



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

Report of the Comptroller and Auditor General of India for the period ended March 2023



Government of Goa
Report No. 4 of 2025

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General of India for the period ended
March 2023**

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PREFACE

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2023 has been prepared for submission to the Governor of State of Goa. This Report contains three Chapters. Chapter I and II are to be submitted to State Legislature under Article 151(2) of the Constitution of India. Chapter III is to be submitted to State Legislature under Section 19A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

Chapter I of this Report relates to audit of expenditure of the Social, General and Economic Sectors (Non-PSUs) of the Government Departments. This Chapter contains significant results of the compliance audit of the Departments/Autonomous Bodies of the Government of Goa.

Chapter II of this Report relates to significant findings of audit of Receipts and Expenditure of major Revenue earning Departments under Revenue Sector.

Chapter III of this Report relates to the audit of State Public Sector Undertakings and Departmentally managed Government Commercial and Trading Activities. Audit of accounts of Government Companies is conducted by the C&AG under Section 619 of the Companies Act, 1956 and Sections 139 and 143 of the Companies Act, 2013. The term Company includes Companies deemed to be Government Companies as per provisions of the Companies Act. The audit of Statutory Corporations is governed under their respective Legislation.

The instances mentioned in this Report are those, which came to notice in the course of test audit during the year 2022-23. The Report also includes those instances which came to notice in earlier years but could not be dealt with in previous Audit Reports. The instances relating to the period subsequent to 2022-23 have also been included, wherever necessary.

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

Overview

Overview

This Report comprises three chapters containing eight paragraphs and three Subject Specific Compliance Audits. Chapter I contains the audit findings pertaining to Social, General and Economic Sectors (Non-Public Sector Undertakings) and one Subject Specific Compliance Audit of Solid Waste Management in Urban Local Bodies in Goa. Chapter II contains Compliance audit findings pertaining to Revenue Sector and one Subject Specific Compliance Audit on Department's oversight on GST Payments and return filing-Phase II. Chapter III contains audit findings pertaining to State Public Sector Undertakings, Government Commercial and Trading Activities and one Subject Specific Compliance Audit on Loan Management of EDC Limited.

The total expenditure of the State increased by *31.66 per cent* from ₹ 14,842.08 crore in 2020-21 to ₹ 19,541.24 crore in 2022-23. The revenue expenditure of the State increased by *23.09 per cent* from ₹ 12,092.65 crore in 2020-21 to ₹ 14,884.48 crore in 2022-23.

The share of revenue expenditure to total expenditure was *80 per cent* during 2021-22, while it decreased to *76 per cent* during 2022-23 with a corresponding increase in the share of capital expenditure to *24 per cent* of the expenditure as compared to *20 per cent* during 2021-22.

COMPLIANCE AUDIT

Urban Development Department

Subject Specific Compliance Audit of Solid Waste Management in Urban Local Bodies in Goa

Solid Waste Management (SWM) is one of the biggest challenges faced in urban India. Inadequate management of waste can have significant adverse impact on public health and the environment.

The Subject Specific compliance audit (SSCA) of Solid Waste Management in Urban Local Bodies (ULBs) in Goa was undertaken with a view to assess whether planning for SWM in the ULBs was in conformity with the prevailing legal framework, and the municipal tasks associated with SWM were in accordance with extant Rules and Regulations. Audit also assessed the compliance to the recommendations made during the Performance Audit of Solid Waste Management conducted during the period 2017-18 which featured in the Audit Report for the year ended March 2018.

Audit of SWM in test-checked ULBs *i.e.*, Corporation of the City of Panaji (CCP), the only Municipal Corporation in the State and four selected Municipal Councils (out of 13) was carried out covering the period 2017-18 to 2021-22.

Government of Goa had notified SWM policy in October 2018 and revised it in March 2024. Audit observed that as the ULBs did not prepare any plan for SWM activities in their jurisdiction, the efficient management of solid waste was impacted.

Audit observed that the ULBs could not enhance their own revenues through efficient collection of user charges, resulting in huge arrears. Therefore, ULBs could not finance expenditure on SWM activities from their own resources. Moreover, there were no sanctioned posts for dedicated staff for carrying out SWM activities in the ULBs in the State.

The estimation of waste generation by the ULBs was not as per the prescribed methodology, and the waste collected was considered as the waste generated, which affected the planning for collection and treatment of waste. The SWM treatment facilities were insufficient as well as underutilized. Consequently, on an average, only 78 *per cent* of collected waste across 14 ULBs from 2017-18 to 2021-22 was treated, and the remaining waste was dumped at dumpsites without treatment. The insufficient treatment of waste also resulted in creation of new dumpsites.

The GSPCB also could not implement the e-waste Management Rules in the State and lacked comprehensive inventories for e-waste.

The total capacity of treatment facilities in ULBs was 216.70 Tonnes per day (TPD) out of which 124.20 TPD was for wet waste and 92.50 TPD for dry waste. Shortage of capacity in treatment facilities was observed in three out of four test-checked MCs, with Margao MC being the worst affected with a 5 TPD plant for processing 35 TPD waste collected.

Thus, the goal of a successful solid waste management through collection of all the generated waste at source, its efficient transportation and safe processing in accordance with the principles of reduce, reuse and recycle remains to be achieved.

Recommendations:

- *Urban Local Bodies may prepare their Solid Waste Management plans, encompassing both short-term and long-term objectives, on priority, in accordance with the policy.*
- *Urban Local Bodies may make concerted efforts to improve the collection of user charges for management of solid waste in their jurisdiction.*
- *Efforts may be made to minimize gaps in waste generation, collection and treatment with complete segregation at source and mandated transportation of waste by Urban Local Bodies.*
- *Goa State Pollution Control Board may take steps to update the data of all health care facilities in the state through Directorate of Health Services and ensure that all are registered with the Common Bio-Medical Waste*

Treatment Facility to ensure proper collection and treatment of bio-medical waste.

- *Goa Waste Management Corporation may expedite the finalization of e-Waste Management Plan and complete the work of e-waste treatment facilities.*

(Paragraph 1.5)

Department of State Tax

Subject Specific Compliance Audit on Department's oversight on GST Payments and Return Filing-Phase II

The Subject Specific Compliance Audit (SSCA) on Department's oversight on GST payments and Return filing - Phase II was taken up considering the significance of the control mechanism and oversight mechanism of the State Taxes Department under GST regime.

This SSCA was predominantly conducted based on data analysis, which highlighted risk areas and red flags. The objective was to seek assurance whether rules and procedures were designed to secure an effective check of tax compliance and whether scrutiny procedures, internal audit and other compliance functions of the wards were adequate. The scrutiny of returns by the Department and verification of taxpayers' record covered the period from April 2018 to March 2021 while the audit of the functions of selected wards covered the period from April 2020 to March 2021. The SSCA covered only the State administered taxpayers.

Audit observed systemic deficiencies which was not complying with the provisions of the Act/Rules like inaction on non-filers of GSTR-3Bs, delay in initiation of scrutiny of returns and non-initiation of follow-up action after cancellation of registration *etc.*

Compliance deficiencies were classified under two categories: (i) Centralised Audit; and (ii) Detailed Audit. During test check of returns data for the period 2018-19 to 2020-21, audit observed deviations (under Centralized audit) from the provisions of the Act in 109 cases (constituting 40.37 *per cent* of the total 270 cases where reply was received) involving mismatch/deviation of ₹ 157.99 crore. Relatively higher rates of deviations were noticed in risk parameters such as 'Tax not remitted due to GSTR-3B not filed', 'Non/short payment of interest on delayed payment of tax' and 'Mismatch in tax payments as per Table 9R of GSTR-9C', etc. In 65 cases (constituting 24.07 *per cent*), where the replies were acceptable to Audit; data entry errors by the taxpayers comprised three cases, the Department had proactively taken action in eight cases and 54 cases had other valid explanations. In 11 cases (constituting 4.07 *per cent*), the Department's reply was not acceptable to the Audit and rebutted accordingly. In 44 cases

(constituting 16.30 *per cent*), where the Department did not accept the deviations pointed out by Audit, their contention was not borne out by evidence and was thus not amenable to verification by audit. In the remaining 41 cases audit observation was under examination by the Department. Audit also noticed turnover related mismatches in 16 cases.

Further, during the test-check of records of 15 taxpayers (under Detailed Audit) pertaining to the period 2018-19 to 2020-21, audit observed deficiencies of non-compliance with the provisions of the Act/Rules. These instances under detailed audit involved deviation/mismatch of ₹ 313.78 crore due to instances of Non-filing of returns, Mismatch in availing Input Tax Credit (ITC) and Discharge of Tax liability.

Non-filing of returns resulting in short/non-payment of interest on account of delayed filing of returns/delayed payment of additional tax liability, short payment of tax liability (₹ 3.78 lakh), non-payment of interest (₹ 0.29 crore) on reversal of excess ITC utilized in one case was noticed. Mismatch in availing ITC between GSTR-2A and GSTR-3B returns by 12 taxpayers (₹ 195.61 crore), mismatch in availing ITC on import of goods by four taxpayers (₹ 57.97 crore), mismatch in availing ITC received from Input Service Distributor (ISD) by eight taxpayers (₹ 50.26 crore), *etc.*, was also noticed. Discharge of tax liability included mismatch in tax liability of ₹ 1.39 crore between returns by six taxpayers.

Recommendations:

- *The Department may ensure timely and proper action and assessment of non-filers for safeguarding government revenue.*
- *The Department may ensure the initiation and completion of scrutiny of returns for the year 2020-21 in a time bound manner.*
- *The Department may monitor the status of cancellation of registrations and take timely action in consonance with the statutory provisions to check undischarged tax liabilities.*

(Paragraph 2.2)

Department of Captain of Ports

Award of contracts for desilting works of River Sal on nomination basis, contravening Government rules and regulations, resulted in undue benefit of ₹ 3.14 crore to the contractors.

(Paragraph 2.3)

Department of Excise

Assessing Authority short-levied excise duty of ₹ 59.10 lakh and health surcharge of ₹ 1.18 lakh due to consideration of lower Maximum Retail Price slab for liquor manufacturing unit.

(Paragraph 2.4)

Short levy of license fee of ₹ 33.59 lakh from hoteliers due to incorrect identification of category of hotels.

(Paragraph 2.5)

Finance Department

Subject Specific Compliance Audit on Loan Management of EDC Limited (2018-23)

EDC Ltd., (EDC) is a Non-Banking Financial Company (NBFC), set up by the Government of Goa with the main objective of providing financial assistance to Micro, Small and Medium Entrepreneurs (MSME). The activities of loan management of EDC for the period 2018-19 to 2022-23 was audited to assess whether the sanction and disbursement of loans were in accordance with the prescribed guidelines, the process of recovery of dues were in accordance with the mandate to minimize waivers and whether EDC effectively discharged its role and fulfilled its mandate pertaining to loan management.

Scrutiny of loan sanctions and disbursements revealed deficiencies in loan appraisals and loan security, resulting in lower interest rates being charged on loans. Further, the interest rates were not reviewed periodically by the Board of Directors as was required by the Standard Operating Procedure, and selective borrowers were offered interest rate reductions.

Scrutiny of One Time Settlement (OTS) cases revealed non-compliance with the conditions of OTS scheme resulting in higher principal waivers extended to selective defaulters.

The recovery from the defaulters of written-off loans was adversely impacted due to lack of follow-up action required to be taken by EDC despite favourable court verdicts and in some defaults, due to non-filing of court cases thereby delaying their resolution.

The data of defaulters were not accurately reported to Credit Information Companies (CICs like CIBIL) which also weakened the recovery process.

Audit observed the absence of long term corporate business planning with a vision to drive the business direction in EDC resulting in a continuous decline in the loan portfolio. The annual profits of ₹ 250 crore (during the audit period) were retained by EDC without any realistic plan for its deployment in furtherance of the core mandate of lending to MSMEs.

Recommendations:

- *EDC may implement measures to strengthen the appraisal process, including the adoption of more robust credit rating metrics. Additionally, it may ensure that loans are backed by effective security, with clear titles and free from encumbrances.*

- *EDC may ensure strict adherence to the OTS scheme conditions and optimise the recoveries on defaulted loans without selectively relaxing them for defaulters.*
- *EDC may formulate an action plan to resolve the defaulted loan accounts conclusively through tracing of defaulters' assets and pursue decree executions.*
- *EDC may formulate a strategic business plan including a Vision-Mission document to steer the direction of business as per the mandate.*

(Paragraph 3.2)

Department of Industries

Acquisition of land disregarding the request of the indenting department to de-notify the land acquisition in view of it not being financially feasible resulted in idle expenditure of an amount of ₹ 70.45 crore.

(Paragraph 3.3)

The Goa Industrial Development Corporation irregularly retained ₹ 6.58 crore of funds released for implementation of Assistance to State for Development of Export Infrastructure and Allied Activities and parked the funds in Fixed Deposits; the Utilization Certificates submitted by the Corporation for ₹ 6.12 crore were misleading.

(Paragraph 3.4)

Electricity Department

Failure to charge Goods and Services Tax by the Electricity Department on the meter rent charged to consumers during the period 01/07/2017 to 31/03/2023 and non-availing of ITC on purchase of electricity meters resulted in non-collection/non-payment of GST (₹ 10.55 crore) and non-availing of ITC (₹10.63 crore).

(Paragraph 3.5)

Finance Department

Appointment of an ineligible consultant, deficient project planning, changes in project scope and cost after the contract award and failure to provide hindrance-free site to the contractor by GSIDC resulted in inordinate delay in completion of the work and additional expenditure of ₹ 44.39 lakh.

(Paragraph 3.6)

CHAPTER I

**Social, General and
Economic Sectors
(Non-PSUs)**

CHAPTER I

Social, General and Economic Sectors (Non-PSUs)

1.1 Trend of Expenditure

The comparative position of expenditure incurred by the Government during the year 2022-23 and in the preceding two years is given in **Table 1.1**.

Table 1.1: Comparative position of expenditure

(₹ in crore)

Disbursements	2020-21	2021-22	2022-23
Revenue Expenditure			
General services	4144.19	4960.86	5405.82
Social services	2919.06	3880.00	3545.09
Economic services	3048.89	3256.05	3845.07
Grants-in-aid and contributions	1980.52	2129.97	2088.50
Total	12092.66	14226.88	14884.48
Percentage of increase of Revenue Expenditure from year 2020-21	-	17.65	23.09
Capital expenditure			
Capital outlay	1996.67	2680.93	3425.43
Loans and advances disbursed	1.61	3.87	4.31
Repayment of public debt	751.15	971.26	1227.02
Total	2749.43	3656.06	4656.76
Grand total	14842.08	17882.94	19541.24
Percentage of increase of total expenditure from year 2020-21	-	20.49	31.66

(Source: Finance Accounts of the State for the respective years)

The total expenditure of the State increased by 31.66 *per cent* from ₹ 14,842.08 crore in 2020-21 to ₹ 19,541.24 crore in 2022-23. The revenue expenditure of the State increased by 23.09 *per cent* from ₹ 12,092.66 crore in 2020-21 to ₹ 14,884.48 crore in 2022-23.

The share of revenue expenditure to total expenditure was 80 *per cent* during 2021-22, which decreased to 76 *per cent* during 2022-23 with a corresponding increase in the share of capital expenditure to 24 *per cent* of total expenditure as compared to 20 *per cent* during 2021-22.

1.2 Authority for Audit

The authority for audit by the Comptroller and Auditor General (CAG) is derived from Articles 149 and 151 of the Constitution of India. The Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 {CAG's (DPC) Act} further reinforces this authority. The CAG conducts audit of expenditure of the departments of Government of Goa under Section 13 of the CAG's (DPC) Act. The CAG is the sole auditor in respect of 14 Autonomous Bodies which are audited under the provisions of Sections 19 and 20 of the CAG's (DPC) Act. In addition, the CAG also conducts audit of bodies/authorities which are substantially

funded by the Government, under Section 14 of the CAG's (DPC) Act. Principles and methodologies for various audits are prescribed in the Auditing Standards and the Regulations on Audit and Accounts (Amendments), 2020 issued by the CAG.

1.3 Planning and conduct of Audit

There are 65 departments in the State headed by Chief Secretary/Principal Secretaries/Secretaries. They are assisted by Directors/Commissioners and subordinate officers under them. In addition, there are 14 Autonomous Bodies, which are audited by the Accountant General, Goa.

Audit process starts with the assessment of risks faced by various departments of Government. The risks are assessed on the basis of expenditure incurred, criticality/complexity of activities, levels of delegated financial powers, internal controls, media reports and concerns of stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, the frequency and extent of audit is decided.

After completion of audit of each unit, Inspection Reports (IRs) containing audit findings are issued to the Heads of the departments. The departments are requested to furnish replies to audit observations within four weeks of receipt of the IRs. Whenever replies are received, audit observations are either settled or further action for compliance is advised. The important audit observations arising out of these IRs are processed for inclusion in the Audit Reports. The Audit Reports are submitted to the Governor of the State under Article 151 of the Constitution of India.

