchequer. SRO being a revenue authority needed to do at least a basic check to ensure that loss of revenue to State Exchequer is avoided. Even without going into the technical details it can be ensured that the base rate fixed as per the CPWD PAR was used in the VC. Moreover, the Registering Authority in the initial reply agreed to the audit view regarding loss of Government revenue and non-compliance with provisions under Section 28B of Kerala Stamp Act 1959. The Government may also look into the valuation of all flats registered in the State and initiate steps to blacklist such valuers who issues the undervalued VC.

It is recommended that SROs may be given training to do basic checks on VC to ensure that the competent valuers are adopting the CPWD PAR for valuation.

3.11 Non-consideration of fair value from mother survey number based on classification by use

Registration of documents without considering the fair value from mother survey number based on classification by use resulted in short levy of ₹0.01 crore towards Stamp Duty and ₹0.02 crore towards Registration Fee.

As per sub section (1) under Section 28A of the Kerala Stamp Act, 1959, 'Every Revenue Divisional Officer shall, subject to such rules as may be made by the Government, in this behalf, fix the fair value of the lands situated within the area of his jurisdiction, for the purpose of determining, the duty chargeable at the time of registration of instruments involving lands. In cases where fair value is not fixed for land involving a new sub-division of a survey

number, the fair value applicable for the land having the same classification by use in other sub-divisions in the same survey number or the fair value applicable for land having the same classification by use in the mother survey number is to be adopted as per Circular No. RR9/20442/2014 dated 01 January 2015 of the IGR.

In accordance with Sl.No.22 in the Schedule to Kerala Stamp Act, 1959, six *per cent* of fair value of the land or the amount of consideration whichever is higher shall be levied as stamp duty in respect of a sale deed executed from 1 April 2014 to 17 July 2016. From 18 July 2016 stamp duty was enhanced to eight *per cent*. The registration fees shall be levied at two *per cent* of the fair value of the land or the amount of consideration whichever is higher as notified by the Government.

According to Sl.No.51 in the Schedule to Kerala Stamp Act, two Rupees for every 100 or part thereof of the fair value of the land and the value of other properties set forth in the instrument or the value of all properties set forth in such instrument, whichever is higher, subject to a maximum of ₹1,000 shall be levied as Stamp Duty in respect of Settlement Deed executed in the year 2017-18, where the settlement is in favour of father, mother, grandfather, grandmother, husband, wife, son, daughter, brother, sister or grandchildren of a person and if the extent of land involved in the property settled by the instrument is five acres or less. The Registration Fees shall be levied at one *per cent* of the fair value of the land and the value of other properties set forth in the instrument or the value of all properties set forth in such instrument, whichever is higher.

Scrutiny (2015 to 2020) of registered deeds in three SROs⁵³ revealed that in seven cases out of 2,594 cases test-checked (January 2021), the documents were registered by valuing the land without considering the type of land by use as the proper fair value was not provided in the fair value register for those survey numbers according to the classification by use. As per the circular issued by IG of Registration in January 2015, wherever fair value is not provided in the Fair Value register for a survey number according to the classification by use, the fair value of same classification by use in other sub division in same survey number or mother survey number is to be adopted. Audit noticed that in these seven cases the fair value for classification of land by use available in other sub divisions in same survey number or mother survey numbers were not considered while registering the documents. This resulted in short levy of ₹0.01 crore towards Stamp Duty and ₹0.02 crore towards Registration Fee as detailed in **Appendix - XXV**.

The cases were reported to the Government (September 2021), while the Government (February 2022) accepted audit observation in four out of seven cases, however, no action were taken for undervaluation proceedings. The

⁵³ SRO Oyur, SRO Karukachal, SRO Mathilakam.

Government disagreed with Audit in remaining three cases but initiated undervaluation proceedings only in one case. In the remaining two cases, it was stated that multiple fair value was available for different sub divisions of the mother survey and the value set forth in these two documents were much higher than some of the other sub divisions of the same mother survey number having the same classification by use, hence there was no short levy of stamp duty and registration fee.

The reply is not tenable as there is no direction from the Government to adopt fair value in such a manner as stated in the reply. The Government vide G.O.(Rt)No.205/2021/TAXES dated 13 March 2021, had directed the department to adopt the highest fair value if there are multiple fair values available in same survey number having the same classification by use. Therefore, undervaluation proceedings may be initiated for the above cases also.

It is recommended that IGR may take into account the instructions/ directions issued through various circulars for considering the correct fair value of the property.

Thiruvananthapuram,
The 19 DEC 2022



(Dr. BIJU JACOB)
Principal Accountant General
(Audit II)

Countersigned



New Delhi,
The 20 DEC 2022

(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India



Appendix

Appendix - I
(Ref: Paragraph 1.1.2)
Details of Tax Revenue raised

(₹ in crore)

Sl. No.	Head of Revenue	2016-17		2017-18		2018-19		2019-20 (Per cent of increase (+) or decrease (-) in 2019-20 over 2018-19)		Per cent variation of actuals to Budget Estimates for the year 2019-20	2020-21 (Per cent of increase (+) or decrease (-) in 2020- 21 over 2019-20)		Per cent variation of actuals to Budget Estimates for the year 2020-21
		BE	Actual	BE	Actual	BE	Actual	BE	Actual				
1	0006 ⁵⁴ - State Goods and Services Tax	-	-	-	12,007.69	27,000.00	21,014.71	29,010.62 (7.45)	20,446.95 (-2.70)	(-)29.52	32,388.11 (11.64)	20,028.31 (-2.05)	(-) 38.16
2	0040 ⁵⁴ - Tax on Sales, Trade, etc.	36,952.98	33,453.49	42,187.57	24,577.82	19,791.10	19,225.75	23,948.17 (21.00)	19,649.64 (2.20)	(-)17.95	23,263.16 (-2.86)	17,689.17 (-9.98)	(-)23.96
3	0041 - Taxes on vehicles	3,351.49	3,107.23	3,890.63	3,662.85	4,683.41	3,708.61	4,711.58 (0.60)	3,721.14 (0.34)	(-)21.02	3,968.22 (-15.78)	3,386.28 (-9.00)	(-)14.67
4	0030 - Stamps and Registration Fees	3,469.41	3,006.58	3,489.80	3,452.56	3,766.53	3,693.17	4,486.95 (19.13)	3,615.01 (-2.12)	(-)19.43	4,306.24 (-4.03)	3,489.59 (-3.47)	(-)18.96
5	0039 - State Excise	2,397.36	2,019.30	2,945.34	2,240.42	2,804.42	2,521.40	2,983.74 (-6.39)	2,255.28 (-10.55)	(-)24.41	2,800.67 (-6.14)	2,329.22 (3.28)	(-)16.83
6	0029 - Land Revenue	191.34	124.15	193.52	162.16	157.79	202.78	221.29 (40.24)	332.42 (63.93)	50.22	376.23 (70.02)	493.35 (48.41)	31.13
7	Other receipts ⁵⁵	681.03	465.62	704.63	356.11	384.19	277.69	422.25 (9.91)	302.70 (9.01)	(-)28.31	317.38 (-24.84)	244.93 (-19.08)	(-)22.83
	Total	47,043.61	42,176.37	53,411.49	46,459.61	58,587.44	50,644.11	65,784.60 (12.28)	50,323.14 (-0.63)	(-)23.50	67,420.01 (2.49)	47,660.85 (-5.29)	(-)29.31

Source: Budget Estimates and Finance Accounts of the respective years.

⁵⁴ Both the heads of accounts 0040 and 0006 are being operated by State Goods and Services Tax Department.

⁵⁵ Taxes and Duties on Electricity, Taxes on Agricultural Income, Taxes on immovable property other than agricultural land, Taxes on Goods and Passengers, Luxury Tax and Entertainment Tax.

Appendix - II
(Ref: Paragraph 1.1.3)
Details of Non-Tax Revenue raised

Sl No.	Head of Revenue	2016-17		2017-18		2018-19 (Per cent of increase (+) or decrease (-) in 2018-19 over 2017-18)		2019-20 (Per cent of increase (+) or decrease (-) in 2019-20 over 2018-19)		Per cent variation of actuals to Budget Estimates for the year 2019-20		Per cent of increase (+) or decrease (-) in 2020-21 over 2019-20		Per cent variation of actuals to Budget Estimates for the year 2020-21	
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual
1	0075-00-103 - Miscellaneous General Services - State Lotteries	5,728.90	4,266.57	5,826.65	4,730.79	7,266.00	4,676.98	5,267.10 ⁵⁶ (-27.51)	4,988.13 ⁵⁷ (6.65)	(-5.30)	5,964.10 ⁵⁶ (13.23)	2,111.62 ⁵⁷ (-57.67)	(-64.59)		
2	0406 - Forestry and Wild Life	446.48	296.85	404.88	245.42	397.68	287.21	362.22 (-8.92)	255.85 (-10.92)	(-29.37)	311.87 (-13.90)	236.61 (-7.52)	(-24.13)		
3	0202 - Education, Sports, Art and Culture	376.83	282.35	340.49	257.78	418.34	256.73	437.65 (4.62)	237.68 (-7.42)	(-45.69)	294.51 (-32.71)	225.62 (-5.07)	(-23.39)		
4	Other receipts ⁵⁸	2,046.21	1,837.50	2,095.52	1,662.24	2,345.11	1,974.64	2,397.20 (2.22)	1,798.02 (-8.94)	(-24.99)	2,410.95 (0.57)	1,992.07 (10.79)	(-17.37)		
	Total	8,598.42	6,683.27	8,667.54	6,896.23	10,427.13	7,195.56	8,464.17 (-18.83)	7,279.68 (1.17)	(-13.99)	8,981.43 (6.11)	4,565.92 (-37.28)	(-49.16)		

Source: Budget Estimates and Finance Accounts of the respective years.

⁵⁶ The District Lottery Officers are authorised to incur expenditure towards distribution of prizes (small denominations upto and including ₹5,000) by appropriating the receipts collected in the respective offices. The other expenditures are met from the budget allocation of the State. For figures for the years 2019-20 & 2020-21, from gross receipts (budget estimates) of ₹11,873.00 crore & ₹11,569.70 crore, expenditure on distribution of prizes of lotteries (budget estimates) of ₹6,605.90 crore & ₹5,605.60 crore were deducted respectively.

⁵⁷ For the years 2019-20 & 2020-21 from the gross receipts of ₹9,973.67 crore & ₹4,873.01 crore, expenditure of ₹4,985.54 crore & ₹2,761.39 crore on distribution of prizes were deducted, but other major expenditure and commission to agents (₹3,003.83 crore & ₹1,508.02 crore) were not deducted.

⁵⁸ Other receipts include 43 heads of revenue. The major ones are 0210 - Medical and Public Health, 0425 - Co-operation, 0853 - Non-ferrous Mining and Metallurgical Industries, 0070 - Other Administrative Services, 1475 - Other General Economic Services, etc.

Appendix - III
(Ref: Paragraph 1.2)
Arrears of Revenue

(₹ in crore)

Sl. No.	Head of revenue	Total amount outstanding as on 31 March 2021	Amount outstanding for more than 5 years as on 31 March 2021	Remarks of Departments
1.	0040 - Tax on Sales, Trade, etc.	13,830.43	4,499.55	In State Goods and Services Tax Department, an amount of ₹12,924.31 crore due was pending from individuals, private firms, private companies. An amount of ₹589.87 crore is pending from public sector undertakings of Government of India, ₹302.01 crore from public sector undertakings of Government of Kerala, ₹12.44 crore from other State Governments and ₹1.64 crore from local bodies. A huge amount of arrears is due from individuals, private firms, private companies (93.45 per cent). An amount of ₹6,878.65 crore is under revenue recovery proceedings, recoveries involving ₹5,577.10 crore are under stay orders of High Court and other judicial authorities. Around 49.74 per cent of the arrears is under Revenue Recovery and 40.32 per cent is under stay by Judiciary. The Department attributed (February 2022) the reason for delay in collection of revenue to stay of proceedings by various authorities, closing of business of dealers, insolvent dealers, etc.
2.	0041 - Taxes on Vehicles	2,616.90	942.58	The Department stated (November 2021) that out of the total arrears of ₹2,616.90 crore, the dues from the Kerala State Road Transport Corporation amount to ₹1,844.73 crore and the balance of ₹772.17 crore was from individuals, private firms and private companies. A major share of arrears was due from KSRTC, a Government owned Corporation alone (70.49 per cent). A demand of ₹129.46 crore was covered by Revenue Recovery Certificate and ₹642.71 crore was under other stages. The Department also stated that demand notices were issued and revenue recovery initiated.
3.	0043 - Taxes and Duties on Electricity	2,929.11	887.43	An amount of ₹2,890.31 crore was due from public sector undertakings of Government of Kerala, ₹11.19 crore from local bodies, ₹0.12 crore from public sector undertakings of Government of India, ₹0.05 crore from other State Governments and ₹27.44 crore was due from individuals, private firms, private companies etc. The major share of arrears was due from Government/ Government bodies (99.06 per cent). The Department attributed (September 2021) the delay in collecting the revenue to non-remittance of amount even after repeated reminders to the consumers including

Sl. No.	Head of revenue	Total amount outstanding as on 31 March 2021	Amount outstanding for more than 5 years as on 31 March 2021	Remarks of Departments
				KSEB, KWA, PWD, Irrigation, etc. The Department stated that the Government had constituted a committee for finalising the issue with KSEB and periodical reminders were being sent in other cases.
4.	0406 - Forestry and Wild Life	347.35	223.20	The Principal Chief Conservator of Forests stated (December 2021) that the nature of demand in the Forest Department includes value of timber, teak stumps, lease rent, penal interest, re-auction loss, centage charges, etc. An amount of ₹0.48 crore pending for more than five years is due from Government of India, ₹0.02 crore from other State Governments, ₹0.08 crore from Local Bodies, ₹ 8.33 crore from public sector undertakings of Government of India, ₹325.02 crore from public sector undertakings of Government of Kerala and other States and ₹13.43 crore from individuals, private companies etc. The major share of arrears was due from Government/ Government bodies (96.13 per cent) and 64.26 per cent of the total arrears is pending for more than five years. The Department attributed the delay in collecting the revenue to pending revenue recovery steps against the defaulters, court cases, stay orders etc. The Department stated that necessary action were initiated to realise the amount in auction and to realise defaulted arrears of lease rent and other dues from departments and public sector undertakings through discussions at Government level.
5.	0055 - Police	352.12	190.40	The nature of demand in the Police Department is cost of police guard to post offices, banks, dams, etc. deployment of Kerala police personnel to other States, contribution of Southern Railways for Government railway police, cost of police protection etc. An amount of ₹54.41 crore is pending due from Government of India, ₹107.17 crore from public sector undertakings of Government of India, ₹136.81 crore from public sector undertakings of Government of Kerala, ₹17.13 crore from other state's undertakings, ₹29.36 crore from other State Governments and ₹7.24 crore from individuals, private firms and private companies. The major share of arrears was due from Government/ Government bodies (97.94 per cent). The major defaulters were Southern Railway and KSEB whose arrears aggregate to ₹234.03 crore (66.46 per cent).
6.	0039 - State Excise	269.68	269.05	The Excise Commissioner stated (November 2021) that the <i>Abkari</i> arrears in the Department are pending from 1952 onwards. The <i>Abkari</i> arrears of ₹269.47 crore is due from individuals,