1.4 Lack of responsiveness of Government to Audit

1.4.1 Inspection Reports outstanding

The Accountant General (AG) arranges to conduct periodical inspections of Government departments to test-check their transactions. The AG also verifies the maintenance of important accounting and other records as per prescribed rules and procedures. These are followed up with IRs, which are issued to the Heads of the offices inspected, with copies to the next higher authorities. Half yearly reports of pending IRs are sent to the Secretaries of the concerned departments. This facilitates monitoring of the action taken on the audit observations included in these IRs.

As of June 2023, 778 IRs (3,308 paragraphs) were outstanding for want of compliance. Year-wise details of IRs and paragraphs outstanding are detailed in **Appendix 1.1**.

1.4.2 Response of Departments to the draft paragraphs

Subject Specific Compliance Audit on Solid Waste Management in Urban Local Bodies was forwarded in April 2024 to the Secretary concerned and reply was received in June 2024.

1.4.3 Follow up on Audit Reports

Timeline for follow up of Audit Reports is prescribed in the Internal Working Rules of the Public Accounts Committee of the Goa Legislative Assembly. Accordingly, the Administrative departments were required to furnish Explanatory Memoranda (EM) to the Accountant General for vetting. The EMs in respect of the paragraphs included in the Audit Reports were to be furnished to the State Legislature within three months from the date of tabling of the Audit Report.

Ten departments as detailed in **Appendix 1.2** had not submitted EMs for 15 paragraphs pertaining to Audit Reports for the years 2016-17 to 2020-21 (March 2024).

Urban Development Department

1.5 Subject Specific Compliance Audit (SSCA) of Solid Waste Management in Urban Local Bodies in Goa

Solid Waste Management (SWM) is one of the biggest challenges faced in urban India today. Inadequate management of waste can have significant adverse impact on public health and the environment.

The compliance audit of Solid Waste Management in Urban Local Bodies (ULBs) in Goa was undertaken with a view to assess whether planning for SWM in the ULBs was in conformity with the prevailing legal framework, and the municipal tasks associated with SWM was in accordance with extant Rules and Regulations. Audit also assessed the compliance to the recommendations made during the Performance Audit of Solid Waste Management conducted during the period 2017-2018 which featured in the Audit Report for the year ended March 2018.

Audit of Solid Waste Management in test-checked ULBs i.e., Corporation of the City of Panaji (CCP), the only Municipal Corporation in the State and four selected Municipal Councils (out of 13) was carried out covering the period 2017-18 to 2021-22.

Government of Goa had notified SWM policy in October 2018 and revised it in March 2024. Audit observed that as the ULBs did not prepare any plan for SWM activities in their jurisdiction, thus, the efficient management of solid waste was impacted.

Audit also observed that the ULBs could not finance expenditure on SWM activities from their own resources. They could not enhance their

own revenues through efficient collection of user charges, resulting in huge arrears. Further, there were no sanctioned posts for dedicated staff for carrying out SWM activities in the ULBs in the State.

The estimation of waste generation by the ULBs was not as per the prescribed methodology, and the waste collected was considered as the waste generated, which affected the planning for collection and treatment of waste. The SWM treatment facilities were insufficient as well as underutilized. Consequently, on an average, only 78 per cent of collected waste across 14 ULBs from 2017-18 to 2021-22 was treated, while the remaining was dumped at dumpsites without treatment. The insufficient treatment of waste also resulted in creation of new dumpsites.

The Goa State Pollution Control Board (GSPCB), responsible under the Bio-Medical Waste (BMW) Management Rules of 2016 for maintaining an inventory of occupiers and data on bio-medical waste generation, treatment, and disposal, as well as authorizing healthcare facilities (HCFs) for handling BMW, did not maintain data on HCFs and their bio-medical waste, and also did not pursue updating its HCF database with the Directorate of Health Services. The GSPCB also could not implement the e-waste Management Rules in the State and lacked comprehensive inventories for e-waste.

The total capacity of treatment facilities in ULBs was 216.70 Tonnes per Day (TPD) out of which 124.20 TPD was for wet waste and 92.50 TPD for dry waste. Shortage of capacity in treatment facilities was observed in three out of four test-checked MCs, with Margao MC being the worst affected with a five TPD plant for processing 35 TPD waste generated.

Thus, the goal of a successful solid waste management through collection of all the generated waste at source, its efficient transportation and safe processing in accordance with the principles of reduce, reuse and recycle remains to be achieved.

1.5.1 Introduction

Solid waste includes solid or semi-solid domestic waste and non-residential waste, street sweepings, bio-medical waste, e-waste, etc. Collection of all the generated waste at source, its efficient transportation and safe processing in accordance with the principles of reduce, reuse and recycle are the key elements of any successful solid waste management (SWM) strategy. Inadequate management of waste has significant negative impact on public health and environment, apart from adversely affecting the aesthetics of the surroundings.

Solid waste management is one of the biggest challenges faced in urban India. As a rapidly urbanising¹ small State with high population density, and a large floating² population, Goa faces unique challenges on this front.

1.5.2 Municipal Solid Waste Management in Goa - Role of various entities

The Department of Science and Technology and Waste Management (DST&WM) is the nodal department to manage and treat or dispose off generated wastes in the State in a safe and scientific manner. Established in 2016, the Goa Waste Management Corporation (GWMC) is tasked with the establishment and development of solid waste management facilities throughout Goa, covering both urban and rural areas. At present two SWM plants at Saligao and Cacora at cluster-level³ and facilities for treatment of specialized waste such as biomedical waste and hazardous waste are functional at State level. The Goa State Pollution Control Board (GSPCB) is responsible for enforcing solid waste management regulations across the state.

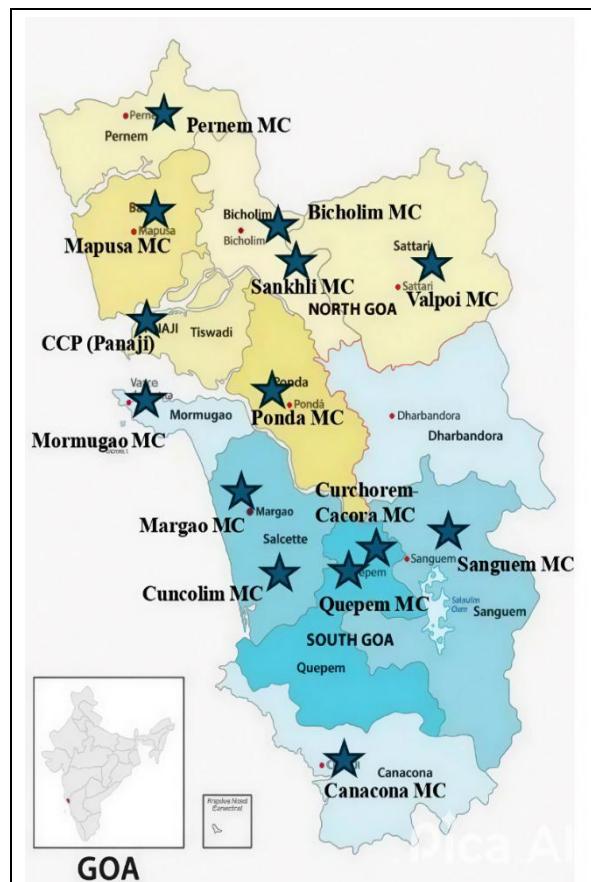


Figure 1.1: Map of ULBs in Goa

{Source: Official Gazette of GoG (1st March 2024)}

The Department of Urban Development (DUD) oversees the management of solid waste in urban areas. The Urban Local Bodies (ULBs), including the Corporation of the City of Panaji and 13 Municipal Councils (Figure 1.1), are responsible for managing solid waste within their

¹ Goa is the most urbanized State in the country with 62.20 *per cent* urban population in 2011, a significant increase since 2001, when it was 49.77 *per cent*.

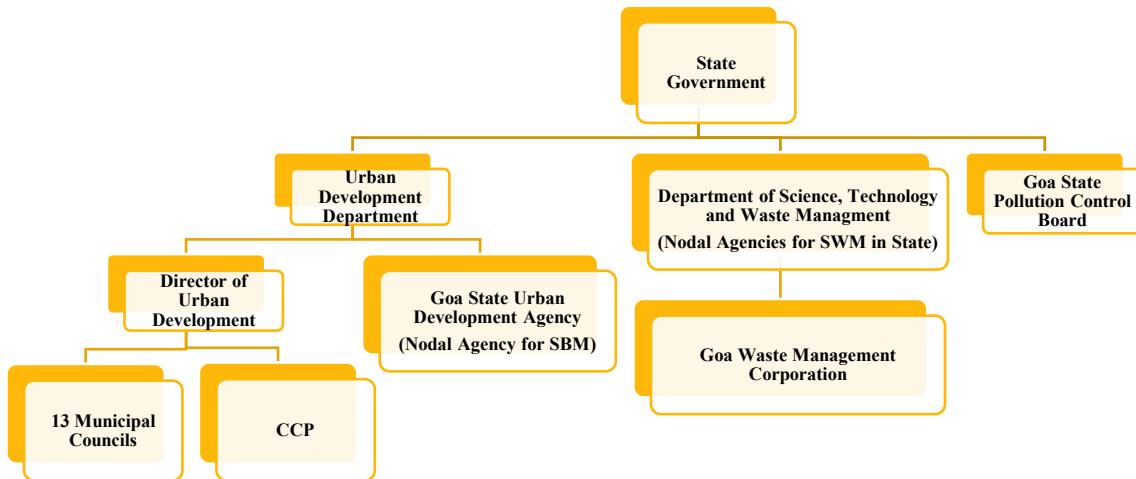
² The State's floating population fluctuated from 79.84 lakh in 2017-18 to 34.42 lakh in 2021, impacted by COVID-19. Tourist numbers rebounded to 79.61 lakh in 2022-23, while hotel counts rose from 4,399 to 5,922 over the same period. The State's floating population has always been higher than its census population.

³ Four clusters: Saligao for Pernem, Bardez, Bicholim and Sattari Taluka; Bainguinim for Tiswadi and Ponda Taluka; Cacora for Dharbandora, Sanguem, Quepem and Canacona Taluka; and Verna for Mormugao and Salcete Taluka.

respective jurisdictions. Further, the Goa State Urban Development Agency (GSUDA) serves as the nodal agency for the Swachh Bharat Mission in urban areas within the State, supporting efforts for effective waste management and cleanliness initiatives.

The hierarchy of governance for SWM is shown in **Chart-1.1**.

Chart 1.1: Hierarchy of governance for SWM



(Source: Website of Goa Government and Government Acts)

1.5.3 Regulatory framework governing waste management in the State Act for ULBs

The regulatory framework governing solid waste management activities in municipalities in Goa includes the Goa Municipality Act of 1968 and the Goa City of Panaji Corporation Act of 2002, along with the Solid Waste Management Rules, 2016 issued by the Ministry of Environment, Forest and Climate Change (MoEF&CC). Further, the Model Sanitation Bye-laws were notified by the Urban Development Department (UDD) in October 2020.

1.5.4 Audit Framework

A performance audit on solid waste management in Goa covering the period 2013-14 to 2017-18 was conducted which featured in the Audit Report for the year ended March 2018 (Paragraph 1.5 of Report No. 2 of the year 2019). The report was placed in the Legislature in February 2020. The current audit sought to assess the compliance to recommendations of the previous Audit Report along with the objectives detailed in the succeeding paragraphs.

1.5.5 Audit Objectives

The objectives of the compliance audit were to assess whether:

- i. The strategy and planning of solid waste management in ULBs is commensurate with the waste generated and was in conformity with the prevailing legal framework;

- ii. The municipal tasks associated with solid waste management, including collection, segregation, storage, transportation, disposal of waste, and social inclusion of informal waste workers were in accordance with extant rules and regulations;
- iii. The planning, construction, commissioning, operation and maintenance of solid waste management projects in ULBs was as per requirement and was financially sustainable; and
- iv. The monitoring and evaluation of solid waste management system including awareness activities, citizen engagement, complaint redressal mechanism, and internal control was as per the mandate.

1.5.6 Audit Criteria

The major audit criteria were drawn from the provisions of:

- Solid Waste Management Rules, 2016;
- Municipal Solid Waste Management Manual⁴, 2016;
- The State Policy on Solid Waste Management, 2018; and draft policy 2022;
- Swachha Bharat Mission Guidelines, 2021;
- Model Municipal Solid Waste (Management and Handling) Bye-laws, 2020;
- Bio-medical Waste Management Rules, 2016;
- E-waste (Management) Rules, 2016;
- Plastic Waste Management Rules, 2016;
- Goa Municipal Act, 1968 and CCP Act, 2002; and
- Central Pollution Control Board (CPCB) and GSPCB guidelines (issued from time to time) and National Green Tribunal (NGT) orders and other Court orders.

1.5.7 Scope and Methodology

The subject specific compliance audit on ‘Solid Waste Management in Urban Local Bodies’ covered the period from the year 2017-18 to 2021-22. The field audit was conducted between January 2023 to June 2023. It involved examination of the records relating to SWM in the Directorate of Urban Development, five⁵ selected ULBs, Goa Waste Management Corporation, Goa State Pollution Control Board and Goa State Urban Development Agency.

The audit objectives, criteria, scope, and methodology were explained in the entry conference held with the Director of Urban Development on

⁴ Municipal Solid Waste Management Manual, 2016 prepared by Central Public Health and Environmental Engineering Organisation (CPHEEO) a technical wing of the Ministry of Housing and Urban Affairs. CPHEEO deals with the matter related to urban water supply and sanitation including solid waste management in the country.

⁵ CCP, Mapusa, Bicholim, Margao and Mormugao

04 January 2023. The audit findings, conclusions and recommendations were discussed in the exit conference held on 13 May 2024 with the Secretary (Urban Development). The Department's replies (14 June 2024) have been incorporated at appropriate places in the report.

1.5.8 Acknowledgement

Audit acknowledges the co-operation and assistance extended by the Director of Urban Development, heads of Urban Local Bodies, GSPCB, GWMC and GSUDA in conducting the audit.

Audit Findings

1.5.9 Strategy and planning of solid waste management

An assessment to ascertain whether the strategy and planning of Solid Waste Management in ULBs was commensurate with the waste generated and was concurrent with prevailing legal framework, led to the following findings.

1.5.9.1 Non-preparation of SWM Plan by ULBs

Rule 15(a) of the Solid Waste Management Rules 2016 mandates ULBs to prepare a solid waste management plan in accordance with the state policy and submit it to the respective State Government departments within six months of the policy's notification.

The SWM Policy was notified in October 2018 and revised in March 2024 by the UDD and the ULBs had to prepare SWM Plan within six months of notification of the policy. Eight⁶ ULBs replied (January 2023) that they had prepared the SWM plan, but the SWM plan approved⁷ by the respective council was not furnished to audit. Mapusa MC furnished an action plan to Audit, which was infact a status report with regard to SWM in the MC, as their SWM plan. The CCP stated that the action plan prepared by them in 2003-04 was also in line with SWM Rules, 2016 but did not furnish the same to Audit. Margao, Mormugao and Bicholim had prepared their plans in February 2023. However, Mapusa accepted (May 2023) that there was no SWM plan while Mormugao stated (June 2023) that the preparation of plan was in progress. Thus, it is evident that none of the ULBs had council approved SWM plans.

In the absence of a plan, the ULBs were unable to assess actual solid waste generation, identify optimal waste management methods, set operational targets, outline stakeholder roles under contract arrangements, or develop

⁶ CCP, Pernem, Mapusa, Bicholim, Margao, Mormugao, Canacona, and Sankhali

⁷ As per Clause 1.4.8 of Central Public Health and Environmental Engineering Organisation (CPHEEO) SWM manual 2016, the council of the ULB is to validate and adopt the SWM Plan.

guidelines for resource utilization, impacting the efficient waste management of solid waste in the ULBs.

The Department replied (June 2024) that ULBs have already been instructed to prepare their SWM plans in accordance with the SWM policy notified in March 2024 and that further directions would be issued to ULBs to ensure adherence.

1.5.9.2 Inaccurate action plan for SWM under Swachh Bharat Mission

As per Para 6.6.3 of Swachh Bharat Mission (SBM) Guidelines (October 2021), ULBs were to prepare Detailed Project Reports (DPRs) for SWM for their city in consultation with the State Government.

For SBM-U 2.0, all 14 ULBs submitted (April 2022) the city solid waste action plan⁸ in the proforma provided by WAPCOS Limited, the implementing agency appointed by Goa State Urban Development Agency⁹ (GSUDA), which compiled and prepared an action plan for all ULBs.