Sl. No.	Head of revenue	Total amount outstanding as on 31 March 2021	Amount outstanding for more than 5 years as on 31 March 2021	Remarks of Departments
				private firms, private companies, etc. The Department attributed the delay in collection of revenue to pending revenue recovery action and stay by Court. The reason furnished by the Commissioner is not acceptable since only ₹65.28 crore (24.21 per cent) out of a total ₹269.68 crore was covered under judicial intervention. The Department stated that revenue recovery action was initiated and is continuing.
7.	0029 - Land Revenue	397.59	38.05	In the Revenue and Disaster Management Department, the nature of demand is by virtue of land revenue. An amount of ₹326.92 crore is under stay by High Courts and other judicial authorities and by Government. The Department attributed (March 2022) the reasons for delay in collection of revenue to stays by Court, Government and appellate authorities. The Department stated that strict instructions were given to District Collectors to vacate the stay cases.
8.	0030 - Stamps and Registration Fees	828.57	Not furnished	The Registration Department stated (September 2021) that out of ₹828.57 crore which was due from individuals, ₹0.17 crore is covered by revenue recovery certificates and ₹7.91 crore are under stay by courts. The Department had not furnished the details of stages of action for the remaining amount of ₹820.49 crore.
9.	0070-60-110 - Fees for Government audit	89.18	25.23	The Director, Kerala State Audit Department stated (September 2021) that the arrears of revenue pending collection are the amount of audit fees payable by the auditee institutions. The Kerala State Audit Department attributed the reasons for pendency to the lack of initiative from auditee institutions in remitting the audit charges. The Director stated that the Government has proposed to settle the long term dues of institutions, if possible on installment basis and the Department issued (October 2018) instructions to all sub offices to inform concerned auditee institutions to remit the arrears.
10.	0230-00-101 - Receipts under labour laws	2.78	0.15	The Labour Commissioner stated (October 2021) that the nature of demand in the Labour Department was revenue receipts under labour laws. The entire amount of arrears amounting to ₹2.78 crore was pending collection from individuals, private firms and private companies. The reasons for delay in collection of revenue were non-submission of application for renewal of registration and negligence from the employers in renewing the registration

Combined Compliance Audit Report on Revenue Sector for the period 2019-2021

Sl. No.	Head of revenue	Total amount outstanding as on 31 March 2021	Amount outstanding for more than 5 years as on 31 March 2021	Remarks of Departments
				certificates in due time, etc. The Labour Commissioner stated that inspection and follow up action is being taken to realise the arrears
11.	1051 - Ports and Light Houses	0.79	0.36	The Director of Ports stated (February 2022) that the amounts due to the Ports Department are ₹0.21 crore from individuals, private firms, private companies, etc. ₹0.14 crore from PSUs of Government of India, ₹0.04 crore from Government of India and ₹0.40 crore from local bodies. The reply of the Director is silent regarding the steps taken by the Department to realise the arrears.
12.	0853 - Non-Ferrous Mining and Metallurgical Industries	131.61	24.28	The Director of Mining and Geology stated (February 2022) that the main source of revenue is from the royalty and other fees derived from the grant of mineral concessions and its regulation. The arrears of revenue pending collection are ₹0.52 crore from Co-operative Society, ₹0.26 crore from public sector undertakings of Government of Kerala and ₹130.83 crore from individuals, private firms, private companies, etc. The Department stated that the reasons for delay in collection of revenue were disputes regarding the claims, court stays, appeals and Government stays and that action was being taken to redress the dispute and to vacate the stays.
13.	0230-00-103 - Fees for inspection of Steam Boilers	1.75	0.04	The Director of Factories and Boilers stated (September 2021) that the nature of demand of the Department of Factories and Boilers was fee for renewal of licence of factories. An amount of ₹1.64 crore was due from individuals, private firms and private companies respectively. The Director stated that the delay in collection was due to the fact that most of the factories, which have arrears, are not working. However, it is stated that instructions were given to all the officers concerned for collecting maximum arrears.
Total		21,797.86	7,100.32	

Appendix - IV
(Ref: Paragraph 1.4)
Arrears in Assessments

Head of Revenue	Opening balance	New cases due for assessment during 2019-20	Total assessments due (col. 2+3)	Cases disposed off during 2019-20	Balance at the end of the year (col. 4-5)	Percentage of disposal (col. 5 to 4)	New cases due for assessment during 2020-21	Total assessments due (col.6+8)	Cases disposed off during 2020-21	Balance at the end of the year (col. 9-10)	Percentage of disposal (col. 10 to 9)
1	2	3	4	5	6	7	8	9	10	11	12
Revenue and Disaster Management Department											
1) Building Tax	9,256	1,74,992	1,84,248	1,71,537	12,711	93.10	1,07,329	1,20,036	97,024	23,012	80.83
2) Plantation Tax	1,277	279	1,556	299	1,257	19.22	100	1,357	69	1,288	5.08
R&DM Department Total	10,533	1,75,271	1,85,804	1,71,836	13,968	92.48	1,07,429	1,21,393	97,093	24,300	79.98
SGST Department											
1) GST	0	476	476	321	155	67.44	1,480	1,635	775	860	47.40
2) a. Sales Tax	1,734	821	2,555	1,619	936	63.37	621	1,557	724	833	46.50
b. Motor Spirit Tax	73	86	159	19	140	11.95	73	213	39	174	18.31
c. Luxury Tax	7,761	2,037	9,798	9,294	504	94.86	1,804	2,308	2,161	147	93.63
d. Tax on Works Contracts	4,618	29	4,647	4,591	56	98.79	7	63	35	28	55.56
e. Others	20,759	32,459	53,218	41,827	11,391	78.60	10,724	22,115	21,085	1,030	95.34
2) Taxes on Agricultural Income	225	57	282	258	24	91.49	4	28	20	8	71.43
SGST Department Total	35,170	35,965	71,135	57,929	13,206	81.44	14,713	27,919	24,839	3,080	88.96

Source: Details obtained from respective Departments.

Appendix - V
(Ref: Paragraph 1.5)

Details of evasion of tax detected

Sl. No.	Head of revenue	Cases pending as on 31 March 2019	Cases detected during 2019-20	Total (3+4)	Number of cases in which assessment/ investigation completed and additional demand with penalty etc. raised		Number of cases pending for finalisation as on 31 March 2020 (5-6)	Cases detected during 2020-21	Total (8+9)	Number of cases in which assessment/ investigation completed and additional demand with penalty etc. raised		Number of cases pending for finalisation as on 31 March 2021 (10-11)
					(6)	(7) (₹ in crore)				(11)	(12) (₹ in crore)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	0040 - Tax on Sales, Trade, etc.	18,987	29,715	48,702	36,235	6,398.23	12,467	11,418	23,885	21,848	3,078.94	2,037
2	0006 - Goods and Services Tax	104	1,115	1,219	1,064	45.13	155	1,480	1,635	775	290.05	860
3	0041 - Taxes on Vehicles	76	9	85	2	1.05	83	0	83	35	2.08	48
4	0030 - Stamps and Registration Fees	1,99,554 ⁵⁹	7,399	2,06,953	55,313	36.39	1,51,640	3,556	1,55,196	7,497	8.34	1,47,699
5	0029 - Land Revenue	2,395	9,47,873	9,50,268	9,39,762	9.79	10,506	5,01,585	5,12,091	4,89,851	3.32	22,240
	Total	2,21,116	9,86,111	12,07,227	10,32,376	6,490.59	1,74,851	5,18,039	6,92,890	5,20,006	3,382.73	1,72,884

Source: Details obtained from respective Departments.

⁵⁹ On updation of undervaluation cases in PEARL software, the total pending cases as on 31 March 2019 is 1,99,554.

Appendix - VI
(Ref: Paragraph 1.9)

Details of Performance Audits featured in the Reports for the last five years and their status

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
31 March 2015	System of Assessment under KVAT	8	<ul style="list-style-type: none"> • Department may take measures to bring all dealers into the tax net by utilising the inputs available in KVATIS and with other agencies. • Government may examine the guidelines issued for selection of files for desk review by CBDT/ CBEC and similar system of selection with relevant parameters be put in place in the State for VAT cases. • The CCT may issue guidelines to the DCs regarding the aspects to be considered while reviewing the monthly quarterly reports. • Government may consider fixing the time limit for completion of assessments. • Department may prepare a manual detailing all aspects of assessment to ensure uniformity in the system of assessment. Further, it may be ensured that necessary reports are generated automatically from the KVATIS. • A system may be established to collect the data relating to the taxable events from other departments and transfer the results of analysis to the lower/ sub ordinate level for utilising in the assessment process. • Department may ensure that the final assessments are completed by utilising the data captured in KVATIS. • Department may ensure the quality of assessments by adopting the system prevailing in Central Receipts as basis so that the number of cases which are failing in judicial review would be on a lower side. 	Action taken explanatory notes have been partly received.
	Levy, Collection and Accounting of Electricity Duty,	5	<ul style="list-style-type: none"> • Government may identify all LV installations/ cable TV poles which are now left out and instruct licensees not to issue permit to Cable TV operators without production of safety certificate from the Department and work out a practical process of assessing and realising the revenue from the inspection of Cable TV poles. 	Action taken explanatory notes have not been received.

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
	Surcharge and Inspection Fee		<ul style="list-style-type: none"> In order to prevent non/ short levy, Government may consider taking the following measures: instruct CEI to ensure that the licensees are levying electricity duty/ license fee from consumers/ persons liable to pay it, licensees may be directed to calculate electricity duty on the price of energy indicated in the invoice and evolve a mechanism to collect the electricity duty/ license fee payable by the consumers/ persons liable for their payment. Department may expedite revenue recovery proceedings for early realisation of arrears of government revenue. Government may include interest leviable from KSEBL while netting off. Government may avoid irregular grant of exemptions to railways and for lighting, amend Rule relating to collection charges which should be in line with the Act and in the interest of the Government and objective of the Act and consider amendment of the Act incorporating the treatment of excess T&D loss. Government may take remedial measures to take care of inspection of lifts and escalators under regulations issued by Central Government and to ensure that MV installations and accounts of licensee are inspected as per periodicity prescribed, invoke penal provision on licensees not submitting returns, ensure that receipts involved in netting off with KSEBL were included in Government accounts and ensure that remittances through JSK are reconciled as per Kerala Budget Manual. 	
31 March 2016	Disaster Management in the State	16	<ul style="list-style-type: none"> Instructions may be issued by the Government to prepare the Disaster Management plan at departmental, village and local levels. Government may take steps to submit the Annual Report to the legislature and appoint full time members in KSDMA. Dedicated staff may be provided for DM activities . Instructions may be issued by the Government to set up VDMCs. Government may take steps to establish Civil Defence set up. Government may take steps to constitute NGO coordination committee. 	Committee on Public Accounts discussed the review on 14 January 2020.

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
31 March 2017	Infrastructure facilities in the Commercial Taxes Department	5	<ul style="list-style-type: none"> • SEOC and DEOCs may be made operational 24 x 365 with sufficient communication networks. • Infrastructure and DM plans may be put in place for hospital preparedness. • Steps may be taken to create awareness of disaster among school children. • Steps may be taken to identify buildings other than school buildings to run relief camps. • Steps may be taken to implement the annual plan and to refund the unutilised funds before close of the financial year. • Dedicated SDR Force may be made functional by recruiting category wise staff. • Retrofitting of lifeline buildings in the State may be done at the earliest and necessary amendments be carried out in the regulations to incorporate multi hazard safety measures in new constructions. • Government may take steps for preparation of budget after assessing requirements and efficient management of finance related to disaster management activities. • Government may take steps to establish mitigation funds as per the prescribed procedure. • State Disaster Relief fund should be spent as per SDRF guidelines after due authorisation by State Executive Committee. 	
			<p>The Department may</p> <ul style="list-style-type: none"> • prepare a time bound plan relating to e-governance activities and ensure funds utilisation by expediting the procurement of IT assets. • take steps for timely renewal of the annual maintenance contract of IT infrastructure and to make suitable clauses for preventive maintenance and closely monitor the annual maintenance contract service providers. • take steps to ensure uninterrupted power supply to all the offices to facilitate smooth functioning by putting in place uninterrupted power supply in case of power failures from Electricity Board. 	Action taken explanatory notes have not been received.

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
31 March 2018	Functioning of OPEN PEARL in Registration Department	14	<ul style="list-style-type: none"> • update the Agricultural Income Tax and Sales Tax Manual and also review the staffing norms. • formulate a scheme with a time frame, for creation of modern workstations with space for IT equipment and paper work, efficient file management and space for effective records management. 	Action taken explanatory notes have not been received.
			<ul style="list-style-type: none"> • Steps may be taken to prepare the URS, enter into SLAs, fix timelines, and ensure handing over the project to the Department along with proper documentation. • Necessary steps may be taken to prepare and document BCP/DRP and provision may be made to uplink the backup server. • Provision may be made in OPEN PEARL for population of personal details of each individual based on the unique identity such as Aadhar, etc., and generate printable electronic documents. • Printing of e-stamps be permitted online only and number of prints may be restricted to one. Provision may be made for issue of revised e-stamp in cases where additional stamps are required. Provision for recording the serial number of the e-stamp has to be made in OPEN PEARL. • Steps may be taken to integrate the fair value of land application with OPEN PEARL. • Provision may be made in OPEN PEARL to collect the fee for transfer of registry and the Government may take steps for updating data in ReLIS database to enable automatic transfer of registry. • Steps may be taken for entry and/or validation of details of documents registered in earlier years in OPEN PEARL. Provision may be made in the OPEN PEARL to issue digitally signed list certificates, certified copies and marriage certificates. • Steps may be taken to dispense with the manual accounts after ensuring the accuracy of generated accounts and to prepare annual revenue collection statements and monthly reconciliation statements online. 	

Year of Report	Name of the PA	No. of recommendations	Details of recommendations	Status
31 March 2019			<ul style="list-style-type: none"> • Necessary legal enablement for keeping the copies of registered documents in digital format may be made. • Necessary provision may be made in the OPEN PEARL to generate revenue collection statement and trend analysis statement for over a period of time. • Action may be taken to rectify the duplicate and incorrect data entries in the database and tally the system generated accounts with the manual accounts. Steps may be taken to ultimately eliminate manual accounts. • Action may be taken to make available the RoR and FMB to the SR so as to enable him to append them to the documents registered. • Necessary steps may be taken to record the refund details against the original receipt entries in the OPEN PEARL. • Necessary orders or guidelines may be issued by the Government/ IGR for conducting internal audit in the OPEN PEARL environment. An audit module may also be provided in the application. 	
(No Reviews were featured in this Audit Report)				

Appendix - VII
(Ref: Paragraph 2.4.2)
Revenue from GST

(₹ in lakh)

Year	Budget Estimates (BE)	Revised Estimates (RE)	Actuals
	SGST	SGST	SGST
2017-18	0	16,20,000	12,00,769
2018-19	27,00,000	22,82,160	21,01,471
2019-20	29,01,062	23,68,962	20,44,695
2020-21	32,38,811	18,99,957	---NA--

Appendix - VIII
(Ref: Paragraph 2.4.2)
Bi-monthly Compensation received from the Union Government

(₹ in lakh)

Month	Provisional Compensation due	Provisional Compensation received	Shortfall/ Surplus, if any
2017-18			
July - August	85,226	81,000	(-)4,226
September - October	38,784	39,500	716
November - December	(-)885	0	885
January - February	58,930	56,700	(-)2,230
March	33,877	33,000	(-)877
2018-19			
April - May	9,528	6,700	(-)2,828
June - July	78,198	78,000	(-)198
August - September	1,03,934	1,03,300	(-)634
October - November	19,058	19,500	442
December - January	48,663	47,900	(-)763
February - March	96,398	97,800	1,402
2019-20			
April - May	86,034	86,200	166
June - July	1,29,728	1,28,400	(-)1,328
August - September	1,59,652	1,59,700	48
October - November	1,51,076	1,50,600	(-)476
December - February	2,10,690	2,04,854	(-)5,836
March	72,780	81,346	8,566
2020-21			
April - May	4,52,929	7,59,526	3,06,597
June - July	2,57,432	2,20,557	(-)36,875
August - September	2,34,223	87,068	(-)147,155
October - November	1,91,527	67,385	(-)1,24,142
December - January	1,62,674	71,916	(-)90,758
February - March			

Appendix - IX
(Ref: Paragraph 2.4.2)
Integrated Goods and Services Tax

(₹ in lakh)

IGST component	2017-18	2018-19	2019-20	2020-21
IGST apportioned to the State as per Section 17 of IGST Act, 2017	1,07,550.69	49,741.97	83,023.60	1,01,779.71
IGST provisionally/ ad-hoc apportioned to the State	0	2,73,436.84	1,59,611.68	(-)1,582.83
IGST cross utilised between	(-)31,062.85	(-)64,335.86	(-)75,419.62	(-)73,181.58
SGST as IGST				
IGST as SGST	6,03,618.16	10,26,089.99	10,56,694.48	9,05,710.85

Appendix - X
(Ref: Paragraph 2.5.6)

Extent of deficiencies noticed during the audit of transitional credit cases

(₹ in crore)

Nature of Audit Observation	Audit Sample		Number of deficiencies noticed		Deficiencies as percentage of sample	
	Number	Amount	Number	Amount	Number	Amount
Irregular claim of transitional credit on goods in stock with duty paid documents	94	8.33	27	6.25	29	75
Irregular claim of transitional credit on goods in stock without duty paid documents	203	13.37	6	2.89	3	22
Excess carry forward of input tax credit	867	26.89	22	0.67	3	2
Irregular availment of transitional credits on capital goods	192	2.35	20	0.34	10	14
Total			75	10.15		

Appendix - XI

(Ref: Paragraph 2.5.7)

Irregular claim of transitional credit on goods in stock with duty paid documents

Sl. No.	Office	GSTIN	Taxpayer	Subject	₹ in lakh
1	Alappuzha Range	32AAIFT0033A1Z1	Trinity Global	Irregular claim of credit on stock having invoice	35.28
2	Chalai Range	32AIYPS0870L1ZK	M.S Paints	Irregular claim of credit on stock having invoice	4.12
3	Chalai Range	32AIRPP6148D1Z4	M.S. Traders	Irregular claim of credit on stock having invoice	0.59
4	Kasaragod Range	32AAOCS9904N1ZP	Signature Motors Kasaragod Pvt Ltd	Irregular claim of credit on stock having invoice	0.48
5	Pappanamcode Range	32AAHFA3900A1ZF	Aluminium And Allied Centre	Irregular claim of credit on stock having invoice	5.25
6	Pattom Range	32AAACQ0790L1ZF	QRS Marketing Private Limited	Irregular claim of credit on stock having invoice	32.82
7	Pattom Range	32AYWPK1909N1ZW	Hilton Autos	Irregular claim of credit on stock having invoice	21.04
8	Special Circle Alappuzha	32ACYPJ3925D1ZL	T V House	Irregular claim of credit on stock having invoice	12.63
9	Statue Range	32AAACQ1665J1ZJ	QRS Retail Limited	Irregular claim of credit on stock having invoice	448.92
10	Statue Range	32AABCL9777F1ZB	Lilly Whites Garments Private Limited	Irregular claim of credit on stock having invoice	36.25
11	STO I Circle, Alappuzha	32AHPPS9881F1ZO	Arun Plastics	Irregular claim of credit on stock having invoice	0.39
12	STO II Circle, Kannur	32CFZPP9272F1ZQ	An. Tradelinks	Irregular claim of credit on stock having invoice	0.33
13	STO IV Circle, Kozhikode	32AWLPP2160P1Z5	Wonder Stones Marketing	Irregular claim of credit on stock having invoice	0.80
14	STO IV Circle, Kozhikode	32AMXPR9572P1ZP	Crystal Glass	Irregular claim of credit on stock having invoice	1.25
15	STO IV Circle, Kozhikode	32AEMPM4313A1Z4	Perfect Woods	Irregular claim of credit on stock having invoice	2.29

Sl. No.	Office	GSTIN	Taxpayer	Subject	₹ in lakh
16	STO, Sulthanbathery	32AAAFW2700P1Z9	Wayanad Spices	Irregular claim of credit on stock having invoice	1.28
17	STO, Sulthanbathery	32ARFPB1332C1ZU	Lee And Lee Enterprises	Irregular claim of credit on stock having invoice	0.78
18	STO, Sulthanbathery	32AQGPM0760K1ZX	Rare Timber Mart	Irregular claim of credit on stock having invoice	0.69
19	STO, Sulthanbathery	32AUNPR4989E1Z3	Space Marketing	Irregular claim of credit on stock having invoice	0.32
20	STO, Thiruvalla	32BECPR6478A1ZM	Sun Match Industries	Irregular claim of credit on stock having invoice	0.56
21	STO, Vaikom	32AABAV8091N1ZZ	Vaikom Taluk Co-Operative Employees Co-Operative Society Ltd No K	Irregular claim of credit on stock having invoice	1.74
22	STO, Vaikom	32ADCPR4717J1ZK	Sai Wood Crafts	Irregular claim of credit on stock having invoice	0.43
23	STO Works Contract, Wayanad	32AATFA8441Q1ZS	Alpha Agencies	Irregular claim of credit on stock having invoice	1.74
24	Sulthan Bathery Range	32AABFF3600N1ZS	Fathima Associates	Irregular claim of credit on stock having invoice	1.24
25	Thiruvallam Range	32ABHPV8636P1ZT	Narayanan Manikantan & Company	Irregular claim of credit on stock having invoice	5.37
26	Veli Range	32AAJFS8916Q1ZG	Shree Enterprises	Irregular claim of credit on stock having invoice	6.36
27	Veli Range	32AABFD9217B1Z2	Devi Pharma	Irregular claim of credit on stock having invoice	2.22
Total					625.17

Appendix - XII

(Ref: Paragraph 2.5.8)

Irregular claim of transitional credit on goods in stock without duty paid documents

Sl. No.	Office	GSTIN	Taxpayer	Subject	₹ in lakh
1	Alappuzha Range	32ABUPA7772J1ZA	Davis Pharma	Irregular claim of credit on stock having no documents	0.91
2	Kasaragod Range	32AAXFA4485E1Z9	Avenue Tiles & Bath Studio	Irregular claim of credit on stock having no documents	5.48
3	Kasaragod Range	32ABCFA2302C1ZK	Arafa Wood Industries	Irregular claim of credit on stock having no documents	1.81
4	Pattom Range	32AAACQ0790L1ZF	QRS Marketing Private Limited	Irregular claim of credit on stock having no documents	19.46
5	Statue Range	32AAACQ1665J1ZJ	QRS Retail Limited	Irregular claim of credit on stock having no documents	259.07
6	Vadakara Range	32DMSPS2098B1ZS	Grace Motors	Irregular claim of credit on stock having no documents	2.48
Total					289.21

Appendix - XIII
(Ref: Paragraph 2.5.9 (a))
Excess/ Irregular availing of KVAT Credit

Sl. No.	Office	GSTIN	Taxpayer	Subject	₹ in lakh
1	Alappuzha Range	32ABUPA7772J1ZA	Davis Pharma	Excess claim of balance VAT Credit	0.46
2	Alappuzha Range	32AAHFR0721J1ZI	RSA Marines	Excess claim of balance VAT Credit	0.23
3	Chalai Range	32AANPF7964P1Z0	Rhiz Enterprises	Excess claim of balance VAT Credit	2.07
4	Cherthala Range	32AACCB0569Q1ZH	Blue Sea Chemicals Pvt Ltd	Excess claim of balance VAT Credit	3.40
5	Cherthala Range	32AAECM4568L1Z7	Mayithara Home Decore Pvt Ltd	Excess claim of balance VAT Credit	0.97
6	Cherthala Range	32AALCA6164D1ZX	Arbee Aquatic Proteins Pvt Ltd	Excess claim of balance VAT Credit	2.42
7	Kanhangad Range	32ANIPV8860A1ZW	Iyshwarya Enterprises	Excess claim of balance VAT Credit	0.65
8	Kannur I Range	32AAIFV3107B1ZS	Vintage Associates	Excess claim of balance VAT Credit	0.14
9	Kasaragod Range	32AAJFB9395G1Z7	B.S.Pai & Co	Excess claim of balance VAT Credit	0.69
10	Kattappana Range	32ADEF51974L1ZT	Spice World	Excess claim of balance VAT Credit	1.74
11	Kozhikode II Range	32AAXFM8853E1ZT	Mocs Footcare	Excess claim of balance VAT Credit	4.21
12	Mundakkayam Range	32AABCP7970Q1ZT	Prudential Rubber Pvt Ltd	Excess claim of balance VAT Credit	2.14
13	Nedumangad Range	32ADGPT7113E1ZT	Pooja Automobiles	Excess claim of balance VAT Credit	0.88
14	Special Circle, Kasaragod	32AOKPM1249M1ZR	Mahsooq Trading Co.	Excess claim of balance VAT Credit	0.11
15	Special Circle, Kottayam	32AADFT5573A1ZJ	Timberland	Excess claim of balance VAT Credit	2.19

Sl. No.	Office	GSTIN	Taxpayer	Subject	₹ in lakh
16	Statue Range	32AAECM1840M6ZF	Muthoot Homez	Excess claim of balance VAT Credit	15.41
17	STO (AIT & ST), Kanjirapally	32ACTPT4765E1Z6	Power Tech Electricals	Excess claim of balance VAT Credit	0.71
18	STO, Ponkunnam	32AABFW1550C1ZT	Western India Chemicals	Excess claim of balance VAT Credit	0.84
19	Veli Range	32AAACE5011C1ZM	EICL Limited	Excess claim of balance VAT Credit	23.61
Total					62.87

Appendix - XIV
(Ref: Paragraph 2.5.9 (b))
Irregular claim of credit due to non-filing of returns

Sl. No.	Office	GSTIN	Taxpayer	Subject	₹ in lakh
1	Kozhikode III Range	32AMFPJ6897B1Z2	T.J Traders	Irregular claim of tran. credit due to non-filing of returns	2.15
2	STO, Mananthavady	32BWHPG9360D1ZQ	Amrutha Enterprises	Irregular claim of tran. credit due to non-filing of returns	0.88
3	Thiruvallam Range	32AKLPC2481Q2ZV	Revathy Construction Company	Irregular claim of tran. credit due to non-filing of returns	0.81
Total					3.84

Appendix - XV

(Ref: Paragraph 2.5.10)

Irregular Availing of Transitional Credit on Capital Goods

Sl. No.	Office	GSTIN	Taxpayer	Subject	₹ In lakh
1	Alappuzha Range	32AAHFR0721J1ZI	RSA Marines	Excess Claim of balance ITC on Capital goods	2.03
2	Cherthala Range	32AAACK8728L1ZB	Kreem Foods Pvt Ltd	Excess Claim of balance ITC on Capital goods	0.14
3	IAC, Pala	32AAKFP5735D1ZE	Parayil Exports	Excess Claim of balance ITC on Capital goods	2.34
4	Kanhangad Range	32AZZPJ1726G1Z8	Goodly Enterprises	Excess Claim of balance ITC on Capital goods	1.01
5	Kanhangad Range	32CAZPS6187H1ZT	Madiyan Traders	Excess Claim of balance ITC on Capital goods	0.46
6	Kozhikode V Range	32AAECN4082G1ZO	Navakeralam Footwear Private Limited	Excess Claim of balance ITC on Capital goods	1.25
7	Special Circle, Kannur	32AADCP7180L1Z7	Prince Fortified Steels Private Limited	Excess Claim of balance ITC on Capital goods	2.94
8	Special Circle, Kasaragod	32AEVPK7986C1ZO	Nileswar Gas Agencies	Excess Claim of balance ITC on Capital goods	0.81
9	Special Circle, Kasaragod	32AEBPM0027N1ZT	Kolikara Sales Corporation	Excess Claim of balance ITC on Capital goods	0.92
10	Special Circle, Kottayam	32AABCH1456M1ZO	Highrange Rubber And Coir Products	Excess Claim of balance ITC on Capital goods	0.32
11	Special Circle, Kottayam	32AAOCA0663J1ZP	Ajmi Flour Mills (India) Private Limited	Excess Claim of balance ITC on Capital goods	2.22
12	Special Circle, Thodupuzha	32EHNPS3076J1ZU	Kunnumpurath Agencies	Excess Claim of balance ITC on Capital goods	0.71
13	Special Circle I, Kozhikode	32AAAFY2571L1Z2	Yogi Enterprises	Excess Claim of balance ITC on Capital goods	0.08
14	Statue Range	32AAACQ1665J1ZJ	QRS Retail Limited	Excess Claim of balance ITC on Capital goods	9.79
15	Statue Range	32AABCL9777F1ZB	Lilly Whites Garments Private Limited	Excess Claim of balance ITC on Capital goods	5.61

Sl. No.	Office	GSTIN	Taxpayer	Subject	₹ In lakh
16	STO II Circle, Changanachery	32AWYPM2842C1ZH	Pulinchuavallil Agencies	Excess Claim of balance ITC on Capital goods	0.27
17	STO IV Circle, Kozhikode	32AACCO4244M1ZG	Orial Imara Private Limited	Excess Claim of balance ITC on Capital goods	0.81
18	STO, Hosdurg	32AAMFV5517D2Z9	Vittal Furnitech	Excess Claim of balance ITC on Capital goods	1.38
19	STO, Kuthiathode	32BBDPN2789Q1Z0	S M Traders	Excess Claim of balance ITC on Capital goods	0.46
20	Thalipparamba Range	32ALVPK3427D1Z7	Aysha Agencies	Excess Claim of balance ITC on Capital goods	0.02
Total					33.57

Appendix - XVI
(Ref: Paragraph 2.6.3)
Delay in acknowledgement of applications

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
1.	Thiruvananthapuram/ Spl. Circle, Thiruvananthapuram	M/S ALLIANZ CORNHILL INFORMATION SERVICES PRIVATE LTD./32AAECA1104C1ZS	AA3203180222861/27-03-2019	13-05-2019	17-10-2019	142
2.	Thiruvananthapuram/ Spl. Circle, Thiruvananthapuram	ENVESTNET ASSET MANAGEMENT (INDIA) PRIVATE LIMITED/32AABCN5494K1Z8	AA320917482484S/19-02-2019	11-06-2019	16-10-2019	112
3.	Thiruvananthapuram/ Spl. Circle, Thiruvananthapuram	M/S ALLIANZ CORNHILL INFORMATION SERVICES PRIVATE LTD./32AAECA1104C1ZS	AA320917482613X/22-02-2019	13-05-2019	16-09-2019	111
4.	Thiruvananthapuram/ STO II Circle Thiruvananthapuram	BIJU K RAJ/32AHRPR0960N1ZS	AA320619014742C/29-06-2019	29-06-2019	16-09-2019	64
5.	Thiruvananthapuram/ Spl. Circle, Thiruvananthapuram	M/S ALLIANZ CORNHILL INFORMATION SERVICES PRIVATE LTD./32AAECA1104C1ZS	AA320817002476B/08-02-2019	13-05-2019	22-07-2019	55
6.	Kollam/ STO II Circle, Kollam	N.S.CASHEW COMPANY/32AEEPR6378G1ZA	AA320319477993O/05-05-2019	08-05-2019	28-05-2019	5
7.	Kollam/ Special Circle, Kottarakkara	PENIEL CASHEW COMPANY/32AADPO9275G1ZK	AA320819014859R/27-08-2019	27-08-2019	13-09-2019	2
8.	Alappuzha/ STO II Circle, Alappuzha	COIR DUST INC/32AALFC5895L1ZW	AA3209190128129/24-09-2019	24-09-2019	24-04-2020	198
9.	Alappuzha/ STO II Circle, Alappuzha	UNIQUE BRASS PRODUCTS/32AACFU8172H1Z4	AA3207183489011/08-11-2018	08-11-2018	01-02-2019	70
10.	Alappuzha/ Special Circle, Alappuzha	D.C INTERIORS/32AAGFD2348J1ZM	AA3207190068246/10-07-2019	19-11-2019	30-01-2020	57
11.	Ernakulam/ Special Circle II, Ernakulam	BABY MARINE EASTERN EXPORTS/32AADFB7648A1ZX	AA320518348595W/16-10-2018	25-06-2020	06-08-2020	27
12.	Ernakulam/ Special Circle II, Ernakulam	TRIBHOVAN DAS BHIMJI ZAVERI LTD/32AACCT7182PIZU	AA3209190100995/20-09-2019	20-09-2019	28-02-2020	146