Audit observed that the Action plan did not depict the correct status of treatment facilities and landfill sites in the four¹⁰ test-checked ULBs. As per the plan, CCP had adequate capacity of treatment facility {34.2 Tonnes per Day (TPD) for wet waste}. However, as per the details of treatment facility for wet waste provided by CCP to Audit (February 2023), the capacity was for only 18.6 TPD. The absence of landfill site at Mormugao was not depicted in the plan and no enhancement of treatment facility was proposed for Mapusa, which was required on priority. Details of gaps are provided in **Appendix 1.3**. Thus, due to inaccurate information provided by ULBs for SBM 2.0, GSUDA did not propose the needed SWM facilities in the ULBs under SBM.

Inadequate wet waste treatment facilities were observed in the test-checked MCs of Mormugao, Margao and Mapusa. In the absence of treatment facilities, all three ULBs were sending their untreated waste to the Saligao treatment plant since January 2022 (despite the fact that Margao MC and Mormugao MC are not part of the Saligao cluster) or dumpsites in their respective municipal jurisdictions as discussed in **Paragraphs 1.5.15.2, 1.5.16.1 and 1.5.18.1**.

Absence of SWM plans in ULBs affected the efficient management of solid waste. The action plans prepared by GSUDA for SBM 2.0 were inadequate

⁸ Action Plan contains demographic and waste generation details, MSWM service level benchmarks (SLBs), current MSW management, and assessment of requirements of processing plants/facilities.

⁹ The Goa State Urban Development Agency (GSUDA) is a State Level Nodal Agency (SLNA) for implementing Swachh Bharat Mission in Goa.

¹⁰ CCP, Mapusa MC, Margao MC and Mormugao MC

due to non-depiction of correct status of treatment facilities and landfill sites, non-inclusion of proposals of enhancement of treatment facilities, etc. in the ULBs.

Recommendation 1: Urban Local Bodies may prepare their Solid Waste Management plans, encompassing both short-term and long-term objectives, on priority, in accordance with the policy.

1.5.10 Financing of SWM activities in ULBs

Rule 15(x) of the Solid Waste Management Rules, 2016 required the ULBs to allocate funds in their annual budget for both capital investments and operation and maintenance (O&M) of SWM services. Further, Rule 15(f) of Solid Waste Management Rules, 2016 stipulates the duty of ULBs to levy user fee¹¹ as deemed appropriate and collect the same from the waste generators on its own or through authorised agencies.

Audit observed that all ULBs made provisions for both capital investments and O&M activities under SWM in their annual budget. However, scrutiny of financial statements of the test-checked ULBs for the financial years 2017-18 to 2021-22 revealed that the revenue generated by ULBs for SWM by way of levy of user charges was not sufficient to meet the entire expenditure relating to SWM activities. Revenue of ULBs from SWM activities includes user charges for collection and disposal of solid waste and proceeds of sale of compost and recyclables. Audit noticed that four out of five test-checked¹² ULBs levied and collected user charges. The details of revenue receipt and expenditure under the solid waste management during the period 2017-18 to 2021-22 in five test-checked ULBs are shown below:

Table 1.2: Status of revenue generation through SWM activities vis-à-vis expenditure on SWM by the test-checked ULBs during 2017-18 to 2021-22

Year	Receipts	Expenditure		Excess of expenditure over own receipt met from Central and State Grants(+)
	Own Revenue from SWM activities	Revenue	Capital	
2017-18	10.58	41.95	0.00	+31.37
2018-19	9.57	49.55	0.01	+39.99
2019-20	9.18	54.86	0.85	+46.53
2020-21	5.65	53.37	0.01	+47.73
2021-22	7.24	58.42	0.52	+51.70
Total	42.22	258.15	1.39	+210.32

(Source: Information furnished by the ULBs)

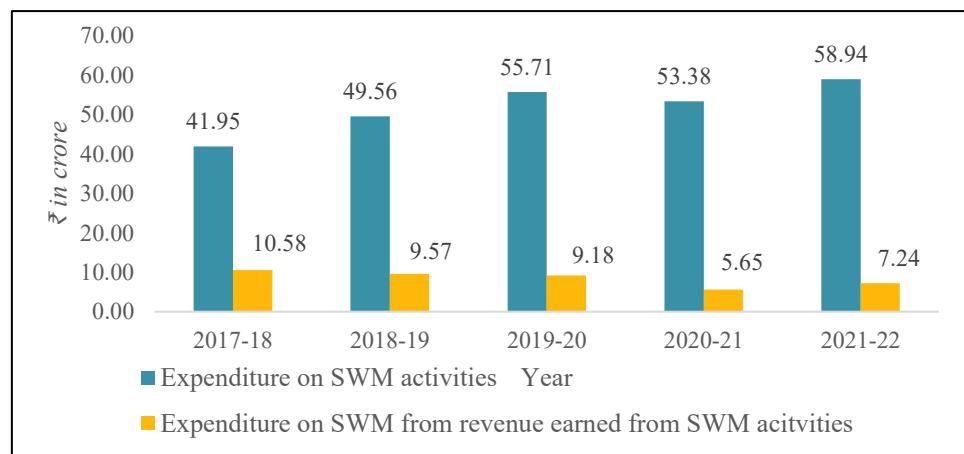
¹¹ A fee imposed by the local body and any entity mentioned in rule 2 on the waste generator to cover full or part cost of providing solid waste collection, transportation, processing and disposal services.

¹² CCP, Mapusa MC, Margao MC and Bicholim MC levied the user charges, Mormugao MC did not collect user charges.

It is seen from the above table that the revenue earned from SWM activities by the test-checked ULBs were not sufficient to cover the whole expenditure incurred by them on SWM activities.

The extent of expenditure met from own revenue generation by test-checked ULBs on SWM activities during the period 2017-22 is shown in **Chart 1.2**.

Chart 1.2: Extent of expenditure met from own revenue by test-checked ULBs on SWM activities during the period 2017-22



(Source: information provided by the test-checked ULBs)

It was thus observed that ULBs were utilizing Central¹³ and State grants to meet the excess expenditure under SWM.

Audit also observed that out of the State Government's budget for SWM activities, the DUD released SWM grants to five out of 14 ULBs, with three ULBs getting the grant twice during the period from 2017-18 to 2021-22 as shown below:

Table 1.3: Solid waste management grants by the State Government to ULBs (2017-18 to 2021-22)

Year	Budgeted	Actual allocation	Amount not released/Savings w.r.t Budget	Quantum of amount not released by the DUD (per cent)	Name of ULBs received the grant
2017-18	700	348.73	351.27	50.18	CCP, Sankhali
2018-19	700	89.05	610.95	87.28	Bicholim
2019-20	1300	104.19	1195.81	91.99	Mormugao, Valpoi
2020-21	1500	340.35	1159.65	77.31	CCP, Bicholim, Sankhali
2021-22	1000	239.86	760.14	76.01	-

(Source: Information made available by DUD)

¹³ Central Finance Commission Grants and Swachha Bharat Mission Grants.

Urban Development Department (UDD) had made provisions in the budget for SWM during the years 2017-18 to 2021-22. However, it was seen that grants were allocated to CCP, Sankhali, Bicholim, Mormugao and Valpoi MCs, depriving other ULBs of the required funds for SWM activities. It was noticed that grants were not disbursed by UDD due to non-receipt of proposal from the remaining ULBs. It was also noticed that no SWM grant was allocated to ULBs for the year 2021-22. Instead GSUDA¹⁴ was given grants of ₹ 239.86 crore for SWM. There was a huge saving (50 to 92 per cent) in the budget of UDD during the period for want of demand from remaining ULBs.

Director (UD) intimated (February 2024) that State grants were in the nature of additional assistance which was allotted to the ULBs in case of necessity. However, audit is of the opinion that it would facilitate better resource planning by the ULBs, if they are informed of the basis for the grant of DUD's assistance.

During the exit conference, the Secretary stated (May 2024) that the unequal allocation of grants would be reviewed by the concerned authority.

1.5.10.1 Poor collection of sanitation charges by ULBs

Audit observed that all the test-checked ULBs levied the sanitation charges (user fees) from the residential households and commercial establishments by Council resolutions and according to SWM (Management and Handling) Bye-laws 2020.

During the scrutiny of demand and collection statements of sanitation/garbage tax in the test-checked ULBs, audit observed poor collection of sanitation tax for the collection and disposal of solid waste from waste generators (including households and trade occupants) for the period 2017-22, as illustrated in the **Table 1.4**.

¹⁴ GSUDA is the State Level Nodal Agency for co-ordination, monitoring and implementation of various Centrally Sponsored Schemes (CSS) of the Ministry of Housing and Urban Affairs, Government of India in urban areas.

Table 1.4: Demand and collection of sanitation tax by four¹⁵ test-checked ULBs

(₹ in crore)

Year	Demand			Collection			Closing Balance of Arrears	Per cent collection		
	Arrears	Current	Total	Arrears	Current	Total		Arrears	Current	Total
2017-18	7.19	10.78	17.97	2.84	6.80	9.64	8.33	39	63	54
2018-19	8.43*	11.13	19.56	2.09	6.48	8.57	10.99	25	58	44
2019-20	10.99	11.36	22.35	1.70	6.42	8.12	14.23	15	57	36
2020-21	14.22*	11.87	26.09	1.85	6.43	8.28	17.81	13	54	32
2021-22	17.89*	14.34	32.23	2.81	8.37	11.18	21.05	16	58	35

(Source: Information made available by ULBs)

*The CB of the preceding year and OB of the succeeding year differ due to remission/waiver of charges allowed by ULBs.

As evident from the table above, the test-checked ULBs managed to collect only between 32 to 54 per cent of the total demand (sanitation tax) up to the fiscal year 2021-22. Notably, the collection of current demand decreased from 63 to 58 per cent during the period under review. The collection of arrears also experienced a decline, dropping from 39 to 16 per cent over the same period. The ULBs did not demonstrate adequate effort in collecting arrears of sanitation charges over the given period.

The Department replied (June 2024) that necessary directions would be issued to ULBs to assess and address the shortcomings in effective collection of user charges from the waste generators.

1.5.11 Adequacy of manpower in ULBs for SWM

As per the SWM Manual Part II, Para 1.4.5.4, it is recommended that ULBs establish an SWM cell or SWM department, with dedicated staff such as experienced junior engineer, qualified sanitary officer, sanitary inspector and supervisor for towns below one lakh population, equipped with technical and managerial skills specific to Municipal Solid Waste Management, to ensure the development of an efficient and advanced MSWM system.

Audit observed that during the audit period, only six¹⁶ out of 14 ULBs had formed SWM cells. This lack of establishment was further compounded by the absence of provisions in State Acts¹⁷ and Rules¹⁸ for recruiting qualified personnel such as junior engineers, supervisors, and inspectors for efficient SWM in the ULBs. Consequently, ULBs deployed available

¹⁵ CCP, Margao, Mapusa and Bicholim. Mormugao did not collect user charges.

¹⁶ Cuncolim, Quepem, Margao, CCP, Mormugao and Canacona

¹⁷ GMA, 1968 and CCP Act, 2002

¹⁸ Goa Municipalities (Common Cadre of Municipal Engineers) Recruitment Rules, 2006

municipal engineers, inspectors, and supervisors for SWM activities. The status of staff availability for SWM activities is given in **Table 1.5**.

Table 1.5: Availability of manpower for SWM activities in ULBs

Sl. No.	Posts	No. of ULBs that deployed staff	No. of ULBs that did not deploy
1	Engineer	12	02
2	Sanitary Officer/Inspector	11	03
3	Supervisor	14	-
4	Municipal workers	14	-

(Source: data furnished by the ULBs)

It may be seen from the above tables that two¹⁹ ULBs lacked dedicated engineers, while three²⁰ ULBs lacked inspectors for supervision of MSW activities. Thus, the staffing arrangement was ad hoc, due to the non-inclusion of specific cadres in the recruitment rules and dedicated sanctioned strength.

Acknowledging audit's recommendation, the Department stated (June 2024) that the matter would be placed before higher authorities for decision to be made regarding the provisions of dedicated staff for SWM after assessment of ULB's requirements. Also, it was stated that necessary directions would be issued to the ULBs to establish SWM Cells.

The ULBs could not finance SWM expenditure through their own resources and could not enhance their own revenues through efficient collection of user charges. There were no sanctioned posts for dedicated staff for SWM activities in ULBs in the State.

Recommendation 2: Urban Local Bodies may make concerted efforts to improve the collection of user charges for management of solid waste in their jurisdiction.

Recommendation 3: The State Government may make provision in State rules for dedicated qualified staff for Urban Local Bodies for the Solid Waste Management activities.

1.5.12 Solid waste processes in ULBs

Audit sought to assess whether the municipal tasks associated with SWM including collection, segregation, storage, transportation, disposal of waste, and social inclusion of informal waste workers were effective, efficient and economical. The process of solid waste management is depicted in **Figure 1.2**.

¹⁹ Mapusa and Sanguem

²⁰ Pernem, Margao and Sanguem

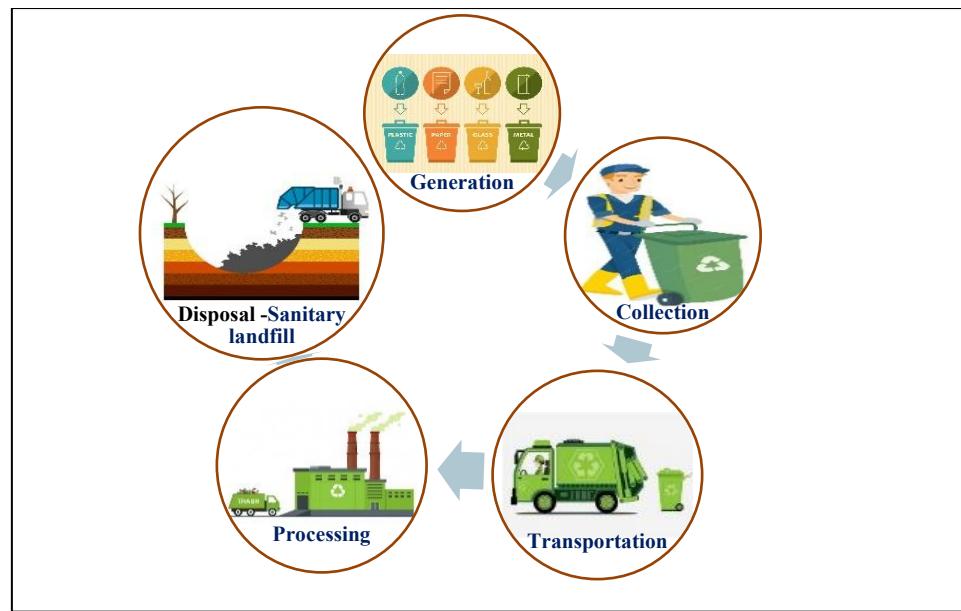
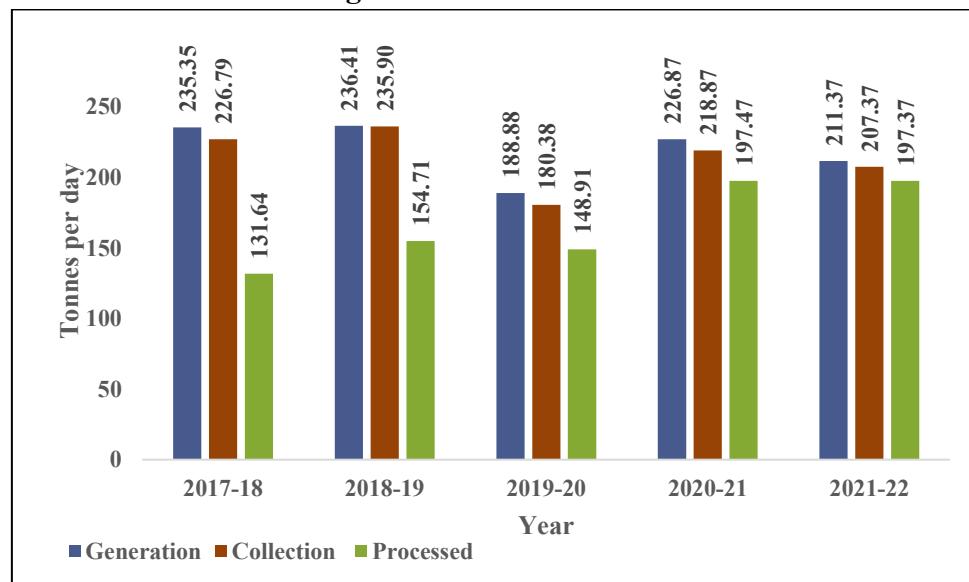


Figure 1.2: Process of SWM

Households and commercial establishments produce both dry and wet waste, which is collected by the municipalities. This waste is then transported to waste processing areas within municipalities or centralized waste treatment plants for segregation and disposal. Wet, biodegradable waste undergoes composting, while recyclable dry waste is sold. Non-recyclable dry waste with high calorific value is sent to cement factories for co-incineration as Refuse Derived Fuel (RDF). The remaining non-recyclable waste is disposed off in landfill sites.