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
13.	Ernakulam /Special Circle II, Ernakulam	SUMI MERCANTILE CO.PVT LTD/32AAECS0934N1ZB	AA3203184953360/03-10-2018	03-10-2018	10-01-2019	84
14.	Thrissur /Spl. Circle, Thrissur	ELITE GREEN/32AABCE9775A1ZU	AA320819017522B/31-08-2019	16-09-2019	28-10-2019	27
15.	Thrissur /Spl. Circle, Thrissur	PEEYAR EXPORTS/32AADFP5103E1ZX	AA320619015114M/29-06-2019	29-06-2019	02-08-2019	19
16.	Thrissur / Circle IV, Thrissur	GLOBAL PLASTO WARES/32AAFFG6929F1ZI	AA320719012322M/19-07-2019	02-08-2019	31-08-2019	14
17.	Malappuram /Special Circle, Malappuram	POMONA EXPORTS PVT LTD/32AACCP2247F1ZV	AA3212185818522/31-05-2019	11-06-2019	04-09-2019	70
18.	Malappuram / STO, Kottakkal	SHAJAL BABU.K. PROP. REGAL EXPORTERS, MANNATHPARAMBA/32AGXPK3414B1ZP	AA320318007816C/17-01-2019	23-10-2019	03-12-2019	26
19.	Malappuram/ STO, Manjeri	BOYZONE FOOTCARE INDIA PRIVATE LIMITED/32AAECB7392K1ZG	AA3208190071768/14-08-2019	27-08-2019	23-09-2019	12
20.	Kozhikode/ Special Circle I, Kozhikode	RADIANT FOOTCARE PRIVATE LIMITED/32AAFCR5302N1ZF	AA320818024959P/27-02-2019	01-03-2019	01-04-2019	16
21.	Kozhikode/ Special Circle I, Kozhikode	RADIANT FOOTCARE PRIVATE LIMITED/32AAFCR5302N1ZF	AA3209180486305/27-02-2019	01-03-2019	01-04-2019	16
22.	Kozhikode/ Special Circle I, Kozhikode	FORTUNE ELASTOMERS (P) LTD/32AAACF5028Q1ZJ	AA3208190166808/30-08-2019	31-08-2019	17-09-2019	2
23.	Thiruvananthapuram/ Special Circle, Thiruvananthapuram	THALIKUNNIL RUBBERS/32ANUPG7433N1ZH	AA321119003065U/05-11-2019	05-11-2019	27-05-2020	189
24.	Thiruvananthapuram/ Special Circle, Thiruvananthapuram	THALIKUNNIL RUBBERS/32ANUPG7433N1ZH	AA321119003079L/05-11-2019	05-11-2019	27-05-2020	189
25.	Thiruvananthapuram/ IAC, Thiruvananthapuram	ALLIANZ TECHNOLOGY SE/32AAAKA4126C1ZA	AA3212190008887/02-12-2019	02-12-2019	19-05-2020	154
26.	Thiruvananthapuram/ STO I Circle Thiruvananthapuram	IBS SOFTWARE PRIVATE LIMITED/32AADCI5529A1Z4	AA320120009102G/14-01-2020	14-01-2020	13-02-2020	15

Combined Compliance Audit Report on Revenue Sector for the period 2019-2021

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
27.	Thiruvananthapuram/STO I Circle, Thiruvananthapuram	COGNITIVE COMPUTING SERVICES PRIVATE LIMITED/32AAGCC8691Q1ZX	AA320220010756W/17-02-2020	17-02-2020	10-03-2020	7
28.	Thiruvananthapuram/ Works Contract, Thiruvananthapuram	RR DONNELLEY INDIA OUTSOURCE PRIVATE LIMITED/32AABCH1990A1Z6	AA320320001677T/03-03-2020	03-03-2020	06-05-2020	49
29.	Thiruvananthapuram/Works Contract, Thiruvananthapuram	AVIO ENTERPRISES/32AADFA9693G1ZD	AA320320002348Z/04-03-2020	04-03-2020	27-05-2020	69
30.	Thiruvananthapuram/Works Contract-Thiruvananthapuram	KEECHERY ENGINEERING CO/32ALAPS4504J1ZB	AA320320012043D/18-03-2020	18-03-2020	01-06-2020	60
31.	Kollam/ Special Circle, Kollam	NAJEEM CASHW INDUSTRIES/32ACAPM1256C1ZC	AA321019000839E/01-10-2019	01-10-2019	25-11-2019	40
32.	Kollam/ Special Circle, Kollam	ROYAL FOOD EXPORTERS/32ABRPN7526Q1ZU	AA320220003993T/07-02-2020	07-02-2020	07-05-2020	75
33.	Kollam/ Special Circle, Kollam	ROYAL FOOD EXPORTERS/32ABRPN7526Q1ZU	AA320320006276Y/10-03-2020	10-03-2020	07-05-2020	43
34.	Kollam/ Special Circle, Kollam	CONNEXIAL CONSULTANTS LLP/32AAOFC0438N1ZC	AA320520005333Z/20-05-2020	20-05-2020	16-06-2020	12
35.	Kollam/ STO, Kundara	NARENDRAN RUBBERS/32AAHPN2651B1Z9	AA3201200034183/06-01-2020	06-01-2020	27-01-2020	6
36.	Kollam/ STO, Kundara	NARENDRAN RUBBERS/32AAHPN2651B1Z9	AA320320013300G/20-03-2020	20-03-2020	03-06-2020	60
37.	Alappuzha/ Special Circle, Alappuzha	UNILEVER INDIA EXPORTS LIMITED/32AAACI0991D1Z1	AA321219009740K/12-12-2019	12-12-2019	07-01-2020	11
38.	Alappuzha/ Special Circle, Alappuzha	UNILEVER INDIA EXPORTS LIMITED/32AAACI0991D1Z1	AA321219020999Y/30-12-2019	30-12-2019	22-01-2020	8
39.	Alappuzha/ Special Circle, Alappuzha	COCHIN FROZEN FOOD EXPORTS PVT LTD/32AAACC8506G1Z2	AA320120015755V/23-01-2020	23-01-2020	25-02-2020	18
40.	Alappuzha/ STO, Cherthala	SACRED HEART GENERAL HOSPITAL/32AAATS7074A1ZU	AA321219005982C/07-12-2019	07-12-2019	05-05-2020	135

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
41.	Alappuzha/ STO, Cherthala	CAZLE FOOTCARE/32AAKFC1071F1ZY	AA321119008239G/11-11-2019	11-11-2019	20-02-2020	86
42.	Alappuzha/ STO, Cherthala	CAZLE FOOTCARE/32AAKFC1071F1ZY	AA321119014664H/19-11-2019	19-11-2019	22-02-2020	80
43.	Alappuzha/ STO, Cherthala	CAZLE FOOTCARE/32AAKFC1071F1ZY	AA321219001431X/03-12-2019	03-12-2019	22-02-2020	66
44.	Alappuzha/ STO, Cherthala	CAZLE FOOTCARE/32AAKFC1071F1ZY	AA3201200182065/25-01-2020	25-01-2020	22-02-2020	13
45.	Ernakulam/ Special Circle II, Ernakulam	UBS PUBLISHERS DISTRIBUTORS PVT. LTD/32AAACU0042R1ZE	AA3202200083435/13-02-2020	13-02-2020	09-03-2020	10
46.	Ernakulam/ Special Circle II, Ernakulam	FILTROWIN INDUSTRIES/32ASEPD8786C1ZV	AA3205200000938/01-05-2020	01-05-2020	21-05-2020	5
47.	Ernakulam/ Special Circle II, Ernakulam	GROWING STARS INFOTECH PRIVATE LIMITED/32AABCG8799G1ZA	AA3205200005152/04-05-2020	04-05-2020	21-05-2020	2
48.	Ernakulam/ Special Circle III, Ernakulam	AL-GAYATHRI TRADING COMPANY PVT LTD/32AABCA9766B1ZX	AA321219009326F/12-12-2019	12-12-2019	18-01-2020	22
49.	Ernakulam/ Special Circle III, Ernakulam	PRIDEMANN FACADE- LAB INDIA PRIVATE LIMITED/32AAJCP2083Q1ZZ	AA3201200149106/22-01-2020	22-01-2020	25-02-2020	19
50.	Ernakulam/ STO III Circle, Ernakulam	CONCEPTSHELF TECHNO LABS PRIVATE LIMITED/32AAHCC1861H1ZX	AA320520001189U/06-05-2020	06-05-2020	10-06-2020	20
51.	Ernakulam/ Works Contract, Ernakulam	SEAFOOD INNOVATIONS/32AATFS8677G1ZH	AA320320016369P/31-03-2020	31-03-2020	12-06-2020	58
52.	Ernakulam/ Works Contract, Ernakulam	PYARY PRODUCTS/32AKDPS8200R1ZT	AA320120018816S/27-01-2020	27-01-2020	20-05-2020	99
53.	Ernakulam/ Works Contract, Ernakulam	PYARY PRODUCTS/32AKDPS8200R1ZT	AA320220015465Y/24-02-2020	24-02-2020	10-06-2020	92
54.	Ernakulam/ Works Contract Special Team, Ernakulam	POOTHULLIL JOSEPH JOHN/32ADZP10021A2Z6	AA321219013054T/18-12-2019	18-12-2019	13-01-2020	11
55.	Ernakulam/ Works Contract Special Team, Ernakulam	QUALITY TYRES/32AEYVP8961P1Z2	AA3202200117432/18-02-2020	18-02-2020	07-05-2020	64

Combined Compliance Audit Report on Revenue Sector for the period 2019-2021

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
56.	Ernakulam/ STO I Circle, Kalamassery Ernakulam	CAMPION TECHNOLOGIES/32AAHFC9535H1ZG	AA321219005961G/07-12-2019	07-12-2019	09-01-2020	18
57.	Ernakulam/ STO I Circle, Kalamassery Ernakulam	CAMPION TECHNOLOGIES/32AAHFC9535H1ZG	AA3212190060302/07-12-2019	07-12-2019	09-01-2020	18
58.	Ernakulam/ STO I Circle, Thripunithura	PURAPPADATHIL EXPORTERS PRIVATE LIMITED/32AAGCP6958D1ZD	AA320320015915R/30-03-2020	30-03-2020	11-05-2020	27
59.	Ernakulam/ STO II Circle, Thripunithura	CORBEL BUSINESS APPLICATIONS PRIVATE LIMITED/32AAGCC5381D1ZZ	AA320120014994Q/22-01-2020	22-01-2020	21-05-2020	105
60.	Mattancherry/ Special Circle (Produce), Mattancherry	SARASWATHI METAL WORKS/32AALFS9829G1ZT	AA3202200033836/06-02-2020	06-02-2020	27-05-2020	96
61.	Mattancherry/ Special Circle (Produce), Mattancherry	AVT NATURAL PRODUCTS LTD/32AAACA3171B1ZJ	AA3203200130755/19-03-2020	19-03-2020	27-05-2020	54
62.	Mattancherry/ Special Circle (Produce), Mattancherry	S H MARINE EXIM/32ACMFS1676E1Z3	AA320520002695Q/12-05-2020	12-05-2020	28-05-2020	1
63.	Mattancherry/ Special Circle (Produce), Mattancherry	TATA GLOBAL BEVERAGES LIMITED/32AABCT0602K4ZR	AA320220004486X/07-02-2020	07-02-2020	25-02-2020	3
64.	Mattancherry/ Special Circle, Perumbavoor	AUREA BIOLABS PRIVATE LIMITED/32AAMCA4537B1Z3	AA321219012419G/17-12-2019	17-12-2019	07-01-2020	6
65.	Mattancherry/ Special Circle, Perumbavoor	AUREA BIOLABS PRIVATE LIMITED/32AAMCA4537B1Z3	AA3205200037022/15-05-2020	15-05-2020	04-06-2020	5
66.	Mattancherry/ Special Circle, Perumbavoor	GENLITE ENGINEERING PVT LTD/32AAACCG7920Q1ZB	AA321219013186K/18-12-2019	18-12-2019	07-01-2020	5
67.	Mattancherry/ STO I Circle, Mattancherry	PRA THEEKSHA THEATRE/32AAVFP0192R1ZH	AA320320010249Z/16-03-2020	16-03-2020	21-05-2020	51
68.	Mattancherry/ STO I Circle, Mattancherry	PRA THEEKSHA THEATRE/32AAVFP0192R1ZH	AA3203200102647/16-03-2020	16-03-2020	21-05-2020	51
69.	Mattancherry/ STO I Circle, Mattancherry	PRA THEEKSHA THEATRE/32AAVFP0192R1ZH	AA320320011759N/18-03-2020	18-03-2020	21-05-2020	49

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
70.	Mattancherry/ STO I Circle, Mattancherry	PRATHEEKSHA THEATRE/32AAVFP0192R1ZH	AA3203200117711/18-03-2020	18-03-2020	21-05-2020	49
71.	Mattancherry/ STO I Circle, Mattancherry	PRATHEEKSHA THEATRE/32AAVFP0192R1ZH	AA320320011776R/18-03-2020	18-03-2020	21-05-2020	49
72.	Mattancherry/ STO I Circle, Mattancherry	PRATHEEKSHA THEATRE/32AAVFP0192R1ZH	AA320320011784U/18-03-2020	18-03-2020	21-05-2020	49
73.	Mattancherry/ STO I Circle, Mattancherry	PRATHEEKSHA THEATRE/32AAVFP0192R1ZH	AA320320011789K/18-03-2020	18-03-2020	21-05-2020	49
74.	Mattancherry/ WC & LT, Mattancherry	AB BUILDERS AND DEVELOPERS/32ABFFA803K1ZM	AA321219020088J/28-12-2019	28-12-2019	28-02-2020	47
75.	Mattancherry/ STO II Circle, Perumbavoor	AUSTREN/32ABAF2273Q1ZF	AA3201200190373/27-01-2020	27-01-2020	13-02-2020	2
76.	Thrissur/ Special Circle, Thrissur	DC EXPORTS/32AMAPP4149H1Z8	AA320320013769K/20-03-2020	20-03-2020	28-04-2020	24
77.	Thrissur/ STO, Vadakkancherry	GULF INDIA TRADING/32AALFG9184A1ZH	AA3201200017543/03-01-2020	03-01-2020	29-01-2020	11
78.	Malappuram/ Special Circle, Malappuram	CALTECH POLYMERS PVT.LTD/32AAAACC9223A1ZE	AA321019004980L/07-10-2019	07-10-2019	20-11-2019	29
79.	Malappuram/ Special Circle, Malappuram	CALTECH POLYMERS PVT.LTD/32AAAACC9223A1ZE	AA321019022134W/31-10-2019	31-10-2019	20-11-2019	5
80.	Malappuram/ Special Circle, Malappuram	SOUTHERN GENSETS/32AJMPP3154F1ZB	AA3211190188392/22-11-2019	22-11-2019	22-01-2020	46
81.	Malappuram/ Special Circle, Malappuram	SOUTHERN GENSETS/32AJMPP3154F1ZB	AA3211190198747/23-11-2019	23-11-2019	22-01-2020	45
82.	Malappuram/ Special Circle, Malappuram	CALTECH POLYMERS PVT.LTD/32AAAACC9223A1ZE	AA321219021516I/30-12-2019	30-12-2019	15-01-2020	1
83.	Malappuram/ Special Circle, Malappuram	A K S VEGETABLES AND FRUITS/32CLRPM9369N1Z1	AA3204200024146/26-04-2020	26-04-2020	13-05-2020	2
84.	Malappuram/ Special Circle, Malappuram	CALTECH POLYMERS PVT.LTD/32AAAACC9223A1ZE	AA320520001746S/08-05-2020	08-05-2020	29-05-2020	6