Following are the details of generation, collection and processing of waste in ULBs as per the annual report published by GSPCB for the period 2017-22:

Chart 1.3: Details of generation, collection & processing of waste in ULBs during 2017-22



(Source: Data made available by GSPCB)

1.5.13 Generation and collection of waste

1.5.13.1 Waste generation and its collection in ULBs

1.5.13.1 (a) Incorrect assessment of generation of waste by ULBs

According to Clause 1.4.3.3 of the Solid Waste Management Manual, ULBs are to assess waste quantity and composition of the waste generated to design effective SWM systems conducting surveys and measurement at the point of generation using the prescribed data collection formats. The waste quantification was to be done for the long-term²¹ and short-term²² planning. The quantification of waste for long-term is required to be repeated once every three to five years at the time of review of the plan.

Audit observed (April 2023) that ULBs were not quantifying the generation of waste by following the prescribed methodology. ULBs quantified collected waste which reached the Material Recovery Facility (MRF) having weigh bridges, as the waste generated. Uncollected waste was thus left unquantified. As per the *Waste Characterization Report*²³, the estimated generation of waste for the year 2018 was 267.90 TPD and as per ULB data given to audit, it was 218.01 TPD. Thus, a gap of 49.89 TPD was observed for waste generation for the year 2018, as illustrated in **Appendix 1.4**. Out of 14 ULBs, there was no variation in waste generation data over the years from 2018-19 to 2021-22 reported by five ULBs²⁴, while other five ULBs²⁵ indicated a decrease in waste generation within their jurisdictions. This static or decreased waste generation reported by the 10 ULBs is incongruent with the expected increase in waste generation due to urban growth, population increase, and evolving lifestyle patterns and indicates inaccurate quantification of waste generation within these ULBs.

²¹ For long-term planning, estimate the average waste disposal by a specific generator class by continuously sampling for seven days across multiple locations within the ULB during summer, winter, and rainy seasons. Aggregate, weigh, and average the waste over this period, then extrapolate the data to the entire ULB to assess per capita generation.

²² For short-term planning, the waste generation is quantified by selecting 100 sampling locations per 1,00,000 population, covering diverse groups such as households, commercial establishments, institutional generators, hospitals and health care establishments, etc. by distributing storage bags for three to seven days and advising the procedure for daily waste deposits. The waste is collected, weighed, and recorded by category, then segregate and weigh components; and extrapolate this data to determine per capita waste generation rates for the entire ULB.

²³ On comparison with waste generation data outlined in the *Waste Characterization Report* prepared by iDek, the consultant appointed by GWMC for preparation of SWM policy in 2018.

²⁴ Pernem, Quepem, Sankhali, Sanguem and Valpoi

²⁵ Bicholim, Canacona, Curchorem-Cacora, Margao and Ponda

The Director (UD) accepted (December 2023) audit observation and assured that directions would be issued to the ULBs to undertake necessary measures for waste quantification.

Inaccurate estimation of the quantum of waste generation affected the preparation of appropriate plans for the collection and treatment of waste by the ULBs. This in turn was responsible for incomplete waste collection and treatment and the creation of waste dumps and to a certain extent littering as discussed subsequently.

1.5.13.1 (b) Gaps in generation and collection

In accordance with Section 1.4.5.10 of the MSWM Manual (2016), door-to-door collection of segregated waste is mandated, while underscoring the importance of consistent and dependable service. Section 1.4.2 (Table 1.3) of the MSWM envisages service level benchmark for efficiency of MSW collection and ULB should collect 100 *per cent* of total waste generated in ULBs. Further, ULBs are required to submit annual reports to the GSPCB regarding SWM as per the Rule 24(2) of the SWM Rules, 2016.

Disparities between waste generation and collection within ULB jurisdictions, as evidenced by both GSPCB data and audit findings (2.69 *per cent* and 1.81 *per cent*, respectively) are depicted in **Table 1.6**.

Table 1.6: Gaps in generation and collection

(in TPD)

Year (As on 31 March every year)	As per Annual Report submitted by ULBs to GSPCB			As per reply of Audit Requisition made by ULBs		
	Generation	Collection	Uncollected (<i>per cent</i>)	Generation	Collection	Uncollected (<i>per cent</i>)
2017-18	235.35	226.79	3.64	228.81	220.40	3.68
2018-19	236.41	235.90	0.21	218.01	213.60	2.02
2019-20	188.88	180.38	4.50	197.31	194.90	1.22
2020-21	226.87	218.87	3.53	202.11	199.70	1.19
2021-22	211.37	207.37	1.89	206.31	204.90	0.68
Average	219.77	213.86	2.69	210.51	206.70	1.81

(Source: Data furnished by GSPCB and ULBs)

Audit observed that 12 out of 14 ULBs reported waste generation equalling collection for the past five years, except for CCP and Sanguem MC. Since the prescribed methodology was not used for quantification of waste generated as discussed in **Paragraph 1.5.13.1(a)**, it cannot be stated that the generation and collection of waste were equal. Further, five²⁶ ULBs lacked weighbridge facilities, with three²⁷ of them installed in 2022 at the waste treatment facilities. They quantified transported waste as collected, leaving un-transported waste unquantified. Further, declining trend of waste generation from 235.35 TPD in 2017-18 to 211.37 TPD in

²⁶ Sanguem, Pernem, Canacona, Mapusa and Curchorem-Cacora

²⁷ Quepem, Ponda and Mormugao

2021-22 is not in line with the fact that the population in ULBs grew from 4,35,421 to 4,73,436 for the years 2018²⁸ and 2021²⁹ respectively.

Observing that 96 *per cent* of the generated waste was being collected, the Audit Report for the year ended March 2018 recommended that the State Government should strengthen its collection system to ensure the complete retrieval of waste at source. During the current audit, the ULBs stated that total collection as against generated waste increased to 98 *per cent* as against the target of 100 *per cent* door-to-door collection. However, as pointed out *{Paragraph 1.5.13.1 (a)}*, the method for quantification of waste was inaccurate and as such, the claim of 98 *per cent* waste being collected is unreliable, as evident in the pictures below:

	
<p><i>Figure 1.3: Littering in CCP (01/03/2023)</i></p>	<p><i>Figure 1.4: Littering in Mapusa MC (14/03/2023)</i></p>
	
<p><i>Figure 1.5: Littering at Mormugao (24/03/2023)</i></p>	<p><i>Figure 1.6: Dump at Mormugao MC (24/03/2023)</i></p>

As seen in the pictures above, littering and black spots were observed in all test-checked ULBs. Also, from the dumpsites seen in Margao, Mormugao and Mapusa MCs, it is evident that the collection of the generated waste was less than the target fixed under Service Level Benchmark (100 *per cent*).

In response, the Director (UD) stated (December 2023) that many ULBs shared boundaries with one or more village panchayats, and residents from these panchayats were dumping waste en route to the city, leading to littering issues.

²⁸ Population mentioned in the Waste Characterization Report of GWMC.

²⁹ City solid waste action plan of GSUDA.

The reply is not tenable as ULBs are responsible for taking action, like imposing spot fines and penalties for littering and unscientific disposal of waste, as per Clause 10 of Sanitation Bye-laws. ULBs should strengthen the collection system and treatment of collected waste to stop littering, promptly clear littered waste, and prevent the creation of dumpsites in their jurisdictions.

During the exit conference, the Secretary (UD) directed (May 2024) that an advisory be issued to ULBs regarding the need for accurate quantification of waste.

1.5.13.2 Non-segregation of waste at source

Rule 4 of SWM Rules, 2016 mandates waste generators to segregate waste into three streams: bio-degradable, non-biodegradable, and domestic hazardous waste, utilizing appropriate bins. This source segregation practice minimizes contamination, thereby facilitating easier collection, transportation, and subsequent processing of waste. ULBs were obligated to ensure 100 *per cent* segregation of waste by generators in their jurisdiction as per the service level benchmarking³⁰ (SLB).

In response to audit enquiry, the ULBs reported that they collected an average of 96.71 *per cent* of segregated waste from residential and non-residential premises in 2021-22 as shown in **Appendix 1.5**. However, all the ULBs declared achievement of SLB in their respective action plan ranging from 40 to 80 *per cent* (average 66 *per cent*) for SBM 2.0. This discrepancy of data relating to collection of segregated waste indicates that the ULBs' claims in response to the audit query did not match with SLB data as per action plan. This was substantiated with the fact that during joint site inspection, mixed waste was found at Material Recovery Facilities (MRFs) and dumpsites in Margao, Mapusa, Bicholim and Mormugao MCs respectively as depicted below:

	
<i>Figure 1.7: Mixed waste at MRF in Margao MC (28/02/2023)</i>	<i>Figure 1.8: Mixed waste at treatment plant in Bicholim MC (10/03/2023)</i>

³⁰ City Solid Waste Action Plan prepared by GSUDA for the year 2021.



Ensuring 100 *per cent* waste segregation at the source by ULBs is crucial to prevent mixed waste from reaching MRFs and transfer stations, thereby making processing and handling more manageable and cost-effective.

During the exit conference, the Secretary (UD) directed (May 2024) necessary instructions to be issued to ULBs to create awareness among citizens for ensuring waste segregation at source.

1.5.14 Unscientific transportation of waste in ULBs

Rule 3(52) of the SWM Rules, 2016 defines transportation as “means for conveyance of solid waste, either treated, partly treated or untreated from a location to another location in an environmentally sound manner through specially designed and covered transport system so as to prevent the foul odour, littering and unsightly conditions”. Additionally, Clause 8(2) of Bye-laws 2020, mandates waste collection vehicles to secure garbage and have leachate collection system³¹ for wet waste to avoid overflow or spillage. This would ensure safe and proper transportation of wet waste, while minimizing environmental hazards and upholding public health standards.

The status of different vehicles used in test-checked ULBs was as follows:

Table 1.7: Status of Vehicles used in test-checked ULBs

ULBs	Vehicles used for wet waste	Wet waste collection vehicles with leachate collection system	Vehicle for dry waste	Covered dry waste collection vehicles
CCP	6	6	26	14
Mapusa	6	6	8	8
Bicholim	6	0	5	1
Margao	9	7	9	0
Mormugao	7	6	6	6
Total	34	25	54	29

(Source: Information furnished by the test-checked ULBs)

It was found that out of 34 vehicles used for transporting wet waste, only 25 had leachate collection system, while only 29 out of 54 vehicles for dry waste were covered. Temporary arrangements like covering dry waste with

³¹ Tanks attached to the vehicle transporting wet waste for collection of the liquid (leachate) that seeps through to avoid spilling on the way.

tarpaulin and using tipper trucks with Fibreglass Reinforced Plastics³² (FRP) coating for wet waste to prevent leachate leakage were being employed.

The Director (UD) replied (December 2023) that the waste was covered with tarpaulin, and for vehicles lacking leachate collection system, wet waste was transported with 240 litres plastic bins loaded onto the vehicles. While noting the reply, audit is of the view that these were temporary arrangements, difficult to ensure strict compliance on the ground and were not in line with SWM rules.

1.5.15 Processing of waste

As per the SWM Rules, 2016 processing of waste entails the scientific handling of segregated solid waste for reuse, recycling, or transformation into new products. Bio-degradable waste should undergo composting, vermi-composting, aerobic digestion, or other suitable biological processes, whereas non-biodegradable waste is to be processed through recycling or co-processing methods.

In Goa, ULBs have been treating their wet waste through composting and bio-methanation. Dry waste is sorted into recyclables³³ and non-recyclables³⁴ at MRFs or sent to the Hindustan Waste Treatment Plant in Saligao for processing.

1.5.15.1 Gaps in treatment of solid waste in ULBs

As per the annual report of SWM compiled by GSPCB based on data provided by ULBs, the status of waste collected and processed in Goa is given below:

Table 1.8: Gaps in collection and treatment of waste in all the ULBs
(in TPD)

Year	Collection	Treatment	Untreated Waste	Percentage of treatment
2017-18	226.79	131.64	95.15	58
2018-19	235.90	154.71	81.19	66
2019-20	180.38	148.91	31.47	83
2020-21	218.87	197.47	21.40	90
2021-22	207.37	197.37	10.00	95
Average	213.86	166.02	47.84	78

(Source: Data provided by GSPCB)

³² FRP Coatings & Linings (Fibreglass Reinforced Plastics), is a superior coating and lining system formed by thermosetting resins and fiberglass to raise durability and safety by lining inside of piping systems chemical storage tanks, cooling towers, and other types of industrial process equipment.

³³ Recyclables are sold by the agencies appointed for handling waste at the MRFs.

³⁴ Non-recyclables are sent to cement factories in Karnataka as refuse-derived fuel (RDF) for co-incineration.

Although the data provided shows increase in treatment of waste over the years, only *78 per cent* on an average of collected waste across 14 ULBs from 2017-18 to 2021-22 was treated, while the remaining *22 per cent* of collected waste was dumped at dumpsites without treatment.

In response, the Director (UD) stated (December 2023) that the ULBs had sufficient capacity for waste treatment facilities for both wet and dry waste, and all collected waste was treated scientifically. The Director also assured that the Department would take all necessary steps and issue directives to the local bodies to ensure there was no gap between the generation and disposal of waste.

The reply regarding availability of sufficient capacity is not tenable as insufficient wet waste treatment facilities were observed in test-checked ULBs. Besides, audit observed that the available waste treatment capacity of plants in test-checked ULBs remained underutilized as discussed in **Paragraph 1.5.15.2**.

1.5.15.2 Availability of plants for treatment of solid waste of ULBs

As per the revised SWM Policy 2023, solid waste treatment and disposal systems should be designed and developed to accommodate stream-wise collection of solid waste and its appropriate processing and disposal at various levels, including the generator level, ULB level, cluster level, and regional level.

GWMC had proposed (July 2017) SWM plants in four clusters³⁵. Out of the proposed four plants, only two plants have been established and made operational. Saligao plant (with capacity of 250 TPD) has been operational since 2016, while the Cacora plant commenced operations (100 TPD) in February 2024. Verna and Bainguinim plants were still in the planning phase. The status of installed and proposed SWM plants in Goa is given in **Appendix 1.6**.

It was observed that the total capacity of treatment facilities in ULBs was 216.70 TPD, out of which 124.20 TPD was for wet waste and 92.50 TPD for dry waste (till 2021-22). As per information provided by ULBs, 10 out of 14 ULBs had composting units and 12 ULBs had bio-methanation plants with capacity ranging from 0.50 TPD to 5.60 TPD for treatment of wet waste. There were no composting units in four³⁶ ULBs and no bio-methanation units in two³⁷ ULBs.

The status of utilization of waste treatment facilities in test-checked ULBs and Saligao waste treatment plant are detailed in **Table 1.9**.

³⁵ Saligao, Cacora, Bainguinim and Verna

³⁶ Pernem, Bicholim, Sanguem and Canacona

³⁷ Sankhali and Mormugao (non-functional)

Table 1.9: Status of Utilization of Solid Waste treatment facilities (Plants) in test-checked ULBs and SWMF, Saligao as of December 2022

(in TPD)

Name of ULBs/ Integrated facility	Waste collection	Facility type	Capacity of facility	Average treatment for the calendar year 2022	Under- utilisation w.r.t. capacity
Mapusa MC	10 (dry)	Material Recovery Facility (Dry waste)	10	1.21	8.79
	14 (wet)	Bio-methanation plant for wet waste	5	3.42	1.58
Bicholim MC	2.50 (dry)	Material Recovery Facility (Dry waste)	5	3.55	1.45
	4 (wet)	Bio-methanation plant for wet waste	5	1.00	4.00
Margao MC	35 (wet)	Bio-methanation plant for wet waste	5	2.44	2.56
CCP	28.50 (wet)	Compost/Bio-Methanation plant for wet waste	17.50	8.55	8.95
SWMF, Saligao	-	Integrated facility for dry and wet waste	250-300	191.50	108.50

(Source: Data provided by test-checked ULBs and GWMC)

*Note: Mormugao MC did not provide data of waste treatment

It may be seen from the above table that the capacity of wet waste treatment plants in Mapusa, Margao and CCP was less than the collection of wet waste. Audit observed that Mapusa MC planned for 10 TPD (two units of 5 TPD each) bio-methanation plants for wet waste, but only one unit of 5 TPD was installed. Available plants were also not utilized completely by four out of five test-checked ULBs *i.e.*, Mapusa, Margao, Bicholim and CCP. They were sending some untreated wet waste to SWMF Saligao (35.16 TPD³⁸) and the rest (45.94 TPD³⁹) was dumped at the dumpsite. SWMF, Saligao was treating only 191.50 TPD, although its capacity was 300 TPD. Reasons for non-utilisation of available capacity in the ULBs as well as for not sending the untreated waste to Saligao plant were not furnished to Audit.

Plastic waste, which constituted a significant portion⁴⁰ (37 *per cent*) of solid waste, was transported to Material Recovery Facilities (MRFs). It was sorted into recyclables and non-recyclables at MRFs. The recyclable waste was disposed through recyclers, where the non-recyclable waste was baled and sent to the cement plant for co-incineration purposes. It is, however, observed (Table 1.9) that despite adequate capacity of MRF

³⁸ CCP-17.15 TPD, Mapusa-0.34 TPD, Margao-8.14 TPD and Mormugao-9.53 TPD

³⁹ Untreated waste at CCP-2.81 TPD, Mapusa-10.24 TPD, Margao-24.42 TPD and Mormugao-8.47 TPD for the month of March 2023.