Combined Compliance Audit Report on Revenue Sector for the period 2019-2021

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
85.	Malappuram/ Special Circle, Malappuram	SLIPONS INDIA PRIVATE LIMITED/32AAGCS7645L1ZZ	AA3210190024302/03-10-2019	03-10-2019	20-11-2019	33
86.	Malappuram/ Special Circle, Malappuram	SLIPONS INDIA PRIVATE LIMITED/32AAGCS7645L1ZZ	AA321019022109P/31-10-2019	31-10-2019	20-11-2019	5
87.	Malappuram/ Special Circle, Malappuram	SURABHI IMPORTS AND EXPORTS/32ADBFS1297H1Z5	AA3203200137313/20-03-2020	20-03-2020	18-05-2020	44
88.	Malappuram/ IAC, Manjeri	LEEDS POLYMERS/32AABFL9493P1ZN	AA321219020542P/28-12-2019	28-12-2019	13-01-2020	1
89.	Malappuram/ IAC, Manjeri	LEEDS POLYMERS/32AABFL9493P1ZN	AA320520002078Y/09-05-2020	09-05-2020	26-05-2020	2
90.	Malappuram/ IAC, Manjeri	BOYZONE FOOTCARE INDIA PRIVATE LIMITED/32AAECB7392K1ZG	AA320520007673R/26-05-2020	26-05-2020	16-06-2020	6
91.	Malappuram/ IAC, Manjeri	BOYZONE FOOTCARE INDIA PRIVATE LIMITED/32AAECB7392K1ZG	AA320520007894J/26-05-2020	26-05-2020	16-06-2020	6
92.	Malappuram/ IAC, Manjeri	ALANKAR STEELS/32AA YFA0415B1Z0	AA3205200023906/11-05-2020	11-05-2020	18-06-2020	23
93.	Malappuram/ STO, Ponnani	GRAND INTERNATIONAL EXPORTERS/32AGQPM7156H1Z3	AA321119017349C/21-11-2019	21-11-2019	21-12-2019	15
94.	Malappuram/ STO, Ponnani	GRAND INTERNATIONAL EXPORTERS/32AGQPM7156H1Z3	AA321119018293K/22-11-2019	22-11-2019	21-12-2019	14
95.	Malappuram/ STO, Ponnani	GRAND INTERNATIONAL EXPORTERS/32AGQPM7156H1Z3	AA321119018632K/22-11-2019	22-11-2019	21-12-2019	14
96.	Malappuram/ STO, Ponnani	GRAND INTERNATIONAL EXPORTERS/32AGQPM7156H1Z3	AA321119018661J/22-11-2019	22-11-2019	21-12-2019	14
97.	Malappuram/ STO, Ponnani	GRAND INTERNATIONAL EXPORTERS/32AGQPM7156H1Z3	AA321119018726B/22-11-2019	22-11-2019	21-12-2019	14
98.	Malappuram/ STO, Thirurangadi	STEPON POLYMERS/32ACNFS3769B1ZZ	AA320120001025J/02-01-2020	02-01-2020	29-02-2020	43
99.	Malappuram/ STO, Tirur	AAK EXPORTS/32AGRPA4968L1ZZ	AA320120009401C/14-01-2020	14-01-2020	06-02-2020	8

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
100.	Kozhikode/ Special Circle I, Kozhikode	VEEKESY ELASTOMERS PVT. LTD./32AABC1464B1ZX	AA3209190151849/26-09-2019	26-09-2019	15-10-2019	4
101.	Kozhikode/ Special Circle I, Kozhikode	VEEKESY ELASTOMERS PVT. LTD./32AABC1464B1ZX	AA3209190181557/30-09-2019	30-09-2019	16-10-2019	1
102.	Kozhikode/ Special Circle I, Kozhikode	VKC FOOTWEAR INTERNATIONAL PRIVATE LIMITED/32AADC3651J1ZD	AA320919018339X/30-09-2019	30-09-2019	18-10-2019	3
103.	Kozhikode/ Special Circle I, Kozhikode	VEEKESY ELASTOMERS PVT. LTD./32AABC1464B1ZX	AA321019005756F/09-10-2019	09-10-2019	29-11-2019	36
104.	Kozhikode/ Special Circle I, Kozhikode	FORTUNE ELASTOMERS (P) LTD./32AAACF5028Q1ZJ	AA321019014802P/22-10-2019	22-10-2019	12-12-2019	36
105.	Kozhikode/ Special Circle I, Kozhikode	FORTUNE ELASTOMERS (P) LTD./32AAACF5028Q1ZJ	AA3210190148398/22-10-2019	22-10-2019	13-12-2019	37
106.	Kozhikode/ Special Circle I, Kozhikode	M/S WELLTEK FOOTCARE/32AAATFM5711H1Z8	AA321019016448F/23-10-2019	23-10-2019	21-12-2019	44
107.	Kozhikode/ Special Circle I, Kozhikode	VEEKESY ELASTOMERS PVT. LTD./32AABC1464B1ZX	AA321019018718A/26-10-2019	26-10-2019	06-01-2020	57
108.	Kozhikode/ Special Circle I, Kozhikode	VKC FOOTWEAR INTERNATIONAL PRIVATE LIMITED/32AADC3651J1ZD	AA3211190012206/02-11-2019	02-11-2019	29-01-2020	73
109.	Kozhikode/ Special Circle I, Kozhikode	RADIANT FOOTCARE PRIVATE LIMITED/32AAAFCR5302N1ZF	AA3212190079854/10-12-2019	10-12-2019	31-01-2020	37
110.	Kozhikode/ Special Circle I, Kozhikode	RADIANT FOOTCARE PRIVATE LIMITED/32AAAFCR5302N1ZF	AA321219018262N/25-12-2019	25-12-2019	31-01-2020	22
111.	Kozhikode/ Special Circle I, Kozhikode	RADIANT FOOTCARE PRIVATE LIMITED/32AAAFCR5302N1ZF	AA3212190183700/25-12-2019	25-12-2019	31-01-2020	22
112.	Kozhikode/ Special Circle I, Kozhikode	FORTUNE ELASTOMERS (P) LTD./32AAACF5028Q1ZJ	AA321219020527H/28-12-2019	28-12-2019	28-02-2020	47
113.	Kozhikode/ Special Circle I, Kozhikode	TEFLON PLASTIC INDUSTRIES/32AAGFT5563K1ZX	AA321219020656E/28-12-2019	28-12-2019	28-02-2020	47
114.	Kozhikode/ Special Circle I, Kozhikode	VKC FOOTWEAR INTERNATIONAL PRIVATE LIMITED/32AADC3651J1ZD	AA320120000005L/01-01-2020	01-01-2020	03-03-2020	47

Combined Compliance Audit Report on Revenue Sector for the period 2019-2021

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
115.	Kozhikode/ Special Circle I, Kozhikode	M/S WELLTEK FOOTCARE/32AAATFM5711H1Z8	AA320120010103L/15-01-2020	15-01-2020	13-03-2020	43
116.	Kozhikode/ Special Circle I, Kozhikode	M/S WELLTEK FOOTCARE/32AAATFM5711H1Z8	AA320120011866U/17-01-2020	17-01-2020	17-03-2020	45
117.	Kozhikode/ Special Circle I, Kozhikode	TEFLON PLASTIC INDUSTRIES/32AAAGFT5563K1ZX	AA3201200124645/18-01-2020	18-01-2020	18-03-2020	45
118.	Kozhikode/ Special Circle I, Kozhikode	TEFLON PLASTIC INDUSTRIES/32AAAGFT5563K1ZX	AA320120012984T/20-01-2020	20-01-2020	20-03-2020	45
119.	Kozhikode/ Special Circle I, Kozhikode	VKC FOOTWEAR INTERNATIONAL PRIVATE LIMITED/32AADCVC3651J1ZD	AA3201200146219/22-01-2020	22-01-2020	20-03-2020	43
120.	Kozhikode/ Special Circle I, Kozhikode	VKC FOOTWEAR INTERNATIONAL PRIVATE LIMITED/32AADCVC3651J1ZD	AA320220003350F/06-02-2020	06-02-2020	13-04-2020	52
121.	Kozhikode/ Special Circle I, Kozhikode	HIBON POLYMERS/32ADEPT9997Q1ZA	AA3202200034933/06-02-2020	06-02-2020	13-04-2020	52
122.	Kozhikode/ Special Circle I, Kozhikode	HIBON POLYMERS/32ADEPT9997Q1ZA	AA3202200035452/06-02-2020	06-02-2020	13-04-2020	52
123.	Kozhikode/ Special Circle I, Kozhikode	HIBON POLYMERS/32ADEPT9997Q1ZA	AA320220003640A/06-02-2020	06-02-2020	13-04-2020	52
124.	Kozhikode/ Special Circle I, Kozhikode	RADIANT FOOTCARE PRIVATE LIMITED/32AAAFRCR5302N1ZF	AA320220020268Z/28-02-2020	28-02-2020	23-04-2020	40
125.	Kozhikode/ Special Circle I, Kozhikode	TEFLON PLASTIC INDUSTRIES/32AAAGFT5563K1ZX	AA320220020824Z/29-02-2020	29-02-2020	23-04-2020	39
126.	Kozhikode/ Special Circle I, Kozhikode	FOR TUNE ELASTOMERS (P) LTD./32AAACF5028Q1ZJ	AA320220021172B/29-02-2020	29-02-2020	13-04-2020	29
127.	Kozhikode/ Special Circle I, Kozhikode	VEEKESY ELASTOMERS PVT. LTD./32AABCVC1464B1ZX	AA320320002043F/04-03-2020	04-03-2020	13-04-2020	25
128.	Kozhikode/ Special Circle I, Kozhikode	M/S WELLTEK FOOTCARE/32AAATFM5711H1Z8	AA3203200106342/16-03-2020	16-03-2020	23-04-2020	23
129.	Kozhikode/ Special Circle I, Kozhikode	TEFLON PLASTIC INDUSTRIES/32AAAGFT5563K1ZX	AA320520009454T/29-05-2020	29-05-2020	06-07-2020	23

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
130.	Kozhikode/ Special Circle I, Kozhikode	TEFLON PLASTIC INDUSTRIES/32AAAGFT5563K1ZX	AA320520009571V/29-05-2020	29-05-2020	06-07-2020	23
131.	Kozhikode/ Special Circle I, Kozhikode	VKC FOOTWEAR INTERNATIONAL PRIVATE LIMITED/32AADCV3651J1ZD	AA320520009641W/30-05-2020	30-05-2020	18-06-2020	4
132.	Kozhikode/ Special Circle I, Kozhikode	VKC FOOTWEAR INTERNATIONAL PRIVATE LIMITED/32AADCV3651J1ZD	AA320520009675L/30-05-2020	30-05-2020	29-06-2020	15
133.	Kozhikode/ Special Circle I, Kozhikode	TEFLON PLASTIC INDUSTRIES/32AAAGFT5563K1ZX	AA320520009782O/30-05-2020	30-05-2020	14-07-2020	30
134.	Kozhikode/ Special Circle I, Kozhikode	HIBON POLYMERS/32ADEPT9997Q1ZA	AA3206200026213/05-06-2020	05-06-2020	13-07-2020	23
135.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA3210190085897/12-10-2019	12-10-2019	04-11-2019	8
136.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA321019009403S/14-10-2019	14-10-2019	26-11-2019	28
137.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA321019009934D/15-10-2019	15-10-2019	26-11-2019	27
138.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA321119027782C/30-11-2019	30-11-2019	23-12-2019	8
139.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA3212190000646J/02-12-2019	02-12-2019	23-12-2019	6
140.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA321219001773J/03-12-2019	03-12-2019	26-12-2019	8
141.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA321219002602T/04-12-2019	04-12-2019	06-01-2020	18
142.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA321219004692I/06-12-2019	06-12-2019	06-01-2020	16
143.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA321219018461L/26-12-2019	26-12-2019	04-02-2020	25
144.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP2041K1ZO	AA321219020540T/28-12-2019	28-12-2019	04-02-2020	23

Combined Compliance Audit Report on Revenue Sector for the period 2019-2021

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
145.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP204IKIZO	AA3201200001869/01-01-2020	01-01-2020	04-02-2020	19
146.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP204IKIZO	AA3201200014680/02-01-2020	02-01-2020	20-02-2020	34
147.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP204IKIZO	AA320120005786S/09-01-2020	09-01-2020	27-02-2020	34
148.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP204IKIZO	AA3201200080178/13-01-2020	13-01-2020	29-02-2020	32
149.	Kozhikode/ Special Circle II, Kozhikode	POLYTEK FOOTWEAR COMPANY PVT.LTD./32AAGCP204IKIZO	AA320120009774T/15-01-2020	15-01-2020	29-02-2020	30
150.	Kozhikode/ STO II Circle, Kozhikode	AFAATH AGENCIES/32AOAPA238IN1Z8	AA3204200029203/29-04-2020	29-04-2020	20-05-2020	6
151.	Kozhikode/ STO III Circle, Kozhikode	ALPHA PVC/32AATFA9379F1Z0	AA321019010011A/15-10-2019	15-10-2019	02-12-2019	33
152.	Kozhikode/ STO III Circle, Kozhikode	ALPHA PVC/32AATFA9379F1Z0	AA321219006003Z/07-12-2019	07-12-2019	24-12-2019	2
153.	Kozhikode/ STO III Circle, Kozhikode	ALPHA PVC/32AATFA9379F1Z0	AA3201200051947/08-01-2020	08-01-2020	23-02-2020	31
154.	Kozhikode/ STO IV Circle, Kozhikode	MANGOS FOOTCARE/32AATFM6635L1ZQ	AA320320000332E/02-03-2020	02-03-2020	19-03-2020	2
155.	Kozhikode/ STO IV Circle, Kozhikode	SRK FOOT CARE/32ACKFS1920M1Z1	AA320520002091A/09-05-2020	09-05-2020	08-06-2020	15
156.	Kozhikode/ STO IV Circle, Kozhikode	stylo/32AAGFC2955E1ZT	AA320320012051G/18-03-2020	18-03-2020	08-05-2020	36
157.	Kozhikode/ STO, Koyilandy	MAX INTERNATIONAL FOOTCARE PRIVATE LIMITED/32AAHCM9849H1Z3	AA321219021325S/30-12-2019	30-12-2019	17-01-2020	3
158.	Kozhikode/ STO, Koyilandy	MAX INTERNATIONAL FOOTCARE PRIVATE LIMITED/32AAHCM9849H1Z3	AA320120001849S/03-01-2020	03-01-2020	25-01-2020	7
159.	Kozhikode/ STO, Koyilandy	MAX INTERNATIONAL FOOTCARE PRIVATE LIMITED/32AAHCM9849H1Z3	AA3201200024655/03-01-2020	03-01-2020	25-01-2020	7

Sl. No.	Name of Joint Commissionerate/ Name of State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of filing of application	Date of issue of acknowledgement in Form GST RFD-02	Period of delay
160.	Kozhikode/ STO, Koyilandy	MAX INTERNATIONAL FOOTCARE PRIVATE LIMITED/32AAHCM9849H1Z3	AA320320000460D/02-03-2020	02-03-2020	15-05-2020	59
161.	Kozhikode/ STO, Koyilandy	MAX INTERNATIONAL FOOTCARE PRIVATE LIMITED/32AAHCM9849H1Z3	AA3203200050359/09-03-2020	09-03-2020	15-05-2020	52
162.	Kannur/ STO I Circle, Kannur	SIVADAS TEXTILES/32AALFS1069G1Z9	AA3203200155208/26-03-2020	26-03-2020	14-05-2020	34
163.	Kannur/ STO III Circle, Kannur	HOLYPROPS INDUSTRIES/32ABHPY5743L1Z4	AA320620002548P/05-06-2020	05-06-2020	08-07-2020	18
164.	Kannur/ STO II Circle, Thalassery	SWADESHI EXPORTS(INDIA) & INTERIORS/32AFOPM6694P1ZH	AA321019021951L/31-10-2019	31-10-2019	03-12-2019	18
165.	Kannur/ STO, Kuthuparamba	MATTANNUR CINE VENTURES/32ABJFM3703E1ZQ	AA320320013782W/20-03-2020	20-03-2020	19-05-2020	45
166.	Kannur/ STO, Kuthuparamba	GANGA OPHTHOCARE/32AEFPN8275B1ZN	AA320320013955P/20-03-2020	20-03-2020	27-05-2020	53
167.	Kasaragod/ STO, Hosdurg	PRABHATH TEA MART/32AALPH7248G1ZQ	AA321119014472O/19-11-2019	19-11-2019	16-12-2019	12

Appendix - XVII
(Ref: Paragraph 2.6.9)

a) Irregular allowance of refund of inverted duty structure- error in calculation of Adjusted Total Turnover

Sl. No.	Name of Joint Commissionerate/ State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of final refund in Form GST RFD-06	Refund Allowable	Refund amount sanctioned	Excess refund sanctioned	
1	Malappuram/ Special Circle, Malappuram	Slipons India Private Limited/32AAGCS7645L1ZZ	AA320918486458H/29-11-2018	05-07-2019	5,80,508	6,65,270	84,762	
2	Malappuram/ Special Circle, Malappuram	Slipons India Private Limited/32AAGCS7645L1ZZ	AA321218382939P/23-01-2019	05-07-2019	9,10,259	9,40,045	29,786	
3	Malappuram/ Special Circle, Malappuram	Slipons India Private Limited/32AAGCS7645L1ZZ	AA320319422122S/29-04-2019	27-08-2019	5,63,041	6,10,387	47,346	
4	Kannur/ STO III Circle, Kannur	Holyprops Industries/32ABHPY5743L1Z4	AA320918084463W/04-05-2019	03-02-2020	3,68,474	4,25,639	57,165	
Total							2,19,059	

b) Irregular allowance of refund of inverted duty structure- Non-reversal of accumulated ITC on fabrics

Sl. No.	Name of Joint Commissionerate/ State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of final refund in Form GST RFD-06	ITC to be lapsed due to amended provision	ITC reversed	Refund amount sanctioned	Short reversal of ITC
1	Palakkad/ STO, Chittur	Supreme Narrow Fabrics/32AGXPM3944N1ZN	AA320818045189X/18-05-2019	25-06-2019	8,67,126	0	21,118	8,67,126
2	Palakkad/ STO, Chittur	Supreme Textiles /32AGQPJ5417Q1ZV	AA320719002062Q/03-07-2019	16-08-2019	5,08,800	0	3,98,274	5,08,800
3	Palakkad/ STO III Circle, Palakkad	ARIHAM INDUSTRIES / 32AAWFA2592H1Z8	AA321219019040W/26-12-2019	07-01-2020	5,14,512	14,118	6,67,986	5,00,394
Total								18,76,320

Appendix - XVIII
(Ref: Paragraph 2.6.12)
Excess refund due to accepting time barred application for refund

Sl. No.	Name of Joint Commissionerate/ State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Date of order in Form GST RFD-06	Refund amount sanctioned	Relevant period	Due date of filing application	Date of filing of application	Excess Refund
1	Idukki/ Special Circle Thodupuzha	M/s.Lunar Rubbers Ltd/ 32AAACL4032E1Z8	AA320220000211M/ 03-02-2020	11-05-2020	1,18,779	Dec-17	21-01-2020	03-02-2020	1,18,779
2	Malappuram/ STO, Tirur	AAK Exports / 32AGRPA4968L1ZZ	AA320120009401C/ 14-01-2020	06-02-2020	4,97,990	Aug-17	31-08-2019	14-01-2020	4,97,990
3	Malappuram/ STO, Tirur	AAK Exports / 32AGRPA4968L1ZZ	AA3202200203653/ 28-02-2020	09-03-2020	2,82,290	Dec-17	31-12-2019	28-02-2020	2,82,290
4	Malappuram/ STO, Tirur	AAK Exports / 32AGRPA4968L1ZZ	AA3202200203736/ 28-02-2020	09-03-2020	2,23,862	Jan-18	31-01-2020	28-02-2020	2,23,862
Total									11,22,921

Appendix - XIX

(Ref: Paragraph 2.6.13)

Non demand of tax in respect of ITC disallowed as ineligible availed

Sl. No.	Name of Joint Commissionerate/ State Tax Office	Name of the assessee/ GSTIN	ARN/ ARN Date	Refund amount sanctioned	ITC rejected as ineligible	Non recovery of ineligible ITC
1	Thiruvananthapuram/ STO I Circle, Thiruvananthapuram	M/s. IBS Software Pvt. Ltd./ 32AADCI5529A1Z4	AA320119397794R/ 07-06-2019	2,71,65,688	30,98,954	30,98,954
2	Thiruvananthapuram/ STO III Circle, Thiruvananthapuram	M/s. East Asia Exim Pvt Ltd/ 32AAECE2200M1Z4	AA321217014370W/ 25-03-2019	5,48,122	4,01,347	4,01,347
3	Thiruvananthapuram/ STO III Circle, Thiruvananthapuram	M/s. East Asia Exim Pvt Ltd/ 32AAECE2200M1Z4	AA3201180112314/ 29-03-2019	5,08,878	2,59,544	2,59,544
Total						37,59,845

Appendix - XX
(Ref: Paragraph 2.7.1)

Short levy of tax due to application of incorrect rate of tax

Sl. No.	Name of the Contractor TIN Office	Year of Return	Taxable Turnover escaped (₹)	Tax Rate applicable/ Tax paid/ Differential Rate of tax	Tax due	Interest due (upto March 2021)	Total due
1	MAR Fabrications India Pvt Limited 32041521819 Alappuzha	2016-17	10,43,43,209	7/5/2	20,86,864	9,80,826	30,67,690
		2017-18	6,44,10,995	7/5/2	12,88,220	4,50,877	17,39,097
2	Kirloskar Technologies Private Limited 32072086539 Ernakulam	2016-17	3,57,50,926	7/5/2	7,15,019	3,36,059	10,51,078
3	Emmar Project Contractors India P Ltd 32072093166 Ernakulam	2015-16	2,25,79,250	7/4/3	6,77,378	3,99,653	10,77,031
4	RDS Projects Ltd 32072044972 Ernakulam	2015-16	2,33,30,325	7/5/2	4,66,607	2,75,298	7,41,905
		2017-18	1,13,34,235	7/5/2	2,26,685	79,340	3,06,025
5	Seguro Foundations & Structures Pvt. Ltd. 32072066908 Ernakulam	2015-16	86,65,55,403	7/4/3	2,59,96,662	153,38,031	4,13,34,693
6	Sherin Hifab Contractors (I) Pvt Ltd 32072063859 Ernakulam	2015-16	3,36,63,572	7/4/3	10,09,907	5,95,845	16,05,752
7	Tulsi Developers India Pvt. Ltd. 32072020817 Ernakulam	2016-17	10,18,04,667	7/4/3	30,54,140	14,35,446	44,89,586
8	Bhavani Erectors Pvt Ltd 32021629964 Kollam	2016-17	5,05,82,137	5/4/1	5,05,821	2,37,736	7,43,557
9	Smera Constructions 32021653239 Kollam	2015-16	1,67,04,621	7/5/2	3,34,092	1,97,115	5,31,207
10	TVK Constructions 32021621932 Kollam	2016-17	48,79,369	7/4/3	1,46,381	68,799	2,15,180
11	Jamshedpur Utilities & Services Company Ltd 32021642711 Kollam	2016-17	73,30,684	5/4/1	73,307	34,454	1,07,761

Sl. No.	Name of the Contractor TIN Office	Year of Return	Taxable Turnover escaped (₹)	Tax Rate applicable/ Tax paid/ Differential Rate of tax	Tax due	Interest due (upto March 2021)	Total due
12	P Pradeep 32021629536 Kollam	2016-17	1,69,45,181	5/4/1	1,69,452	79,642	2,49,094
13	A. Dominic 32051622835 Kottayam	2016-17	1,45,08,582	5/4/1	1,45,086	68,190	2,13,276
		2016-17	2,21,06,838	5/3/2	4,42,137	2,07,804	6,49,941
14	Rajavel, Proprietor Vels Engineers 32111548817 Kozhikode	2016-17	6,81,02,947	7/5/2	13,62,059	6,40,168	20,02,227
		2016-17	61,04,508	7/4/3	1,83,135	86,074	2,69,209
15	GINA Enterprises 32111506361 Kozhikode	2016-17	1,56,15,000	7/4/3	4,68,450	2,20,172	6,88,622
		2017-18	88,35,000	7/4/3	2,65,050	92,768	3,57,818
16	Erakkodan Infrastructure And Technical Services 32111599713 Kozhikode	2016-17	1,18,81,363	7/5/2	2,37,627	1,11,685	3,49,312
17	Balan P K 32111549717 Kozhikode	2017-18	3,03,56,108	5/4/1	3,03,561	1,06,246	4,09,807
18	SABI Engineering Company 32111560675 Kozhikode	2015-16	2,92,55,225	7/4/3	8,77,657	5,17,817	13,95,474
19	K. Ravindran 32111546275 Kozhikode	2016-17	6,58,04,598	7/4/3	19,74,138	9,27,845	29,01,983
		2016-17	2,39,23,898	5/3/2	4,78,478	2,24,885	7,03,363
20	XMARK Builders and Developers 32101106804 Malppuram	2015-16	89,83,717	7/4/3	2,69,512	1,59,012	4,28,524
21	T Mohammed Ali 32101151905 Malppuram	2016-17	1,44,58,528	5/4/1	1,44,585	67,955	2,12,540
		2015-16	2,77,07,428	5/4/1	2,77,074	1,63,474	4,40,548
22	Modern Constructions 32101148889 Malppuram	2015-16	19,85,600	5/4/1	19,856	11,715	31,571
		2016-17	2,05,92,224	5/4/1	2,05,922	96,783	3,02,705
23	EKK Infrastructure Private Limited 32151090879 Mattancherry	2015-16	57,24,52,129	7/5/2	1,14,49,043	6,754,935	1,82,03,978
		2016-17	70,61,11,914	7/5/2	1,41,22,238	6,637,452	2,07,59,690

Sl. No.	Name of the Contractor TIN Office	Year of Return	Taxable Turnover escaped (₹)	Tax Rate applicable/ Tax paid/ Differential Rate of tax	Tax due	Interest due (upto March 2021)	Total due
24	Mary Matha Construction Company 32151026362 Mattancherry	2017-18	2,70,49,014	7/5/2	5,40,980	189,343	730,323
25	The Andhodaya 32151001724 Mattancherry	2016-17	19,59,849	5/4/1	19,598	9,211	28,809
		2017-18	1,12,52,290	5/4/1	1,12,523	39,383	1,51,906
26	PKV Constructions 32151012434 Mattancherry	2016-17	48,36,086	4/3/1	48,361	22,730	71,091
		2017-18	1,41,05,763	4/3/1	1,41,058	49,370	1,90,428
27	Edappalakkattu Constructions 32151031042 Mattancherry	2017-18	1,69,77,658	5/4/1	1,69,777	59,422	2,29,199
28	George Martin Jose 32151040828 Mattancherry	2016-17	44,10,800	5/4/1	44,108	20,731	64,839
29	Joemon Jospheh 32151083815 Mattancherry	2015-16	2,37,13,044	7/4/3	7,11,391	4,19,721	11,31,112
30	Kalloth Road Builders 32030776102 Pathanamthitta	2016-17	55,53,575	5/4/1	55,536	26,102	81,638
31	Sirajudeen 32531400307 Pathanamthitta	2017-18	41,79,153	5/4/1	41,792	14,627	56,419
Total			3,12,30,37,413		7,18,61,267	3,84,54,741	11,03,16,008

Appendix XXI

(Ref: Paragraph 2.7.2)

Short levy of tax due to failure in conducting proper verification of records

Sl. No.	Name of the Contractor (TIN/ District)	Turnover assessed at incorrect rate (₹ in lakh) (Year)	Tax Rate applicable/ Tax paid/ Differential rate of Tax	Tax Due (₹ in lakh)	Interest (₹ in lakh)	Total (₹ in lakh)
1.	M/s Larsen Toubro Limited 32070329245C Ernakulam	5,114.79 (2016-17)	14.5/5/ 9.5	485.90	228.38	714.28
2.	M/s Hemant Construction Co 32072070519C Ernakulam	16.35 (2016-17)	14.5/5/ 7.83 ⁶⁰	1.28	0.60	1.88
		92.13 (2017-18)	14.5/5/ 7.83	7.22	2.52	9.74
3.	M/s Cherian Varkey Constructions Co 32072054894 Ernakulam	130.97 (2016-17)	14.5/13.5/1 & 5/4/ 1	1.31	0.62	1.93
		215.02 (2016-17)	14.5/12.5/ 2	4.30	2.02	6.32
		13.17 (2017-18)	14.5/13.5/1	0.13	0.05	0.18
		159.97 (2017-18)	14.5/12.5/ 2	3.20	1.12	4.32
4.	M/s Vantage Integrated Security Solutions 32051615679 Kottayam	43.91 (2015-16)	14.5/5/ 9.5	4.17	2.46	6.63
5.	M/s Dharsna Offset Printers 32030740282 Pathanamthitta Assmt. Completed on March 2019	442.61 (2012-13)	5/4/ 1	4.43	4.20	8.63
Total		6,228.92		511.94	241.97	753.91

⁶⁰ The assessee paid output tax of ₹1.09 lakh for the year 2016-17 and ₹6.14 lakh for the year 2017-18 at the rate of 5%. This is deducted from the calculated tax amount and hence the differential rate worked out to 7.83%.