⁴⁰ 29,440.90 TPA (80.66 TPD) as per Annual Report for the year 2020-21 submitted by GSPCB to CPCB which is 37 *per cent* of collected waste of 218.87 TPD in 2020-21 (Table 1.8).

plant for dry waste in Mapusa and Bicholim MCs, both plants were under utilized.

It was informed by the MD, GWMC (May 2024) in the exit conference that the SWMF, Saligao was being fully utilized since December 2023. However, the Secretary (UD) directed GWMC to assess the generation of waste in the State and look into the need for another central facility.

The status of utilisation of Saligao SWM facility as assessed (August 2024) and found that average utilisation had increased to 248.63 TPD during the period from December 2023 to July 2024 as against a maximum capacity of 300 TPD. Hence, it can be stated that the Saligao plant was still not being completely utilised for the treatment of waste.

1.5.15.3 Identification of Bulk Waste Generators (BWGs) and providing assistance for in-house treatment of wet waste

The guidelines on BWG (November 2017) emphasized the processing, treatment, and disposal of bio-degradable waste from bulk waste generators⁴¹ through composting or bio-methanation within their premises, aiming to reduce wet waste at the source. Additionally, it recommended (Para 2.4 of the guidelines) that ULBs extend all necessary technical support and guidance, except financial assistance to BWGs to establish decentralized waste management facilities.

Audit observed that while the five⁴² test-checked ULBs had identified 193 BWGs within their council jurisdiction, they failed to provide technical support and guidance for in-house wet waste treatment as prescribed in the guidelines. Bicholim, Margao and Mormugao MCs did not actively encourage the BWGs to install processing units, while CCP and Mapusa MC provided financial assistance to BWGs in lieu of technical support. Mapusa MC provided bio-gas plants to three BWGs, each costing ₹ 12.72 lakh, out of which two were non-functional. On the other hand, CCP installed bio-gas generators in municipal areas for BWGs.

In the exit conference, the Secretary (UD) instructed (May 2024) that the grounds for financial assistance to the BWGs should be identified and necessary action be taken to ensure compliance with BWG guidelines.

There were gaps between the amount of waste generated, collected and treated by the ULBs. The estimation of waste generation by the ULBs was not as per the prescribed methodology, and the waste collected was

⁴¹ As per the MSW (Management and Handling) Bye-laws, 2020 “Bulk Waste Generator” means any person having an average wet waste generation rate exceeding 25 kilograms per day or 1,000 kilograms of garden or horticulture waste per month and includes owner and occupier of house/flat, housing society, restaurant, hotel, market, industrial estate etc.

⁴² Bicholim (6 BWGs), CCP (72 BWGs), Margao (60 BWGs), Mapusa (5 BWGs) and Mormugao (50 BWGs)

considered as the waste generated, which affected the planning for collection and treatment of waste. Further, waste was not fully segregated at the source, and the ULBs also lacked appropriate vehicles for its transportation. SWM treatment facilities were insufficient as well as underutilized. Bulk Waste Generators (BWGs), while identified in all five test-checked ULBs, were not provided technical support and guidance by three test-checked ULBs to carry out in-house wet waste treatment.

Recommendation 4: Bulk waste generators may be encouraged to treat their wet waste in-house to alleviate the burden of waste treatment on Urban Local Bodies.

Recommendation 5: Efforts may be made to minimize gaps in waste generation, collection and treatment with complete segregation at source and mandated transportation of waste by Urban Local Bodies.

1.5.16 Disposal of waste at dumpsites

Accumulation of untreated waste results in the formation of dumps and contamination of soil and ground water due to the formation of leachate. As per Rule 15 (zh, zj, and zk) of the SWM Rules, 2016, it is the responsibility of ULBs to cease landfilling or dumping of mixed waste immediately after the specified timeline had elapsed for setting up and operationalizing sanitary landfills as outlined in Rule 22. ULBs are also tasked with investigating and analyzing all old open dumpsites and existing operational dumpsites to determine their potential for bio-mining and bio-remediation and take suitable action wherever feasible. In cases where bio-mining or bio-remediation was not feasible, the dumpsite should be scientifically capped according to landfill capping norms to prevent further environmental damage. Rule 22 further stipulates that dumpsites should be remediated or capped within five years after the notification of the SWM Rules, 2016.

1.5.16.1 Insufficient treatment of waste resulting in creation of dumpsites and delay in remediation of old dumpsites

The GWMC floated (August 2019) a tender for remediating legacy waste dumps across 11 locations⁴³ in ULBs, requiring a minimum quantity of 4.70 lakh cubic meters (m³) of waste to be treated. Remediation work was assigned to various contractors: M/s Hindustan Waste Treatment Pvt. Ltd. for Sonsoddo, M/s Saurashtra Enviro Projects Pvt. Ltd. for Assagao in Mapusa, and M/s CAM Industrial Services for nine small sites in November 2019. The deadline for completion of remediation work was set for February 2023, with Refuse Derived Fuel (RDF) disposal to be

⁴³ 1. Curca, 2. Campal, 3. Behind SBI, Patto, 4. Near Divja Circle (All four are in CCP), 5. Sonsoddo (Margao MC), 6. Mapusa MC, 7. Sada, Mormugao MC, 8. Bicholim MC, 9. Pernem MC, 10. Canacona MC and 11. Cuncolim MC

completed by December 2024. The status of remediation and clearing the sites is given below:

Table 1.10: Status of closing of dumpsites in ULBs

Sl. No.	Name of ULBs	Name of dump sites	Status of work
1	CCP	Four sites; Campal; Patto; Divja Circle and Curca	Work was completed at Campal (February 2021), Patto (June 2021) and Divja Circle (June 2021). Remediation work at Curca was completed (May 2023) but RDF is not disposed.
2	Mapusa MC	Assagao	Work was completed (June 2022)
3	Mormugao MC	Sada	Remediation work completed at Sada (June 2020), Cuncolim (May 2022), Pernem (December 2022), Sonsoddo (March 2023), Canacona (May 2023), and Bicholim (March 2023); but RDF was not disposed.
4	Cuncolim MC	Cuncolim IDC	
5	Pernem MC	Pernem	
6	Margao MC	Sonsoddo	
7	Canacona MC	Dumane	
8	Bicholim MC	Lakheram	

(Source: Data furnished by GWMC till August 2024)

It may be seen from the above table that the remediation work and disposal of RDF and inert material was completed at four sites. In seven sites, the remediation work was completed but the disposal of RDF and inert material was pending. It was observed that even after four years of completion of the remediation work in June 2020, RDF was not disposed off in Sada, Mormugao till August 2024.

GWMC replied (May 2023) that as per the tender conditions, the contractor has time till January 2025 for disposal of RDF. The reply is not tenable as the RDF was kept at seven sites (August 2024) even after completion of remediation work. Undisposed unbaled RDF kept at the site tends to spread across the area and poses threat to the environment, while also being a major health hazard to citizens.

Even as the work of remediation was in progress, Audit noticed (March 2023) that three new dumpsites were created in three⁴⁴ MCs out of five test-checked ULBs. During audit, it was noticed that seven⁴⁵ fire incidents occurred in three ULBs out of five test-checked ULBs due to accumulation of organic waste and passing of high tension wire through the dump sites. The status of dumpsites has been discussed in succeeding paragraphs:

⁴⁴ Sonsoddo (Margao), Assagao (Mapusa) and Sada (Mormugao)

⁴⁵ Three incidents in Margao MC, two in CCP and two in Mormugao MC.

1.5.16.1 (a) Sada dump site under Mormugao MC

As per the Audit Report for the year ended March 2018, the rehabilitation of the live dumpsite at Sada was halted due to the Mormugao Municipal Council's failure to provide an alternative site to accommodate inert residual or rehabilitated waste.

Further, between November 2015 and March 2018, an average of approximately 28 tonnes of waste was added daily. By November 2018, the dump had reached a height of 10 meters, containing 40,324 tonnes of waste.

Audit observed (March 2023) that although a site for the accommodation of rehabilitated waste was provided and further remediation was carried out by the GWMC for 96,530 cubic meters of dumped waste in June 2020, the inert and Refuse Derived Fuel (RDF) was not fully cleared from the Sada site (August 2024). Additionally, new waste continued to be dumped at the treatment site due to insufficient⁴⁶ treatment facilities creating a new dump at the site. Frequent fire incidents were reported in the new dumpsite. It was also observed that dry waste was spreading towards the seaside.

1.5.16.1 (b) Dump at Sonsoddo, Margao

As per the Audit Report for the year ended March 2018, the Sonsoddo dump had reached (November 2018) an alarming 1,00,000 tonnes, standing at 16.50 meters vertically, with a daily addition of 20-25 tonnes. The Margao Municipal Council had temporarily covered the dump with plastic, which deteriorated over time.

During the current audit, it was observed that the remediation work for the dump, initially contracted to M/s Sociedade de Fomento Industrial Pvt. Ltd. in February 2010, was halted when the contract was terminated in August 2019. The responsibility was then transferred to GWMC in August 2019, with an expected completion date of February 2023. However, as of March 2023, the dump remained largely un-rehabilitated, with waste still being dumped at the adjacent shed. The shed was filled with a mixture of old and new waste, while a substantial pile of RDF stood at approximately six to seven meters above the ground. Located next to the city along a



Figure 1.11: Sada dumpsite, Mormugao MC (24/03/2023)

⁴⁶ Mormugao MC had only 5 TPD Bio-methanation plant for treatment of wet waste and 10 TPD MRF for dry waste which was insufficient to treat 30 TPD collected waste in the council. Also, the bio-methanation plant is non-operational since May 2021.

main road on a slope, the site posed risks of the leachate flowing towards the road and nearby dwellings, contaminating ground water, besides emitting foul smell and being an eyesore to passersby.

	
<p><i>Figure 1.12: Margao MC: new dump (28/02/2023)</i></p>	<p><i>Figure 1.13: Margao MC: old dump (28/02/2023)</i></p>

1.5.16.2 Non-inclusion of Self-Help Groups and waste pickers

The SWM Rules, 2016 stress the importance of ULBs in establishing a system to form Self-Help Groups (SHGs) and recognizing organizations of waste pickers, integrating them into waste management systems, including door-to-door collection. Additionally, the Rules highlight the Government's responsibility to develop State policies and strategies, acknowledging the vital role played by the informal sector, including waste pickers, collectors, and recyclers in waste reduction efforts. Further, the Government is to initiate a scheme for the registration of waste pickers and dealers to ensure their formal integration into the waste management framework.

Good Practices

- CCP had partnered with "Feedback Foundation" and "Ayya Waste Management Services" to manage the Material Recovery Facilities and sorting stations. Identity Cards have also been provided for the personnel engaged for the work. The CCP also implemented initiatives to incentivize the sale of recyclables and to operate and manage facilities for these organizations, with support extended under Corporate Social Responsibility/United National Development Programme (CSR/UNDP) programs. These organizations were also authorized to purchase recyclables from residential colonies, further promoting their involvement in waste management activities.*
- Valpoi and Sankhali MCs had provisions to incentivise the most efficient workers engaged in SWM related work.*

Audit in this regard observed the following:

- 11 ULBs out of 14 (except Valpoi MC, Sankhali MC, and CCP) did not establish a system to recognize organization of waste pickers or informal waste collectors.

- Four⁴⁷ ULBs involved SHGs to participate in awareness programs related to SWM. Six SHGs under Mapusa MC and one under Quepem MC were registered with GSUDA for SWM and actively engaged in the segregation and collection of waste.
- However, other ULBs did not involve SHGs in any activities related to solid waste management.

The Department stated (June 2024) in its reply that ULBs were making efforts towards involvement of SHGs and informal sector waste pickers and will continue to encourage their participation in SWM activities.

The remediation of legacy dumps was completed in all eleven dumpsites, while the disposal of RDF and inert was done only in four dumpsites (August 2024). Further, three new dumpsites were created in three test-checked ULBs (Margao, Mapusa and Mormugao MCs) due to the insufficient treatment of waste.

The SHGs were not engaged in any waste management related activities by most of the ULBs.

Recommendation 6: Goa Waste Management Corporation may take necessary steps to clear Refuse Derived Fuel and inert of remediated dumpsites while ensuring that new sites are not created.

Recommendation 7: Urban Local Bodies may adopt inclusive Solid Waste Management practices by involving informal waste pickers, Non-Government Organisations, and Self-Help Groups in the waste management related activities, including information education and communication activities, to enhance the efficiency of solid waste management within the communities.

1.5.17 Other waste management

1.5.17.1 Bio-medical Waste

As per the Bio-Medical Waste Management Rules (BMWWR) of 2016, the Goa State Pollution Control Board (GSPCB) is mandated with several responsibilities, including the maintenance of an inventory of occupiers and data pertaining to bio-medical waste generation, treatment and disposal within the region. It is entrusted with the authority to grant, renew, suspend or refuse authorization for healthcare facilities involved in the handling of bio-medical waste. It was incumbent upon the GSPCB to monitor and enforce compliance with the stipulated rules. GWMC was tasked for establishment of bio-medical treatment facility in the State and registering all health care facilities and ULBs for treatment of bio-medical waste.

⁴⁷ Mormugao, Cuncolim, Canacona and Ponda MCs

- ***Lack of comprehensive database of bio-medical waste generators***

Audit observed that GSPCB lacked comprehensive information regarding waste generation and treatment across all healthcare facilities (HCFs) in the State. It was noticed that only 27 to 49 *per cent* of HCFs submitted their annual reports⁴⁸ to GSPCB between 2017 and 2022. Consequently, the GSPCB was not in a position to accurately assess the volume of BMW generated and its appropriate disposal.

The GSPCB lacked a robust monitoring mechanism regarding the establishment of new healthcare facilities. The GSPCB typically became aware of the existence of such facilities only upon receipt of a complaint or when the facility itself sought authorization. Consequently, the generation of bio-medical waste in unregistered healthcare establishments remained unknown to the GSPCB, which was a lapse on the part of the GSPCB in enforcing its mandate as laid down in the BMWMR, 2016.

During the exit conference, the GSPCB accepted (May 2024) the facts and assured that the data of HCFs would be updated from the Health Department.

- ***Sub-par utilisation of CBWT facility***

A Common Bio-Medical Waste Treatment (CBWT) Facility, operated by M/s Biotic Waste Solutions under the GWMC in Kundaim, commenced operations in October 2021. Examination of records provided by M/s Biotic Waste Solutions to Audit, revealed that 1,230 hospitals/ dispensaries, with a total of 6,573 beds, had entered into agreements with them as of March 2023. According to data provided by M/s Biotic Waste Solutions, a total of 1,810 tonnes of BMW was collected and treated from October 2021 to March 2023. Hence, the daily treatment ranged from three to four tonnes, while the plant's capacity was 28 TPD. As per BMW annual report prepared by GSPCB (upto December 2022), only 1,203 HCFs were registered with GSPCB, while 1,230 HCFs had registered with Biotic Solution by December 2021. In the absence of comprehensive data on HCFs and the quantity of BMW generated, the Board could not ensure that bio-medical waste was being treated in accordance with scientific standards in the State.

The Managing Director, GWMC stated (May 2024) during the exit conference that the CBWT facility was underutilized due to non-receipt of sanitary waste from ULBs and that they are in the process of finalizing the rates regarding the collection and transportation of sanitary waste to the facility. The Secretary (UD) directed the GWMC to expedite the process.

⁴⁸ 235 out of 603 health facilities in 2017; 235 out of 718 in 2018; 261 out of 779 in 2019; 386 out of 779 in 2020, 325 out of 780 facilities in 2021 and 329 out of 1,203 facilities in 2022.

However, the fact remains that all ULBs had not been registered with CBWT facility for the collection and disposal of sanitary waste from ULBs even after more than two years of establishment of CBWT facility, which led to the accumulation of sanitary waste in dumpsites as well as adopting unscientific disposal practices.

Thus, GSPCB was yet to fulfil its mandates especially in regard to the maintenance of data pertaining to HCFs and the BMW generated. Further, it failed to reconcile the data available with Biotic Solution and also to pursue with DHS for updating its database.

Recommendations 8: Goa State Pollution Control Board may take steps to update the data of all health care facilities in the state through Directorate of Health Services and ensure that all are registered with the Common Bio-Medical Waste Treatment Facility to ensure proper collection and treatment of bio-medical waste.

1.5.17.2 E-waste

As per Rule 17 (Schedule IV) of the e-waste Management Rules of 2016, it is the responsibility of the State Pollution Control Board to manage e-waste effectively. This includes tasks such as maintaining inventories of e-waste, granting and renewing authorizations to manufacturers, dismantlers, recyclers, and refurbishers, as well as monitoring and ensuring compliance with Extended Producer Responsibility (EPR) regulations.