Appendix - XXII
(Ref: Paragraph 3.4)

List showing the names of companies with dates and number of occasions of reconstitution

(₹ in lakh)

Sl. No.	Name of the Company/ Nature of licence	District	No. of occasions	Date of reconstitution	Non levy of fee and fine
1	M/s Indroyal Hotels Private Ltd. (Holiday Inn), Ernakulam/ FL3 licence	Ernakulam	1	24-01-2018	4.00
2	M/s Oriental Hotels Ltd (Hotel Vivantha By Taj Malabar, W. Island/FL3 licence)	Ernakulam	1	09-05-2018	4.00
3	Hotel Nayana Pvt Ltd., Vazhakkulam/FL11 licence	Ernakulam	1	28-03-2018	4.00
4	M/s Airport Golf View Hotels & Suites (P) Ltd, Nedumbassery,/FL11 licence	Ernakulam	1	07-03-2018	4.00
5	M/s Cherai Beach Resort (Beach & Backwaters Pvt Ltd) /FL11 license	Ernakulam	1	Deletion	4.00
6	M/s Olive Nest (P) Ltd./ FL11 license	Ernakulam	1	Deletion	4.00
7	M/s KGA Hotels and Resorts Pvt Ltd (Hotel Crown Plaza, EKM) /FL11 licence	Ernakulam	1	19-05-2018	4.00
8	Berggruen Hotels Pvt Ltd/ FL3 licence	Thiruvananthapuram	2	18-03-2019 & Deletion	8.00
9	The Raviz Hotel/Kollam Royal Park Hotel And Resorts Private Ltd/FL3 licence	Kollam	2	12-06-2019 & 10-03-2020	8.00
10	Green Oasis Regency Hotel Pvt. Ltd./FL3 licence	Idukki	1	01-09-2019	4.00
11	Hillvalley Rubbers Pvt Ltd/FL3 licence	Idukki	1	18-07-2019	4.00
12	MSC Hotel and Resort Pvt. Ltd./FL11 licence	Idukki	1	04-02-2019	4.00
13	M/s Hotel Salkara Residency Pvt. Ltd. Avinissery, Ollur Thrissur/FL3 licence	Thrissur	1	17-05-2019	4.00
14	Royal Residency Park Pvt. Ltd. Thiruvilwamala/FL3	Thrissur	1	07-05-2020	4.00
15	Sea Queen Hotels Pvt. Ltd./FL3 licence	Kozhikode	1	27-06-2018	4.00
16	Unit of Sreebala Developers and Hotels Pvt. Ltd./FL-3 licence	Kozhikode	1	10-08-2018	4.00
17	Taj Kerala Hotels & Resorts Ltd./FL11 licence	Kottayam	4	02-11-2018	16.00
Total			22		88.00

Appendix - XXIII

(Ref: Paragraph 3.6)

Details of irregular transfers of Foreign Liquor licences

(₹ in lakh)

SI No.	Name of licensee	To whom licence was transferred	Date of proceedings of the Excise Commissioner by which the transfer of licence was effected	Fee collected by department for transfer	Amount to be collected if the Company was treated as a fresh applicant	Loss of Revenue	Reasons for considering this as trading of licence
1.	Shri K.P.Saxon (Victory Inn)- FL-3 license	Shri Sunoj Kurian, Managing Director of M/s Victory Inn Park Residency Pvt Ltd	05 February 2019	3.00	28.00	25.00	Shri K.P.Saxon, proprietor of Victory Inn operated FL-3 license by taking the hotel M/s Victory Inn Park Residency Pvt Ltd on lease basis after sale. At the time of transfer of the license in the name of Shri Sunoj Kurian, the Managing Director of M/s Victory Inn Park Residency Pvt. Ltd, Shri. KP Saxon was not a member in the director board of that company. The reconstitution was allowed by the then Excise Commissioner by levying fee for reconstitution and change of name of licensee.
2.	Shri T.G.Gokulan (Salkara Tourist Home - FL-11 license)	Smt.Omana Asokan, Managing Director of M/s Asoka Residency	10 May 2019	3.00	4.00	1.00	Shri T.G.Gokulan, Managing Partner of M/s Salkara Tourist Home, applied for transfer of FL-11 licence after the land and hotel buildings were purchased by Shri Dani Asokan, a partner of M/s Asoka Residency. At the time of transfer of the licence in the name of Smt Omana Asokan, the Managing Partner of M/s Asoka Residency, Shri. T G Gokulan was not a member in the director board of that company. The reconstitution was allowed by the then Excise Commissioner by levying fee for reconstitution and change of name of licensee.
Total short levy						26.00	

Appendix - XXIV (a)
(Ref: Paragraph 3.10)
Short levy of Stamp duty and Registration Fees due to improper valuation of Flats
Confident Avior- Apartment complex

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
1	1558/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Subin Baby George	27-04-2018	1095	A1203/ 12	16,42,500	2,373	25,98,435	9,55,935
2	1559/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Kumaran Ratnakaran	27-04-2018	1300	A1204/ 12	19,50,000	2,373	30,84,900	11,34,900
3	1560/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Sujith.K.	27-04-2018	1095	A903/ 9	16,42,500	2,373	25,98,435	9,55,935
4	1786/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Ahamed Basheer	21-05-2018	1095	B603/ 6	16,42,500	2,370	25,95,150	9,52,650
5	1787/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Vinu. V.S.	21-05-2018	1095	A303/ 3	16,42,500	2,290	25,07,550	8,65,050
6	1788/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Ajit Velayudhan Nair	21-05-2018	1300	A902/ 9	19,50,000	2,373	30,84,900	11,34,900
7	1789/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Ravi Raghavan Nair	21-05-2018	1300	A702/ 7	19,50,000	2,370	30,81,000	11,31,000
8	1790/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Dr.R.Ranju Raj	21-05-2018	1300	A1201/ 12	19,50,000	2,373	30,84,900	11,34,900
9	1903/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Sandeep.B.	29-05-2018	1095	A403/ 4	16,42,500	2,290	25,07,550	8,65,050
10	1904/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ V.Ganesh Kumar	29-05-2018	1300	B904/ 9	19,50,000	2,373	30,84,900	11,34,900
11	1905/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Ashwin Kuriakose Abraham	29-05-2018	1300	B202/ 2	19,50,000	2,290	29,77,000	10,27,000
12	1906/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Dr.Harikrishnan.R.	29-05-2018	1300	A606/ 6	19,50,000	2,370	30,81,000	11,31,000

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
13	2049/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Sarath Krishna.S.	12-06-2018	1095	A703/ 7	16,42,500	2,370	25,95,150	9,52,650
14	2050/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Brigit Kootanickal	12-06-2018	1300	B1401/ 14	19,50,000	2,373	30,84,900	11,34,900
15	2051/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Rani.A.Indira	12-06-2018	1095	A1003/ 10	16,42,500	2,373	25,98,435	9,55,935
16	2052/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ G.Suseela	12-06-2018	1062	AG04/ Ground	15,93,000	2,290	24,31,980	8,38,980
17	2053/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Sasidharan Pillai.K.	12-06-2018	1300	B702/ 7	19,50,000	2,370	30,81,000	11,31,000
18	2054/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ C.S.Jesna	12-06-2018	1300	B1101/ 11	19,50,000	2,373	30,84,900	11,34,900
19	2187/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Murali Das.K.	23-06-2018	1300	A504/ 5	19,50,000	2,290	29,77,000	10,27,000
20	2188/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Arjun Das.R.	23-06-2018	1300	A904/ 9	19,50,000	2,373	30,84,900	11,34,900
21	2189/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Dr.Robin Manidas	23-06-2018	1095	B403/ 4	16,42,500	2,290	25,07,550	8,65,050
22	2437/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Bhuvanendran.R.A.	18-07-2018	1300	A1001/ 10	19,50,000	2,373	30,84,900	11,34,900
23	2438/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ C.K.Pushpangathan	18-07-2018	1300	A401/ 4	19,50,000	2,290	29,77,000	10,27,000
24	2439/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Dr.Maya Devi.S.	18-07-2018	1300	A1104/ 11	19,50,000	2,373	30,84,900	11,34,900
25	2440/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Souda Beegum.M.S.	18-07-2018	1300	A704/ 7	19,50,000	2,370	30,81,000	11,31,000
26	2441/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ D.Jayakumar	18-07-2018	1300	B1001/ 10	19,50,000	2,373	30,84,900	11,34,900
27	2442/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Shine.S.	18-07-2018	1300	B1404/ 14	19,50,000	2,373	30,84,900	11,34,900

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
28	2443/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Oommen Chittezhathu Thomas	18-07-2018	1300	A901/ 9	19,50,000	2,373	30,84,900	11,34,900
29	2444/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Sunil Kumar.S.	18-07-2018	1095	B103/ 1	16,42,500	2,290	25,07,550	8,65,050
30	2445/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Sreelatha Mohanan	18-07-2018	1095	B1103/ 11	16,42,500	2,373	25,98,435	9,55,935
31	2446/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Sunil Baby	18-07-2018	1300	A1101/ 11	19,50,000	2,373	30,84,900	11,34,900
32	2815/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Ajay Mohan	29-08-2018	1300	A701/ 7	19,50,000	2,370	30,81,000	11,31,000
33	2816/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Anoop Raj	29-08-2018	1300	A201/ 2	19,50,000	2,290	29,77,000	10,27,000
34	2817/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Vinod Kumar Unni	29-08-2018	1300	B1204/ 12	19,50,000	2,373	30,84,900	11,34,900
35	2818/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Anish Mathai Koshy	29-08-2018	1300	1201A/ 13	19,50,000	2,373	30,84,900	11,34,900
36	2819/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ K K Mathew	29-08-2018	1300	A204/ 2	19,50,000	2,290	29,77,000	10,27,000
37	2820/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Suraj R	29-08-2018	1300	A1402/ 14	19,50,000	2,373	30,84,900	11,34,900
38	2821/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Madhavan Vijayan Pillai	29-08-2018	1300	A402/ 4	19,50,000	2,290	29,77,000	10,27,000
39	3342/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Priya.S.Nair	09-10-2018	1300	B602/ 6	19,50,000	2,370	30,81,000	11,31,000
40	3343/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Dr. Anzad Madathil Amanullah	09-10-2018	1300	A602/ 6	19,50,000	2,370	30,81,000	11,31,000
41	3344/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Archana.M.S.	09-10-2018	1095	A1103/ 11	16,42,500	2,373	25,98,435	9,55,935

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
42	3345/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ N.Krishna Kumar	09-10-2018	1095	B903/ 9	16,42,500	2,373	25,98,435	9,55,935
43	3346/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Arif.N.	09-10-2018	1300	A101/ 1	19,50,000	2,290	29,77,000	10,27,000
44	3626/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Heby.K.Mathew	03-11-2018	1300	B104/ 1	19,50,000	2,290	29,77,000	10,27,000
45	3627/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Reghunathan.S.	03-11-2018	1300	B1201/ 12	19,50,000	2,373	30,84,900	11,34,900
46	3628/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Sandeep Sadan	03-11-2018	1300	A1004/ 10	19,50,000	2,373	30,84,900	11,34,900
47	3629/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Pradeep Kunjukunju	03-11-2018	1300	A404/ 4	19,50,000	2,290	29,77,000	10,27,000
48	3630/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Mohamed Yusuf Kadambot Abdul Rahiman	03-11-2018	1300	B902/ 9	19,50,000	2,373	30,84,900	11,34,900
49	3631/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects Residential/ Amanullah.M.A	03-11-2018	1095	B303/ 3	16,42,500	2,290	25,07,550	8,65,050
50	3732/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Sivaprasad C G	13-11-2018	1300	A302/ 3	19,50,000	2,290	29,77,000	10,27,000
51	3733/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Roni Dinath	13-11-2018	1300	A1601/ 16	19,50,000	2,373	30,84,900	11,34,900
52	3734/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ S S Vijaya Kumar	13-11-2018	1095	A503/ 5	16,42,500	2,290	25,07,550	8,65,050
53	3735/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Narayanan P S	13-11-2018	1300	A501/ 5	19,50,000	2,290	29,77,000	10,27,000
54	3736/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Balamahesh Aravindakshan	13-11-2018	1265	G01A/ Ground	18,97,500	2,290	28,96,850	9,99,350
55	3737/ 2018	Vinod Kumar M J for Joseph.T.A. MD Confident Projects/ Jose John	13-11-2018	1095	A203/ 2	16,42,500	2,290	25,07,550	8,65,050

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
56	3823/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Susamma Koshy	19-11-2018	1265	GB01/ Ground	18,97,500	2,290	28,96,850	9,99,350
57	3825/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Sanal Pannikote Vijayan	19-11-2018	1095	B1403/ 14	16,42,500	2,373	25,98,435	9,55,935
58	3827/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Deepthi Joseph	19-11-2018	1095	A1203/ 13	16,42,500	2,373	25,98,435	9,55,935
59	3831/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Jijo N	19-11-2018	1265	G02/ Ground	18,97,500	2,290	28,96,850	9,99,350
60	3833/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Anilkumar D	19-11-2018	1095	B1003/ 10	16,42,500	2,373	25,98,435	9,55,935
61	3834/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Ambadi Sisupalan Poonkavanam	19-11-2018	1095	A603/ 6	16,42,500	2,370	25,95,150	9,52,650
62	3835/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Sandeep M	19-11-2018	1300	A1002/ 10	19,50,000	2,373	30,84,900	11,34,900
63	3836/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Thankachan Daniel Nellivilayil	19-11-2018	1300	B101/ 1	19,50,000	2,290	29,77,000	10,27,000
64	3837/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Binu Balachandran	19-11-2018	1300	A804/ 8	19,50,000	2,370	30,81,000	11,31,000
65	4035/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Shibu Raj P	05-12-2018	1300	A801/ 8	19,50,000	2,370	30,81,000	11,31,000
66	4036/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Arun Prasad A	05-12-2018	1300	A601/ 6	19,50,000	2,370	30,81,000	11,31,000
67	4037/ 2018	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Rinu Nassar	05-12-2018	1300	B1602/ 16	19,50,000	2,373	30,84,900	11,34,900
68	85/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Don Varghese Issac	10-01-2019	1095	B1203/ 12	16,42,500	2,373	25,98,435	9,55,935
69	86/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Kailas Nath V	10-01-2019	1062	BG03/ Ground	15,93,000	2,290	24,31,980	8,38,980

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
70	87/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ K Pankajakshan Nair	10-01-2019	1300	B302/ 3	19,50,000	2,290	29,77,000	10,27,000
71	88/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Nisharani Sreekanth	10-01-2019	1300	B201/ 2	19,50,000	2,290	29,77,000	10,27,000
72	369/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Anoop Sasi	01-02-2019	1300	B1202/ 12	19,50,000	2,373	30,84,900	11,34,900
73	370/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Athira R P	01-02-2019	1300	B1504/ 15	19,50,000	2,373	30,84,900	11,34,900
74	371/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Biju Tharian	01-02-2019	1095	B803/ 8	16,42,500	2,370	25,95,150	9,52,650
75	372/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Sony Lekshmi L	01-02-2019	1095	B1503/ 15	16,42,500	2,373	25,98,435	9,55,935
76	374/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Jayaprakash	01-02-2019	1300	B1002/ 10	19,50,000	2,373	30,84,900	11,34,900
77	375/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Narayani Chellappan	01-02-2019	1062	AG03/ Ground	15,93,000	2,290	24,31,980	8,38,980
78	376/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Soju Skariah	01-02-2019	1300	A1502/ 15	19,50,000	2,373	30,84,900	11,34,900
79	706/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Jacob George	28-02-2019	1300	A1604/ 16	19,50,000	2,373	30,84,900	11,34,900
80	707/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Cynthia Johnson	28-02-2019	1300	B102/ 1	19,50,000	2,290	29,77,000	10,27,000
81	1149/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ George Johnson Georgekutty	29-03-2019	1300	A1204/ 13	19,50,000	2,373	30,84,900	11,34,900
82	1320/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Alummoottil James George	10-04-2019	1300	B502/ 5	19,50,000	2,290	29,77,000	10,27,000
83	2222/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects / Ljjee Johnson	04-07-2019	1300	B701/ 7	19,50,000	2,370	30,81,000	11,31,000