- Absence of e-waste management plan***

The Audit Report for the year ended March 2018, had highlighted the absence of an e-waste management plan in the State. The GWMC had engaged a consultancy firm in August 2018 to develop an e-waste Management Plan along with preparation of tender documents for establishing e-waste treatment facilities. However, the GWMC could not finalize the e-waste management plan. The consultant/firm submitted the final report (July 2020) with tender documents and an awareness plan, which was yet to be finalized by GWMC and there is no e-waste management plan for the State as yet (May 2024).

During the exit conference, the MD (GWMC) replied (May 2024) that the e-waste management plan was under preparation.

- Delay in setting up e-waste treatment facility***

The GWMC awarded (April 2021) the work for establishment of an e-waste treatment facility in Pissurlem to M/s CAM Industrial Services, but the land was handed over only in July 2022. The plant was to be ready within one year of the handing over of the plot but the agency was yet to complete the same as of June 2023.

During the exit conference, the MD (GWMC) assured (May 2024) that the construction work of e-waste treatment facility would be completed by August 2024. The fact, however, remains that the construction is still under progress and M/s CAM Industrial Services has sought extension for completion of facility till May 2025.

Audit also noticed significant variations between the e-waste generation estimates as per e-waste inventory report (May 2019) and collection as per e-waste annual report as shown below:

Table 1.11: Insufficient collection of e-waste

(in tonnes)

Year	Estimated Generation	Collection	Difference
2018-19	7682.24	153.17	7529.07
2019-20	8491.29	218.54	8272.75
2020-21	9464.61	152.75	9311.86
2021-22	10639.20	291.71	10347.49
Total	36277.34	816.17	35461.17

(Source: Data provided by GWMC and GSPCB)

The data presented in the table illustrates that over a span of four years, only two *per cent* of e-waste was collected by formal e-waste collectors. Consequently, there was a substantial accumulation of 35,461.17 tonnes of e-waste, which was either improperly disposed of or handled by unauthorized individuals. According to the inventorisation report provided by GWMC, there were over 700 scrap dealers across Goa, out of which approximately 350 were registered. However, none of the registered scrap dealers exclusively handled electronic waste. This raises concerns about the possibility of e-waste being dealt with without proper registration, potentially leading to unscientific disposal practices, posing grave risks to the environment and public health.

The GSPCB stated (February 2023) that they conducted inspections of authorized dismantlers during the processing of consent/authorization applications, as well as when requested by the CPCB during the processing of EPR authorizations⁴⁹.

The reply of GSPCB is not tenable as it did not comply with the e-waste management rules with regard to the conduct of random inspections of dismantlers/recyclers/refurbishers.

The GSPCB did not implement the e-waste management rules in the State and lacked comprehensive inventories for e-waste. Also, it could not identify the unauthorized e-waste dismantler/scrap dealers. The preparation and notification of an e-waste management plan was still

⁴⁹ “extended producer responsibility” (EPR) means responsibility of any producer of packaging products such as plastic, tin, glass, and corrugated boxes, *etc.*, for environmentally sound management, till end-of-life of the packaging products.

pending with GWMC. The e-waste treatment plant was not completed till March 2023.

Recommendations 9: Goa Waste Management Corporation may expedite the finalization of e-waste Management Plan and complete the work of e-waste treatment facilities.

Recommendation 10: Goa State Pollution Control Board may take steps to identify and register the scrap dealers for e-waste and monitor the scientific disposal of e-waste.

1.5.18 Monitoring and evaluation of Waste Management System in ULBs

Audit sought to assess whether the monitoring and evaluation of SWM system including adequacy of awareness creation, citizen engagement for effecting behavioural change, complaint redressal mechanism for citizens, assessment of environmental impacts and implementation of internal control and monitoring mechanism was adequate and effective in the test-checked ULBs. The related findings have been discussed as under:

1.5.18.1 Monitoring of SWM in ULBs

Under Rule 23 of the SWM Rules, 2016, the Department-in-charge of the local bodies in the State must establish a State Level Advisory Body (SLAB) within six months of the rules' notification, to review matters related to SWM and advise the Government on implementation of the rules. Similarly, Rule 16 of the Plastic Waste Management (PWM) Rules mandates the establishment of a State Level Advisory Committee (SLAC) to monitor implementation of the rules. Both SLAB and SLAC are required to convene a meeting at least once in every six months.

Audit observed that though the SLAB and SLAC were formed in March 2017 and December 2017 respectively, meetings were not held as mandated. Only nine meetings by SLAB were held as against 12 meetings to be held from the date of formation till May 2023 and nine meetings by SLAC were held as against 12 till May 2023.

Clause 6.1 of the SWM Manual, 2016 emphasizes implementing quality assurance systems for efficient MSWM. It calls for daily monitoring of all components including collection, processing and disposal by the head of the MSWM Department overseeing monitoring and evaluation (M&E) of SWM. Field staff from wards are to be periodically involved, and ward-level committees are to actively engage in monitoring various MSWM services.

Monitoring committees for SWM were in place in 13 out of 14 ULBs. CCP informed that its Standing Committee oversees the SWM activities in

its jurisdiction. Audit observed that meetings of SWM committees in ULBs were irregular. Six ULBs, namely Mapusa, Bicholim, Pernem, Ponda, Margao, and Quepem, did not conduct any meeting during 2017-18 to 2021-22. This was despite the fact that the Ponda and Pernem MCs constituted or re-constituted the committees five times during the same period.

Audit also observed (May 2023) that there was no monitoring mechanism in DUD in-charge of LBs as per SWM Manual, 2016⁵⁰ and the only monitoring by DUD was with regard to submission of annual reports by municipalities to the GSPCB.

The Department while acknowledging the observations stated (June 2024) that it will ensure that regular meetings of SLAB and SLAC are taking place besides stating that directions would be issued to ULBs to regularly review their SWM activities in their respective jurisdiction.

Monitoring mechanisms pertaining to SWM in the ULBs were deficient due to the sub-optimal functioning of the committees responsible for the same.

Recommendation 11: The State Government may ensure regular meetings of the State Level Advisory Board and State Level Advisory Committee as per Rules are held to monitor Solid Waste Management (SWM) activities effectively. To strengthen the SWM within their jurisdiction, the Urban Local Bodies may constitute SWM monitoring committees and conduct meetings regularly to review the SWM activities.

1.5.18.2 Monitoring of ULBs by GSPCB

As per Rule 16 of the MSW Rules, 2016, the GSPCB as part of its duties, is responsible⁵¹for the monitoring of SWM activities in the State. The GSPCB is required to enforce these rules through ULBs in their respective

⁵⁰ As per CPHEEO Manual, Para 7.1, a comprehensive monitoring, and evaluation system should be adopted for assessing progress towards meeting the targets in the MSWM plan and for monitoring successful implementation of the plan. The monitoring system adopted should (i) collect data regularly; and (ii) analyse collected information, take or propose corrective measures, and support the planning and implementation process.

⁵¹ Rule 16 states the duties of State Pollution Control Board shall: (a) enforce these rules in their State through local bodies in their respective jurisdiction and review implementation of these rules at least twice a year in close coordination with concerned Directorate of Municipal Administration or Secretary-in-charge of State Urban Development Department; (b) monitor environmental standards and adherence to conditions as specified under the Schedule I and Schedule II for waste processing and disposal sites; Rule 16(4) states State Pollution Control Board shall monitor the compliance of the standards as prescribed or laid down and treatment technology as approved and the conditions stipulated in the authorisation and the standards specified in Schedules I and II under these rules as and when deemed appropriate but not less than once in a year.

jurisdiction and review their implementation at least twice a year in close coordination with the concerned Directorate of Municipal Administration/ Secretary-in-charge of State Urban Development Department.

1.5.18.2 (a) Inadequate monitoring of SWM by GSPCB

As per the rule, two inspections were to be conducted in each ULB annually by the GSPCB. Audit noticed (May 2023) that GSPCB inspected ULBs only as per the direction of Hon'ble High Court and on the basis of complaints received. The GSPCB carried out 11 inspections in three⁵² ULBs for the year 2017-18 and imposed fines for open burning of waste. While no inspections were carried out for the years 2018-19 and 2019-20, GSPCB inspected all the 14 ULBs in 2020-21 and 2021-22 respectively. Total fines imposed were to the tune of ₹ 33.15 lakh (**Appendix 1.7**) for non-compliance of SWM rules and HC's directions. Although inspections were conducted based on complaints received through phone calls, SMS and posts, *etc.*; audit observed that there was no formal mechanism for citizens to register their complaints regarding SWM related issues. Thus, the GSPCB failed to review the implementation of SWM rules by way of carrying out inspections of the ULBs twice a year periodically, as required under the Rules.

Accepting the facts, the GSPCB replied (August 2024) that periodical inspection of local bodies will be carried out as per SWM Rules, 2016.

1.5.18.2 (b) Deficiencies in monitoring of plastic waste by GSPCB

As per the Plastic Waste (Management and Handling) (PWM) Rules, 2016 responsibility for various aspects of plastic waste management was assigned to plastic waste generators (manufacturer/producer) and the local bodies, while the GSPCB was responsible for monitoring and enforcement of the same. Rule 17(3) of the PWM Rules, 2016, states that the State Pollution Control Board shall submit an annual report on the implementation of the Plastic Waste Management (PWM) Rules, 2016 to the Central Pollution Control Board (CPCB).

Among others, the GSPCB was required to submit details of estimated plastic waste generation, collection, segregation and disposal in the State annually to the CPCB. Details of the meeting of the State Level Advisory Body (SLAB) along with its recommendations on implementation, number of local bodies that submitted their annual report as per Rule 12 to them, were also to be reported.

Audit scrutinized the annual reports from 2017-18 to 2020-21 (the Board did not provide annual report 2021-22 to audit). As per the Annual Report 2020-21, estimated generation of plastic in the State was 29,440 tonnes per

⁵² CCP, Mapusa and Margao

annum (80.66 TPD). Audit observed that GSPCB had provided only the detail of estimated generation of the PW while the information regarding collection and disposal of the same was not reported. Further, it was seen that the estimated generation of plastic waste as per the annual reports for the years 2017-18 and 2018-19 was equal to the quantity of plastic waste disposed off by the GWMC alone. Details of meetings of the SLAB along with their recommendations on implementation of the Rules were not reported by the GSPCB to the CPCB. Also, the number of local bodies (both ULBs and VPs) in its jurisdiction, that submitted their annual reports, based on which the GSPCB compiled the report, was also not reported. Details of the same were not furnished to audit, though called for.

Thus, adequate assurance could not be drawn that the GSPCB was adequately monitoring the plastic waste management in the State.

During the exit conference, the Secretary (UD) directed (May 2024) GSPCB to comply with the mandatory requirements and instructed the Director (UD) to issue a circular to ULBs to ensure the timely submission of annual reports to GSPCB.

The GSPCB could not carry out adequate number of inspections and lacked comprehensive status of implementation of PWM Rules, 2016 in the State.

Recommendation 12: The Goa State Pollution Control Board may ensure adequate monitoring and reporting on all the parameters required by the Central Pollution Control Board for effective implementation of Plastic Waste Management Rules in the State.

1.5.19 Deficiencies in Information, Education & Communication (IEC) activity

Rule 15 (zg) of SWM Rules, 2016 and Section 1.4.5.13 of the Manual on MSWM, 2016 underscored the importance of IEC activities and required the Government and ULBs to create public awareness and educate waste generators on the overall objectives of MSWM. The various modes of communication used by the 14 ULBs and GSUDA is given below:

Table 1.12: Modes of communication used for IEC on SWM by ULBs and GSUDA

Sl. No.	Modes of Communication used	Number of 14 ULBs and GSUDA									
		2017-18		2018-19		2019-20		2020-21		2021-22	
		Yes	No*	Yes	No*	Yes	No*	Yes	No*	Yes	No*
1	Audio	0	12	1	11	1	11	0	12	3	9
2	Video	0	12	0	12	0	12	2	10	1	11
3	Mass communication	1	11	1	11	0	12	2	10	6	6

Sl. No.	Modes of Communication used	Number of 14 ULBs and GSUDA										Records not maintained	
		2017-18		2018-19		2019-20		2020-21		2021-22			
		Yes	No*	Yes	No*	Yes	No*	Yes	No*	Yes	No*		
4	Wall paintings	1	11	4	8	3	9	3	9	4	8	3	
5	Schools	3	9	3	9	4	8	5	7	9	3	3	
6	Hoardings/banners	4	8	4	8	4	8	6	6	8	4	3	
7	Pamphlets	5	7	4	8	5	7	5	7	10	2	3	
8	Street Play	2	9	2	9	1	10	1	10	3	8	4	

(Source: Data provided by ULBs and GSUDA)

*NA (not available) is also included in "No"

IEC activities emphasize waste segregation at the source, litter reduction, and educating citizens on proper waste handling techniques and play a crucial role in SWM by also raising awareness about the adverse effects of inefficient SWM management on health and the environment.

It can be seen from the above table that the majority of ULBs utilized pamphlet distribution, school events, and hoardings/banners as their primary IEC activities. No records were maintained in three⁵³ ULBs regarding the mode of IEC. While there was an increase in the number of ULBs conducting IEC activities from 2017 to 2022, very few ULBs were utilizing audio, video, and street play methods. In test-checked ULBs, the CCP did not maintain any record for IEC activity, though they conducted the activities through SHGs and NGOs. Margao and Mapusa MCs did not conduct any IEC activity till the year 2020-21. However, Margao MC conducted two mass communication activities in 2021-22 and Mapusa MC also commenced IEC activities from the same year. There was no separate budget provision for IEC activities in eight⁵⁴ ULBs.

It was however, evident that the ULBs did not take adequate concrete steps to actively promote IEC activities to influence human behaviour positively like segregation of waste at source, stopping littering of waste and minimising waste, etc.

The Department stated in its reply (June 2024) that necessary steps would be taken for conduct of awareness activities and that directions would be issued to ULBs and agency involved in conducting IEC activities for ensuring the same.

IEC activities conducted by ULBs and GSUDA were insufficient and ineffective with regard to SWM in the State.

Recommendation 13: Given the importance of Information, Education and Communication (IEC) activities in bringing about behavioural change with respect to solid waste management, the ULBs and the Department may ensure that adequate IEC activities are conducted.

⁵³ CCP, Canacona and Pernem

⁵⁴ Mapusa, Valpoi, Margao, Sankhali, Quepem, Pernem, Ponda and Cuncolim

CHAPTER II

Revenue Sector

CHAPTER II

Revenue Sector

2.1 Revenue receipts

2.1.1 Trend of revenue receipts

The tax and non-tax revenue raised by the Government of Goa during the year 2022-23, the State's share of net proceeds of divisible Union taxes and duties assigned to the State and grants-in-aid received from the Government of India during the year and corresponding figures for the preceding four years are detailed in **Table 2.1**.

Table 2.1: Details of total revenue receipts of State Government

Sl. No.	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	(₹ in crore)
1	Revenue raised by the State Government						
	Tax revenue	4871.36	4700.56	4150.68	5805.23	7826.93	
	Non-tax revenue	2873.66	2737.54	2902.80	3787.25	3868.46	
	Total	7745.02	7438.10	7053.48	9592.48	11695.39	
2	Receipts from the Government of India						
	Share of net proceeds of divisible Union taxes and duties ¹	2878.36	2479.85	2296.53	3356.98	3665.19	
	Grants-in-aid*	814.60	1379.57	1090.28	1336.81	1923.09	
	Total	3692.96	3859.42	3386.81	4693.79	5588.28	
3	Total revenue receipts of the State Government (1 and 2)	11437.98	11297.52	10440.29	14286.27	17283.67	
4	Percentage of 1 to 3	68	66	68	67	68	

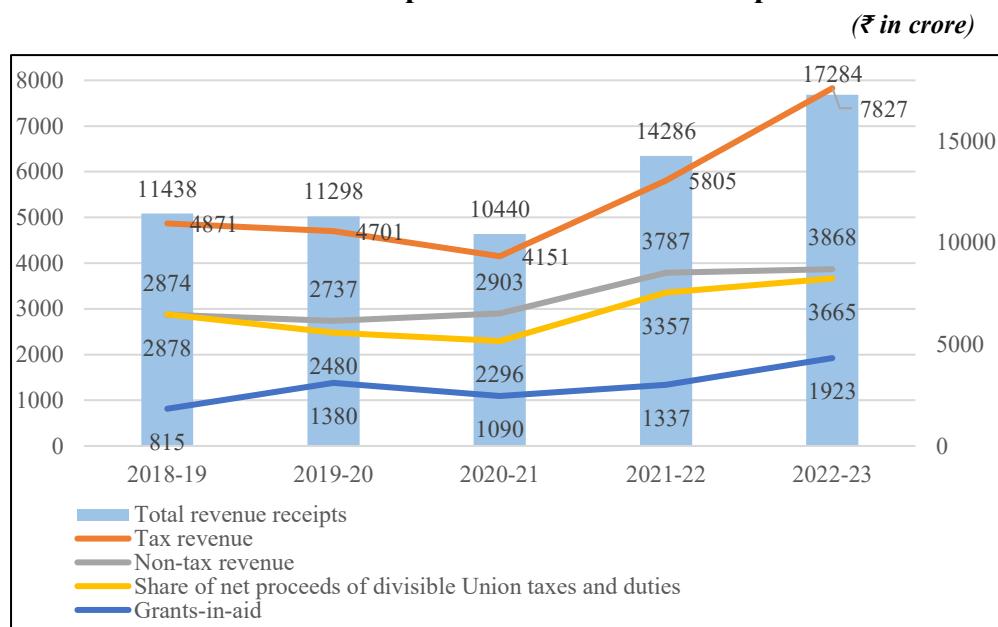
(Source: *Finance Accounts of the State*)

*This includes compensation received for loss of revenue arising out of implementation of GST.

The revenue raised by the State Government (₹ 11,695.39 crore) was 68 *per cent* of the total revenue receipt (₹ 17,283.67 crore) during the year 2022-23. The balance 32 *per cent* of receipt during 2022-23 was from Government of India by way of share of net proceeds of divisible Union taxes and duties and grant-in-aid. Components of revenue receipts are shown in **Chart 2.1**.

¹ For details, please see Statement Number 14-Detailed accounts of revenue by minor heads in the Finance Accounts of the Government of Goa for the year 2022-23. Figures under the head 005-Central Goods and Services Tax, 0008-Integrated Goods and Services Tax, 0020-Corporation Tax, 0021-Taxes on income other than corporation Tax, 0028-Other Taxes on income and Expenditure, 0032-Taxes on wealth, 0037-Customs, 0038-Union excise duties, 0044-Service Tax and 0045-Other Taxes and Duties on Commodities and Services -share of net proceeds assigned to State booked in the Finance Accounts.

Chart 2.1: Components of Revenue Receipts



2.1.2 Tax revenue

The details of tax revenue raised by the Government of Goa during the period 2018-19 to 2022-23 is given in **Table 2.2**.

Table 2.2: Details of actual tax revenue receipts of the State Government

Sl. No.	Head of revenue	2018-19	2019-20	2020-21	2021-22	2022-23	(₹ in crore) Percentage increase (+) or decrease (-) in 2022-23 over 2021-22
1	Taxes on sales, trade, etc.	1013.53	1032.84	989.81	1383.26	1898.76	37.27
2	SGST ²	2529.09	2438.50	1984.92	2757.66	3536.28	28.23
3	Entertainment Tax/Luxury Tax etc.	13.50	(-).2.52	33.85	12.08	3.43	(-) 71.61
Sub-total (Actual collection under 1, 2 and 3 above)		3556.12	3468.82	3008.58	4153.00	5438.47	
4	Stamp Duty & Registration fees	432.33	393.37	350.41	644.53	985.99	52.98
5	State Excise	477.95	491.77	514.86	649.83	865.28	33.15
6	Taxes on Goods and Passengers	25.39	25.02	10.04	13.21	22.64	71.39
7	Land Revenue	66.62	37.11	34.18	65.84	84.12	27.76
8	Other taxes	312.95	284.47	232.65	278.82	430.43	54.37
Total		4871.36	4700.56	4150.68	5805.23	7826.93	34.82

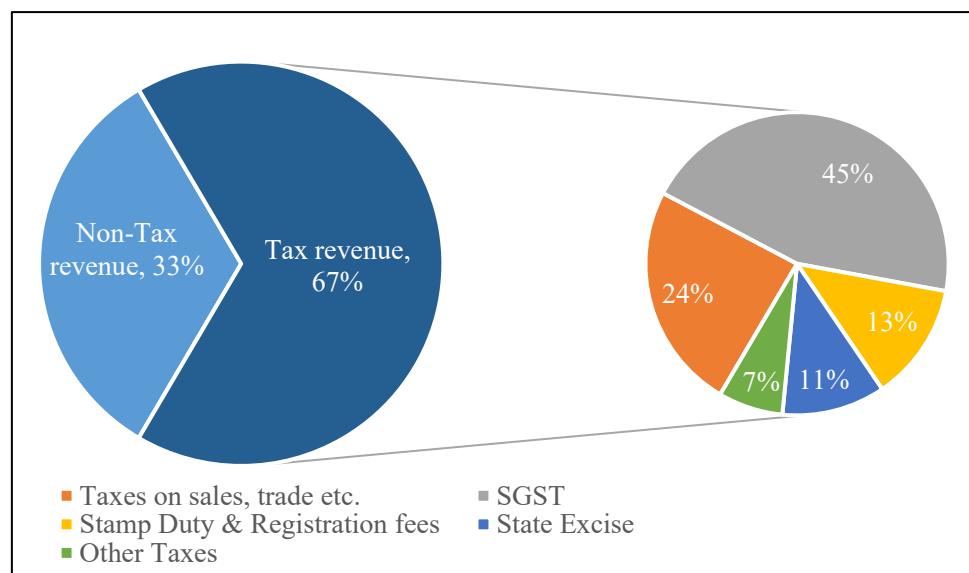
(Source: Compiled by Audit from Finance Accounts)

² State Goods and Services Tax (SGST) including apportionment and advance apportionment of IGST.

There has been a decline of (-) 3.51 *per cent* and (-) 11.70 *per cent* in collection of tax revenue during 2019-20 and 2020-21 respectively. Total tax revenue increased significantly during 2021-22 and 2022-23.

The revenue of the State during 2022-23 and the compositions of the tax revenue are shown in **Chart 2.2**.

Chart 2.2: Revenue of the State



2.1.3 Non-tax revenue

The details of non-tax revenue raised during the period 2018-19 to 2022-23 is given in the **Table 2.3**.

Table 2.3: Details of Non-tax revenue receipts of the State Government

Sl. No.	Heads of revenue	2018-19	2019-20	2020-21	2021-22	2022-23	(₹ in crore)
							Percentage increase (+) or decrease (-) in 2022-23 over 2021-22
1	Power	1919.80	1960.52	2051.05	2191.12	2757.06	25.83
2	Non-Ferrous Mining and Metallurgical Industries ³	34.39	8.78	168.10	129.20	99.60	(-) 22.91
3	Other Non-tax receipts ⁴	71.02	69.55	57.90	372.42	106.58	(-) 71.38
4	Water Supply and Sanitation	145.96	147.66	135.67	176.56	231.45	31.09
5	Other Administrative Services	450.94	260.25	190.71	309.40	436.67	41.13
6	Miscellaneous General Services	14.54	26.67	17.99	11.47	5.73	(-) 50.04

³ Includes major minerals such as iron ore, manganese and bauxite; minor minerals such as basalt (Granite), laterite stones, ordinary sand, river pebbles, murrum and laterite boulders

⁴ Police, Printing and Stationery, Labour and Employment, Inland Water Transport, Tourism, Forest and WildLife, Public Works, Port and Light House, Social Security, Co-operation, *etc.*

Sl. No.	Heads of revenue	2018-19	2019-20	2020-21	2021-22	2022-23	Percentage increase (+) or decrease (-) in 2022-23 over 2021-22
7	Education, Sports, Art and Culture	24.95	25.27	21.68	25.34	35.88	41.59
8	Medium Irrigation	6.51	27.66	60.97	316.76	12.65	(-) 96.01
9	Interest Receipts	24.20	62.82	82.58	21.52	48.78	126.67
10	Medical and Public Health	31.70	27.31	23.82	31.83	45.22	42.07
11	Urban Development	85.21	48.63	31.27	55.73	48.47	(-) 13.03
12	Roads and Bridges	52.44	24.18	21.90	68.88	21.59	(-) 68.66
13	Minor Irrigation	12.00	48.24	39.16	77.05	18.78	(-) 75.63
Total		2873.66	2737.54	2902.80	3787.28	3868.46	2.14
Percentage of increase of actual over previous year		(-) 5.26	(-) 4.74	6.04	30.47	2.14	

(Source: Finance Accounts of the respective years)

In 2022-23, there was overall increase in non-tax revenue collection by 2.14 *per cent* as compared to the previous year.

2.1.4 Analysis of arrears of revenue

The arrears of revenue pending collection in respect of some principal departments of the State Government as on 31 March 2023 were ₹ 4,731.42 crore of which ₹ 857.84 crore had been pending for more than five years as detailed in **Appendix 2.1**.

The information relating to cases pending in courts and with Departmental Appellate Authorities was not furnished by all the departments. However, it could be seen from the above that 18 *per cent* of arrears have been pending for more than five years. As the chances of their recovery become low with the passage of time, it is recommended that the Government may instruct the concerned departments to make extra efforts for settlement of arrears.

2.1.5 Pendency of refund cases

Details of refund cases pending at the beginning of the year 2022-23, claims received and refunded during the year and the cases pending at the close of the year 2022-23 in respect of Commercial Taxes Department, State Excise Department and Registration Department are given in **Table 2.4**.

Table 2.4: Details of pending refund cases

Sl. No.	Particulars	GST/VAT (Commercial Taxes Department)		State Excise (Excise Department)		Registration Department	
		No. of cases	Amount (₹ in crore)	No. of cases	Amount (₹ in crore)	No. of cases	Amount (₹ in crore)
1	Claims outstanding at the beginning of the year	930	476.96	-	-	46	0.49
2	Claims received during the year	697	530.87	5	0.03	203	3.09
3	Claims rejected	314	482.12	-	-	-	-

Sl. No.	Particulars	GST/VAT (Commercial Taxes Department)		State Excise (Excise Department)		Registration Department	
		No. of cases	Amount (₹ in crore)	No. of cases	Amount (₹ in crore)	No. of cases	Amount (₹ in crore)
4	Refunds made during the year	572	316.37	5	0.03	144	2.20
5	Balance outstanding at the end of the year	741	209.34	-	-	105	1.38

(Source: Information furnished by respective departments)

As seen above, 741 cases (GST/VAT) and 105 cases (Registration Department) of refunds involving ₹ 209.34 crore and ₹ 1.38 crore were outstanding in Commercial Taxes Department and Registration Department as on 31 March 2023 respectively. Section 33 (2) of Goa Value Added Tax Act, 2005 and Section 54 (12) of Goa Goods and Services Tax Act, 2017 provides for payment of interest, at the rate of eight *per cent* and six *per cent per annum* for delay in refunds respectively. It would be prudent on the part of the departments to settle the refund cases expeditiously to save the Government from interest liability. In the case of State Excise Department, no claims were pending for refund at the end of 31 March 2023.

2.1.6 Response of Government/departments towards Audit

The office of the Accountant General, Goa (AG) conducts periodical inspection of Government/Departments to test check transactions and verify the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed by the issue of Inspection Reports (IRs) which incorporate irregularities detected during the inspection and not settled on the spot. The IRs 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/the Government are required to promptly respond to the observations contained in the IRs and rectify the defects and omissions and report compliance through initial reply to the Accountant General within four weeks from the date of issue of the IRs. Serious financial irregularities are reported to the Heads of the Department and the Government.

Analysis of IRs issued up to March 2023 disclosed that 1,353 observations involving amount of ₹ 867.89 crore relating to 277 IRs remained outstanding at the end of June 2023. Out of these, 587 observations from 170 IRs were outstanding for more than five years. The figures as of June 2023 along with the corresponding figures for the preceding two years are given in **Table 2.5**.

Table 2.5: Details of pending Inspection Reports

Particulars	June 2021	June 2022	June 2023
Number of IRs pending for settlement	232	241	277
Number of outstanding audit observations	1143	1176	1353
Amount of revenue involved (₹ in crore)	3571.34	827.76 ⁵	867.89

(Source: Compiled from Audit records)

Department-wise details of the IRs and audit observations outstanding as of June 2023 are mentioned in **Table 2.6**.

Table 2.6: Department-wise details of pending Inspection Reports

Sl. No.	Name of the Department/ Directorate	Nature of receipts	Number of outstanding IRs	Number of outstanding audit observations	Money value involved (₹ in crore)
1	Finance	Commercial Taxes	116	621	560.59
2	Excise	State excise	26	121	21.34
3	Revenue	Revenue	48	240	31.06
4	Transport	Taxes on motor vehicles	43	187	70.68
5	Stamps and Registration	Stamp duty and registration fee	44	184	184.22
Total			277	1353	867.89

(Source: Compiled from Audit records)

Audit did not receive first reply from the heads of offices within four weeks from the date of issue of IRs in respect of 14 IRs issued up to March 2023. This indicated that the heads of offices/departments did not initiate action to rectify the defects, omissions and irregularities pointed out by the AG in the IRs.

2.1.7 Response of the departments to draft audit paragraphs

One Subject Specific Compliance Audit on “Departments’ oversight on GST payments and Return filing Phase II” and four draft paragraphs were sent to the Secretaries of the respective departments between April 2024 and July 2024. Replies in respect of these paragraphs have not been received from the Government (January 2025).

2.1.8 Planning and conduct of Audit

The auditable units under various departments are categorised into high, medium and low risk units. Risk analysis is done considering their revenue position, trend of past audit observations and other parameters specified in Compliance Audit Guidelines. The annual audit plan is prepared on the basis of critical issues in Government revenues and tax administration. Audit also considered the priorities of the Government as per the budget speech,

⁵ Three Inspection Reports containing 30 paras and money value of ₹ 2,803.09 crore of Mines and Geology Department has been transferred to the Economic Sector.

revenue during the past five years, features of the tax administration, audit coverage and its impact during past five years, *etc.*

For the period 2022-23, 19 units were planned and audited.

2.1.9 Results of audit and coverage of this chapter

During the year 2022-23, Audit test-checked the records of 19 units of State/ Commercial Tax, State Excise, Stamp Duty and Registration and other Departmental offices.

The details of the assessments, registrations, licenses issued and other activities undertaken by the three major revenue collection departments (covering 12 units out of 19 test-checked) and the extent and coverage of audit are as discussed below:

Commercial Taxes Department

There are eight auditable units in the Commercial Taxes Department. The Commissioner of State Tax, Panaji, was scheduled for audit during the year 2022-23. Since a SSCA on Department's oversight on GST Payment and Return Filing Phase-II was conducted during the year 2022-23, no assessment units were planned.

Department of Excise

There are 12 auditable units in the Department of Excise, of which seven units were selected for test check during the year 2022-23. In these seven units there were 9,931 licensees, out of which audit test-checked records of 673 licensees (6.78 *per cent*). During test check, audit noticed non-payment of minimum bottling fee, application of incorrect license fee on hotel, non-levy of excise duty on old stock lying idle for more than three years in bonded warehouse, non-renewal of licenses of distilleries, non-levy of surcharge on the license fee on Foreign Liquor (FL) retailers, delay in disposal of confiscated liquor goods, *etc.* involving ₹ 7.34 crore.

Registration Department

There are 15 auditable units in the Registration Department, out of which four units were audited during 2022-23. A total of 24,529 instruments were registered during 2022-23, out of which 47 instruments were selected for test check. Audit noticed 10 paras of short levy of Registration fee due to under valuation of property, short levy of Stamp duty and Registration fees due to non-application of minimum land rate, *etc.*, involving ₹ 1.67 crore.

Department of State Tax

2.2 Subject Specific Compliance Audit (SSCA) on Departments' oversight on GST payments and Return filing- Phase II

Executive Summary

SSCA on Departments' oversight on GST Payments and Return Filing:

The Subject Specific Compliance Audit (SSCA) on Departments' oversight on GST payments and Return filing was taken up considering the significance of the control mechanism and oversight mechanism. The objective was to seek assurance whether rules and procedures were designed to secure an effective check of tax compliance and whether scrutiny procedures, internal audit and other compliance functions of the wards were adequate. The scrutiny of returns by the Department and verification of taxpayers' record for the period from April 2018 to March 2021 was covered and the audit of the functions of selected wards covered the period from April 2020 to March 2021.

During the test-check of records of four wards under **Ward Audit** pertaining to period 2020-21, the following issues of non-compliance with the provisions of Act/Rules were noticed.