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
84	2223/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Archana Vinod	04-07-2019	1300	A502/ 5	19,50,000	2,290	29,77,000	10,27,000
85	2949/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ John Francis K	06-09-2019	1300	B901/ 9	19,50,000	2,373	30,84,900	11,34,900
86	3234/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Manoj Sam Varghese	11-10-2019	1300	A304/ 3	19,50,000	2,290	29,77,000	10,27,000
87	3235/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Koliakottu Varghese Mathew	11-10-2019	1300	A104/ 1	19,50,000	2,290	29,77,000	10,27,000
88	3236/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Liju Mathew	11-10-2019	1300	A202/ 2	19,50,000	2,290	29,77,000	10,27,000
89	3237/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ R Suresh	11-10-2019	1300	A1102/ 11	19,50,000	2,373	30,84,900	11,34,900
90	3238/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Fijo Thomas	11-10-2019	1300	A1204/ 13	19,50,000	2,373	30,84,900	11,34,900
91	3239/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Jimmy Mathew	11-10-2019	1095	A103/ 1	16,42,500	2,290	25,07,550	8,65,050
92	3664/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ K R Udayakumar	19-11-2019	1300	A1401/ 14	19,50,000	2,373	30,84,900	11,34,900
93	3665/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Divakaran Jayakumar	19-11-2019	1300	B804/ 8	19,50,000	2,370	30,81,000	11,31,000
94	3666/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Dr Jayalal D	19-11-2019	1300	B604/ 6	19,50,000	2,370	30,81,000	11,31,000
95	3774/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Kunjumol Charuvila Daniel	27-11-2019	1300	A102/ 1	19,50,000	2,290	29,77,000	10,27,000
96	3775/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Anjana Mariam Alex	27-11-2019	1095	A1403/ 14	16,42,500	2,373	25,98,435	9,55,935
97	3777/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects / Jaisy Biju	27-11-2019	1300	B1102/ 11	19,50,000	2,373	30,84,900	11,34,900

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
98	3778/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Sajith Bharathan Sulochana	27-11-2019	1300	A1202/ 12	19,50,000	2,373	30,84,900	11,34,900
99	3885/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Manesh Mathew	06-12-2019	1095	A1203/ 13	16,42,500	2,373	25,98,435	9,55,935
100	3886/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Midhun Mohan	06-12-2019	1300	B1201/ 13	19,50,000	2,373	30,84,900	11,34,900
101	3887/ 2019	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Jasna	06-12-2019	1095	B1603/ 16	16,42,500	2,373	25,98,435	9,55,935
102	518/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Lekha P S	11-02-2020	1095	A1503/ 15	16,42,500	2,373	25,98,435	9,55,935
103	761/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Dr Sabarinath T	03-03-2020	1300	B1501/ 15	19,50,000	2,373	30,84,900	11,34,900
104	1203/ 2020	Santhoshkumar T for Joseph T A. MD Confident Projects India/ Anju Asokan	29-05-2020	1062	G04/ Ground	15,93,000	2,290	24,31,980	8,38,980
105	1348/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Minal John	17-06-2020	1300	B802/ 8	19,50,000	2,370	30,81,000	11,31,000
106	1349/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Aaron Daniel	17-06-2020	1300	B1702/ 17	19,50,000	2,373	30,84,900	11,34,900
107	1777/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Roy Thomas Koruth	07-08-2020	1300	A802/ 8	19,50,000	2,370	30,81,000	11,31,000
108	1778/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Minikumary C A	07-08-2020	1300	A301/ 3	19,50,000	2,290	29,77,000	10,27,000
109	2355/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Sandhya A S	05-10-2020	1300	B1704/ 17	19,50,000	2,373	30,84,900	11,34,900
110	2471/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Retnakumari K	13-10-2020	1300	B1601/ 16	19,50,000	2,373	30,84,900	11,34,900
111	3255/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Krishna Prasad R	14-12-2020	1300	A1701/ 17	19,50,000	2,373	30,84,900	11,34,900

Sl No.	Doc/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Under valued (₹)
112	3256/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Projects/ Nithin Prathapan Nair	14-12-2020	1300	A1202/ 13	19,50,000	2,373	30,84,900	11,34,900
113	3434/ 2020	Santhosh Kumar T for Joseph.T.A. MD Confident Project/ Thomas Zachariah	28-12-2020	1300	B801/ 8	19,50,000	2,370	30,81,000	11,31,000
						21,04,62,000		32,91,06,895	11,86,44,895
								SD short levy	94,91,592
								RF Short levy	23,72,898
								Total	1,18,64,490

Appendix - XXIV (b)
(Ref: Paragraph 3.10)

Confident Green Valley-Apartment complex

Sl. No.	Doc No/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Undervalued (₹)
1	2888/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Maneesha Nath P	04-09-2018	836	403/ 4	12,54,000	2,290	19,14,440	6,60,440
2	2889/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Robin RR	04-09-2018	1018	102/ 1	15,27,000	2,290	23,31,220	8,04,220
3	2890/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/Jayakrishnan M	04-09-2018	836	603/ 6	12,54,000	2,370	19,81,320	7,27,320
4	2891/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Vinod B	04-09-2018	836	1003/ 10	12,54,000	2,373	19,83,828	7,29,828
5	3010/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects./ Biju John	13-09-2018	1018	902/ 9	15,27,000	2,373	24,15,714	8,88,714
6	3011/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Suresh Subramanian	13-09-2018	1018	501/ 5	15,27,000	2,290	23,31,220	8,04,220
7	3012/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Suraj Krishnan. V.	13-09-2018	1018	701/ 7	15,27,000	2,370	24,12,660	8,85,660
8	3013/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Devi.G.N.	13-09-2018	1018	1001/ 10	15,27,000	2,373	24,15,714	8,88,714
9	3014/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ N.Nolan Rose	13-09-2018	1018	1204/ 12	15,27,000	2,373	24,15,714	8,88,714
10	3015/ 2018	Vinodkumar.M.J. for Joseph.T.A. MD Confident Projects/ Nizam Ibrahim	13-09-2018	1018	1104/ 11	15,27,000	2,373	24,15,714	8,88,714

Sl. No.	Doc No/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Undervalued (₹)
11	3820/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Rajeev Janardhan Pillai	19-11-2018	1018	604/ 6	15,27,000	2,370	24,12,660	8,85,660
12	3821/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Joshwin Vadakkadam	19-11-2018	1018	1204A/ 13	15,27,000	2,373	24,15,714	8,88,714
13	3822/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Muchesh Murali	19-11-2018	1018	1201/ 12	15,27,000	2,373	24,15,714	8,88,714
14	3824/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Mahesh Sukumaran Nair	19-11-2018	1018	502/ 5	15,27,000	2,290	23,31,220	8,04,220
15	3829/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Andrews T I	19-11-2018	1018	704/ 7	15,27,000	2,370	24,12,660	8,85,660
16	3830/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Mohammed Shibu	19-11-2018	1018	904/ 9	15,27,000	2,373	24,15,714	8,88,714
17	3832/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Suresh Kumar T C	19-11-2018	1018	504/ 5	15,27,000	2,290	23,31,220	8,04,220
18	4026/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Ajay Kumar M	05-12-2018	836	503/ 5	12,54,000	2,290	19,14,440	6,60,440
19	4027/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Vishal Francis K	05-12-2018	836	203/ 2	12,54,000	2,290	19,14,440	6,60,440
20	4028/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Rajesh C Kartha	05-12-2018	1018	601/ 6	15,27,000	2,370	24,12,660	8,85,660
21	4029/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Veena Anilkumar	05-12-2018	1018	1102/ 11	15,27,000	2,373	24,15,714	8,88,714

Sl. No.	Doc No/ Year	Executant/ Claimant	Registration Date	Sqft	Flat No./ Floor No.	Flat Valuation (₹)	Rate Required per sqft using CPWD cost index (₹)	Minimum valuation required (₹)	Undervalued (₹)
22	4030/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Sudhakara Pillai P	05-12-2018	1018	202/ 2	15,27,000	2,290	23,31,220	8,04,220
23	4031/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/Toni Mani	05-12-2018	1018	602/ 6	15,27,000	2,370	24,12,660	8,85,660
24	4032/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ R Dileep Kumar	05-12-2018	1018	1002/ 10	15,27,000	2,373	24,15,714	8,88,714
25	4033/ 2018	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ J S Arun Kumar	05-12-2018	1018	201/ 2	15,27,000	2,290	23,31,220	8,04,220
26	84/ 2019	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Deepa P S	10-01-2019	1018	301/ 3	15,27,000	2,290	23,31,220	8,04,220
27	89/ 2019	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Dinu K Paul	10-01-2019	1018	304/ 3	15,27,000	2,290	23,31,220	8,04,220
28	90/ 2019	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Mohammed Muneer M	10-01-2019	1018	1004/10	15,27,000	2,373	24,15,714	8,88,714
29	91/ 2019	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Rakesh S	10-01-2019	836	803/ 8	12,54,000	2,370	19,81,320	7,27,320
30	92/ 2019	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Sajani N R	10-01-2019	1018	1201A/ 13	15,27,000	2,373	24,15,714	8,88,714
31	368/ 2019	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/Rajendran Pillai	01-02-2019	1018	401/ 4	15,27,000	2,290	23,31,220	8,04,220
32	373/ 2019	Santhosh Kumar T for Joseph. T.A. MD Confident Projects/ Mahesh.S	01-02-2019	1018	204/ 2	15,27,000	2,290	23,31,220	8,04,220

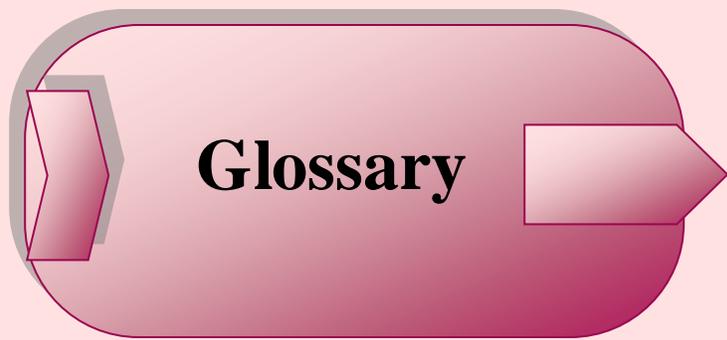
Appendix - XXV

(Ref: Paragraph 3.11)

Non-consideration of fair value from mother survey number based on classification by use

Sl. No.	Name of Office/ Document type, Doc no and Date of registration	Survey no/ Resurvey no/ Are	Consideration/ Fair value or value considered (₹)	Survey number to be referred for Fair value	Fair value to be considered (₹)	Stamp Duty paid/ payable (₹)	Registration Fees paid/payable (₹)	Short levy		Reason for different Fair Value to be considered
								Stamp Duty (₹)	Registration Fees (₹)	
1	SRO, Oyur/ Sale deed 1234/2016 17-10-2016	Resurvey 360/16/2/2 block36/ 6.69	6,01,200 89,700	360/4	1,50,000	48,100 80,280	12,084 20,070	32,180	7,986	The classification as per Fair Value register is Garden land without road access. Considering the plot has Panchayat road access from the southern side and the type of land being residential plot the classification should have been Residential Plot with C/M/P road access
2	SRO, Oyur/ Sale deed 1235/2016 17-10-2016	Resurvey360 /16/3 block36/ 1.52	68,200 89,700	360/21	1,50,000	5,460 18,240	1,424 4,560	12,780	3,136	The classification as per Fair Value register is Garden land without road access. Considering the plot has PWD road access from the northern side the classification should have been Residential Plot with NH/PWD road access.
3	SRO, Oyur/ Sale deed 1164/2016 30-09-2016	Resurvey 317/6 block 36/ 8.3	2,62,500 30,000	317/1	37,500	21,000 24,900	5,300 6,225	3,900	925	The classification as per Fair Value register is Garden land without road access. Considering the plot has road access from the southern side the classification should have been Garden Land with road access.
4	SRO, Oyur/ Sale deed 1333/2018 02-11-2018	Resurvey 90/13 and 90/13/3/3 block 38/ 2.42	6,00,000 (building 35,00,000 and land 6,00,000)	90/8	4,95,000	48,000 95,832	12,000 23,958	47,832	11,958	The classification as per Fair Value register is Residential Plot without road access. Considering the plot has panchayat road access from the eastern side the

Sl. No.	Name of Office/ Document type, Doc no and Date of registration	Survey no/ Resurvey no/ Are	Consideration/ Fair value or value considered (₹)	Survey number to be referred for Fair value	Fair value to be considered (₹)	Stamp Duty paid/ payable (₹)	Registration Fees paid/payable (₹)	Short levy		Reason for different Fair Value to be considered
								Stamp Duty (₹)	Registration Fees (₹)	
5	SRO, Karukachal/ Settlement deed 804/2017 22-05-2017	296/5 block-15/ 93.82	1,23,750 63,33,000 67,500	296/2 block 15	1,50,000	1,000 1,000	63,380 1,40,730	0	77,350	classification should have been Residential Plot with C/M/P road access The classification as per Fair Value register is Residential Plot without road access. Considering the plot has panchayat road access from the western side the classification should have been Residential Plot with C/M/P road access
6	SRO, Karukachal/ Settlement deed 805/2017 22-05-2017	296/3,296/4, 296/5 block-15/ 94.26	63,63,000 67,500	296/2 block 15	1,50,000	2,000 1,000	63,680 1,41,390	0	77,710	The classification as per Fair Value register is Residential plot with C/M/P road access. Considering the plot has NH road access from the Eastern side the classification should have been Residential plot with NH/PWD Road access
7	SRO, Mathilakam/ Sale deed 1812/2017 14-08-2017	survey No.69 sub.9/ 7.14	24,99,000 3,50,000	69/3,4 and 9	3,75,000	1,99,920 2,14,200	50,040 53,550	14,280	3,510	The classification as per Fair Value register is Residential plot with C/M/P road access. Considering the plot has NH road access from the Eastern side the classification should have been Residential plot with NH/PWD Road access
Total								1,10,972	1,82,575	



Glossary of Abbreviation

1	AC	Assistant Commissioner
2	ARN	Application Reference Number
3	ATF	Aviation Turbine Fuel
4	ATM	Automated Teller Machine
5	ATN	Action Taken Note
6	CBIC	Central Board of Indirect Taxes and Customs
7	CENVAT	Central Value Added Tax
8	CGST	Central Goods and Services Tax
9	CPWD	Central Public Works Department
10	CST	Central Sales Tax
11	DC	Deputy Commissioner
12	DEC	Deputy Excise Commissioner
13	DR	District Registrar
14	EC	Excise Commissioner
15	ECI	Excise Circle Inspector
16	ECL	Electronic Credit Ledger
17	EI	Excise Inspector
18	FL	Foreign Liquor
19	GP	Gross Profit
20	GST	Goods and Services Tax
21	HSD	High Speed Diesel
22	IAW	Internal Audit Wing
23	IGR	Inspector General of Registration
24	IGST	Integrated Goods and Services Tax
25	IPT	Input Tax
26	IR	Inspection Report
27	IR Act	Indian Registration Act
28	IS Act	Indian Stamp Act
29	ITC	Input Tax Credit
30	JC	Joint Commissioner
31	JEC	Joint Excise Commissioner
32	KGST	Kerala General Sales Tax
33	KS Act	Kerala Stamp Act
34	KSEB	Kerala State Electricity Board

35	KSGST	Kerala State Goods and Services Tax
36	KVAT Act	Kerala Value Added Tax Act
37	KVATIS	Kerala Value Added Tax Information System
38	LSG	Local Self Government
39	MS	Motor Spirit
40	OMC	Oil Marketing Company
41	OPEN PEARL	Open Source Based Package for Effective Administration of Registration Laws
42	PA	Performance Audit
43	PAC	Public Accounts Committee
44	PAR	Plinth Area Rate
45	R&DM	Revenue & Disaster Management
46	RCC	Reinforced Cement Concrete
47	SEZ	Special Economic Zone
48	SGST	State Goods and Services Tax
49	SGSTD	State Goods and Services Tax Department
50	SR	Sub Registrar
51	SRO	Sub Registrar Office
52	SSCA	Subject Specific Compliance Audit
53	STO	State Tax Office
54	TDS	Taxes Deducted at Source
55	UTGST	Union Territory Goods and Services Tax
56	VAT	Value Added Tax