❖ Oversight functions of Ward Audit

- Inaction on non-filers of GSTR-3Bs
- Delay in initiation of scrutiny of returns
- Non-initiation of follow-up action after cancellation of registration
- Non-utilisation of BIFA/DGARM reports
- Non-completion of actions against cases selected by EIU

During the test-check of returns data for the period 2018-19 to 2020-21 of 287 mismatches were identified on a set of 17 parameters under **Centralised Audit**, the following deviations with the provisions of Act/Rules were noticed:

❖ Oversight on tax payments

- Audit noticed deviations from the provisions of the Act in 109 cases (constituting 40.37 *per cent*) of the total 270 cases where reply was received involving mismatch/deviation amounting to ₹ 157.99 crore. Relatively higher rates of deviations were noticed in risk parameters such as 'Tax not remitted due to GSTR-3B not filed', 'Non/short payment of interest on delayed payment of tax' and 'Mismatch in tax payments as per Table 9R of GSTR-9C', *etc.*

- In 65 cases (constituting 24.07 *per cent*), where the replies were acceptable to Audit; data entry errors by the taxpayers comprised three cases, the Department had proactively taken action in eight cases and 54 cases had other valid explanations.
- In 11 cases (constituting 4.07 *per cent*), the Department's reply is not acceptable to the Audit and rebutted accordingly. In 44 cases (constituting 16.30 *per cent*), though the Department did not accept the deviations pointed out by Audit, their contention was not borne out by evidence, and was thus not amenable to verification by Audit. In the remaining 41 cases audit observation was under examination by the Department.
- Audit also noticed turnover related mismatches in 16 cases, of these, in two cases (constituting 12.50 *per cent*), the Department had initiated/taken action on the audit observations. In five cases (constituting 31.25 *per cent*), replies were acceptable to Audit. In five cases (constituting 31.25 *per cent*), the Department had not provided relevant documents in support of their contention; hence, reply could not be verified. In the remaining four cases audit observation was under examination.

During the test-check of available records of 15 taxpayers under **Detailed Audit** pertaining to the period 2018-19 to 2020-21, the following issues of non-compliance with the provisions of the Act/Rules were noticed.

❖ **Scope limitation**

- Out of 15 selected taxpayers pertaining to five wards, the State Tax Department did not produce granular records in 14 cases and one ward constituting one case produced partial records only, due to which Audit could not evaluate the extent of compliance by the taxpayers and deviations relating to ITC availment and discharge of tax liability are reported as mismatches only.

❖ **Filing of Returns**

- Non/short payment of interest of ₹ 0.85 lakh on account of delayed filing of GSTR-3B returns by two, out of 15 taxpayers.
- Non-payment of interest of ₹ 0.03 crore on delayed payment of additional tax liability by one, out of 15 taxpayers.
- Short payment of tax liability of ₹ 3.78 lakh and non-payment of interest of ₹ 9.40 lakh on account of non-receipt of goods sent for job work by one, out of 15 taxpayers.
- Non-payment of interest of ₹ 0.29 crore on reversal of excess ITC utilised by one, out of 15 taxpayers.

❖ Utilisation of Input Tax Credit (ITC)

- Mismatch of ITC of ₹ 195.61 crore between GSTR-2A and GSTR-3B returns by 12, out of 15 taxpayers.
- Mismatch of ITC of ₹ 57.97 crore availed on import of goods by four, out of 15 taxpayers.
- Mismatch of ITC of ₹ 0.18 crore availed as per Table-8D of GSTR-9 by one, out of 15 taxpayers.
- Mismatch in ITC of ₹ 50.26 crore availed on ITC received from Input Service Distributor (ISD) by eight, out of 15 taxpayers.
- Mismatch in ITC of ₹ 0.22 crore availed under RCM (Reverse charge mechanism) by three, out of 15 taxpayers.
- Mismatch in availing of ITC of ₹ 3.50 crore between annual return and audited financial statement by two, out of 15 taxpayers.
- Availment of ineligible ITC of ₹ 3.88 crore by 12, out of 15 taxpayers, on account of either supplier not remitting the tax to the Government or issuing invoices after the effective date of cancellation of registration of the suppliers.

❖ Discharge of tax liability

- Mismatch in tax liability of ₹ 1.39 crore between returns by six, out of 15 taxpayers.
- Mismatch in tax liability and tax payment under RCM between returns of ₹ 0.08 crore by two, out of 15 taxpayers.
- Mismatch in taxable turnover between annual return and audited financial statement by one, out of 15 taxpayers.
- Mismatch in payment of tax of ₹ 0.23 crore under RCM by two, out of 15 taxpayers.
- Understatement of total turnover by one, out of 15 taxpayers.
- Non-verification of details of return of goods in time.

These instances under detailed audit involved deviation/mismatch of ₹ 313.78 crore.

2.2.1 Introduction

Goods and Service Tax (GST), which came into effect from 01 July 2017, replaced multiple taxes levied and collected by the Centre and States. GST is a destination-based consumption tax on the supply of goods or services or both levied on every value addition. The Centre and States simultaneously levy GST on a common tax base. While Central GST (CGST) and State

GST (SGST)/Union Territory GST (UTGST) are levied on *intra-state* supplies, Integrated GST (IGST) is levied on *inter-state* supplies.

Section 59 of the Goa Goods and Service Tax (GGST) Act, 2017 stipulates GST as a self-assessment-based tax, where the responsibility for calculating tax liability, discharging the computed tax liability and filing returns is vested on the taxpayer. The GST returns must be filed online regularly on the common GST portal, failing which late fee will be payable. Even if the business has no tax liability during a particular tax period, it is required to file a *Nil* return mandatorily. Further, Section 61 of the Act read with Rule 99 of GGST Rules, 2017 stipulates that the proper officer may scrutinize the return and related particulars furnished by taxpayers, communicate discrepancies to the taxpayers and seek an explanation.

This Subject Specific Compliance Audit (SSCA) was taken up considering the significant role envisaged for control mechanisms and oversight mechanisms within the State Taxes Department in the State (herein after referred to as the Department), to ensure tax compliance.

2.2.2 Audit objectives

Audit of ‘Departments’ oversight on GST Payments and Return filing’ was taken up with the following audit objectives to seek assurance as to:

- i. Whether the rules and procedures were designed to secure an effective check on tax compliance and were being duly observed by taxpayers; and
- ii. Whether the scrutiny procedures, internal audit and other compliance functions of the wards were adequate and effective.

2.2.3 Audit methodology and scope

This SSCA was predominantly based on data analysis, which highlighted risk areas and red flags pertaining to the period from April 2018 to March 2021. Through data analysis, a set of 17 deviations were identified across the domains of Input Tax Credit, Discharge of tax liability, Registration and Return filing, *etc.* This was followed by a centralised audit (limited audit)⁶, where these deviations were communicated to the relevant wards (State Departmental field formations) and action taken by the wards on the identified deviations was ascertained without involving field visits. The centralised audit was supplemented by a detailed audit involving field visits for verification of records available with wards. Returns and related details were accessed through the GGST Backend Portal to the extent feasible, to examine data/documents relating to taxpayers (*viz.* registration, tax payment, returns and other departmental functions). The detailed audit sought to access relevant granular records from the taxpayers such as

⁶ Centralised Audit did not involve seeking taxpayer’s granular records such as financial statements related ledger accounts, invoices, agreements, *etc.*

invoices, through the respective wards. This apart, compliance functions of the wards such as scrutiny of returns and action on non-filers of returns were also reviewed in selected wards.

The review of the scrutiny of returns by the Department and verification of taxpayers' records covered the period from April 2018 to March 2021, while the audit of the functions of selected wards covered the period from April 2020 to March 2021. The SSCA covered only the State administered taxpayers. The field audit was conducted from July 2023 to November 2023.

Entry conference for the SSCA was held (31 August 2023) with the Commissioner of State Tax (CST), Goa in which, the audit objectives, sample selection, audit scope and methodology were discussed. Exit conference was held with the Principal Secretary, Finance on 21 August 2024 to discuss the findings. The responses provided therein and the replies received from the State Government have been duly incorporated in the Report.

2.2.4 Audit sample

A data-driven approach was adopted for planning as for determining the nature and extent of substantive audit. The sample for this SSCA comprised a set of deviations identified through data analysis for centralised audit (that did not involve field visits); a sample of taxpayers for detailed audit that involved field visits and scrutiny of taxpayer's records at Departmental premises; and a sample of wards for evaluating the compliance functions of the wards. Accordingly, the three distinct parts of this SSCA were as under:

(i) Part I- Audit of wards

Four⁷ out of eight⁸ wards were considered as sample for evaluation of their oversight functions.

(ii) Part II- Centralised Audit (Limited Audit)

For evaluation of the adequacy and effectiveness of the scrutiny procedure of the Department, the sample for centralised audit was selected by identification of high-value or high-risk deviations from rules and inconsistencies between returns through data analysis. Accordingly, 287 instances of deviations under 17 dimensions were selected.

(iii) Part III- Detailed Audit

It was conducted by accessing taxpayers' records through wards, for evaluation of the extent of compliance by taxpayers. The sample of taxpayers for detailed audit was selected on the basis of risk parameters such as excess ITC, tax liability mismatch, disproportionate exempted turnover

⁷ Bicholim, Curchorem, Mapusa and Pernem

⁸ Bicholim, Curchorem, Mapusa, Margao, Panaji, Pernem, Ponda and Vasco

to total turnover and irregular ITC reversal. 15 taxpayers⁹ pertaining to five¹⁰ wards were selected¹¹ for detailed audit of risk based, parameters based and random based taxpayers.

The details of sample for centralised audit and detailed audit are brought out in **Appendix 2.2A, 2.2B and 2.3**.

2.2.5 Audit criteria

Audit criteria comprised the provisions contained in the GGST Act 2017, IGST Act 2017, and rules made thereunder. The significant provisions are given in **Table 2.7**.

Table 2.7: Source of criteria

Sl. No.	Subject	Act and Rules
1	Levy and collection	Section 9 of the GGST Act 2017
2	Reverse Charge Mechanism	Section 9(3) of GGST Act 2017 and Section 5(3) of IGST Act 2017
3	Availing and utilizing ITC	Sections 16 to 21 under Chapter V of GGST Act 2017; Rules 36 to 45 under Chapter V of GGST Rules 2017
4	Registrations	Section 22 to 25 of GGST Act; Rules 8 to 26 of GGST Rules
5	Supplies	Section 7 and 8 of GGST Act; Schedule I, II and III of the Act
6	Place of supply	Section 10 to 13 of IGST Act
7	Time of Supply	Section 12 to 14 of GGST Act
8	Valuation of supplies	Section 15 of GGST Act; Rules 27 to 34 of GGST Rules
9	Payment of tax	Sections 49 to 53 under Chapter X of GGST Act; Rules 85 to 88A under Chapter IX of GGST Rules
10	Filing of GST returns	Sections 37 to 47 under Chapter IX of GGST Act; Rules 59 to 68 and 80 to 81 under Chapter VIII of GGST Rules; Part B of GGST Rules prescribes format of returns
11	Zero-rated supplies	Section 8 of IGST Act
12	Assessment and Audit functions	Sections 61, 62, 65 and 66 under Chapter XII & XIII of GGST Act; Rules 99 to 102 under Chapter XI of GGST Rules

In addition, the notifications and circulars issued by State Tax Department relating to filing of returns, notification of effective dates of filing of various returns, extending due dates for filing returns, rates of tax on goods and services, payment of tax, availing and utilizing ITC, scrutiny of returns and

⁹ Large taxpayers-4, Medium taxpayers-2 and Small Taxpayers-1(Risk based), Parameter based-06 and Random based -02 (10% of total of 15)

¹⁰ Mapusa, Margao, Panaji, Ponda and Vasco

¹¹ Out of 15 taxpayers selected, 90 *per cent* of the sample were selected based on risk scores (60 *per cent* in descending order of risk as determined by the composite risk score for each GSTN-Risk based and 40 *per cent* from among the four major deviations in individual risk-parameter based) and remaining 10 *per cent* of the sample size were drawn on random basis.

oversight of tax compliance and Standard Operating Procedures (SoP) containing instructions to Departmental officers on various aspects related to filing returns, scrutiny of returns, cancellation of registrations, *etc.* formed part of the audit criteria.

Audit findings

The audit findings are categorised into the following categories:

- a. Oversight functions of ward offices (return filing, tax payment, documentation and other functions)
- b. Centralised audit
- c. Detailed audit

2.2.6 Oversight functions of ward

In four selected wards, Audit observed that the action on non-filers of GSTR-3B was not taken up for the year 2020-21. Further, the order for scrutiny of returns for the year 2020-21 was issued after a lapse of period of 26 months after the due date of filing of annual returns. Follow-up actions were not initiated after the cancellation of registration. BIFA/DGARM reports were not utilised by the selected wards and action on cases selected by EIU was not completed. The details are given in the following paragraphs:

2.2.6.1 Inaction on non-filers of GSTR-3Bs

Section 39 read with Rule 61(5) stipulates that all taxpayers except those specified¹² under Section 39(1) of the Act to file a monthly summary return (GSTR-3B) of outward supplies and ITC claimed, along with payment of tax by the taxpayer, on or before the twentieth day of the month succeeding such calendar month or part thereof.

Section 46 of the GGST Act, 2017 read with Rule 68 of GGST Rules, 2017 stipulates issue of a notice in form GSTR-3A, requiring filing of return within fifteen days, if the taxpayer fails to file the return within the due date. As per Section 62 of the GGST Act, 2017 read with Rule 100 of the GGST Rules, 2017 in case the taxpayer fails to file the returns even after such notice, the proper officers may proceed to assess the tax liability of the said person to the best of their judgement, taking into account all the relevant material available or gathered and issue an assessment order in form ASMT-13 and a summary of demand in form DRC-07 (as a follow up of ASMT-13) is to be issued to the taxpayers concerned.

¹² Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52

During the ward audit, information regarding number of cases of non-filers, GSTR-3A issued, returns filed in response to GSTR-3A, ASMT-13 issued, DRC-07 issued and subsequent actions, was requisitioned (October-November 2023) for the period 2020-21. The ward offices reported 1,177 non-filers, however, information regarding action taken in respect of these non-filers were not provided. Further, Audit downloaded (October 2023) the MIS data (as on March 2021)¹³ from GST backend portal, which showed 1,185 taxpayers (as of October 2023), who did not file 32,520 GSTR-3B returns. As per MIS data, revenue of ₹ 5.40 crore (SGST) was expected to be recovered from these 1,185 non-filers. Details are given in **Appendix 2.4**.

Audit selected 80 (20 from each selected ward) cases out of 1,185 non-filers for test-check. Audit noticed that in 12 cases, there was a mismatch of ₹ 0.34 crore in tax liability (between GSTR-1 and GSTR-3B) and in case of six cases, there was a mismatch of ₹ 0.13 crore in ITC (between GSTR-3B and GSTR-2A) for the year 2020-21. Information on action taken by the ward offices was not available in MIS reports in respect of 80 test-checked non-filers, hence, the same was called for from the Department.

All four wards (November 2023-March 2024) replied that form GSTR-3A is automatically generated and sent to identified non-filers and no further actions have been initiated due to the time-bound scrutiny of returns for the years 2017-18 and 2018-19 as the department was busy with scrutiny and audit of cases pertaining to the years 2017-18 and 2018-19 as they were close to being time barred. Two wards¹⁴ further stated that proceedings for the year 2020-21 would be initiated and concluded before the expiration of the limitation¹⁵ period. One¹⁶ ward replied (June 2024) that orders for the period 2020-21 had been issued and the cases had been assigned to the proper officers for assessment under Section 62 of GGST Act, 2017.

The reply of the Department is not tenable as Section 46 stipulates filing of return within fifteen days of issuance of GSTR-3A notice and SoP on non-filers stipulates conducting best judgement without any further communication.

Recommendation 1: The Department may ensure timely and proper action and assessment of non-filers for safeguarding Government revenue.

¹³ MIS data of March 2021 was downloaded as it contains the progressive figure.

¹⁴ Curchorem and Mapusa

¹⁵ Notification No. 40/2021 CT dated: 29/12/2021-for the FY 2020-21 annual return shall be furnished on or before 28/02/2022 and due date for issuing assessment order under section 62 of GGST Act, for FY 2020-21 is five years from the due date for furnishing of annual return which will be 28/02/2027

¹⁶ Curchorem

2.2.6.2 Delay in initiation of scrutiny of returns for the year 2020-21

As per Section 61 of the GGST Act, 2017 various returns filed by taxpayers have to be scrutinised by the Proper Officer to verify the correctness of the returns, and suitable action has to be taken on any discrepancies or inconsistencies reflected in the returns. The Proper Officer designated for this purpose is the Ward Officer. Further, Rule 99 of the GGST Rules, 2017 mandates that the discrepancies, if any, noticed shall be communicated to the taxpayer to seek his explanation. In case no satisfactory explanation is furnished within a period of thirty days of being informed by the proper officer or after accepting the discrepancies, taxpayer fails to take the corrective measure in his return for the month in which the discrepancy is accepted, the proper officer may initiate appropriate action including those under Section 65, 66 or 67, or proceed to determine the tax and other dues under Section 73 or 74.

As per sub-Section (10) of Section 73 and 74 of the GGST Act, 2017 order for recovery of any tax short paid/ ITC wrongly availed/ utilised is to be issued within three years (in the cases of other than fraud or wilful misstatement of facts) or five years (in the cases of fraud or wilful misstatement of facts) from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates.

Audit requisitioned (October-November 2023) from the selected four wards, the details of cases scrutinised for the year 2020-21. The ward offices informed that they had not initiated scrutiny of returns for the year 2020-21 as the scrutiny of the time bound case of the year 2018-19 was being taken up. The Department issued order of scrutiny in May 2024 directing the wards to conduct scrutiny of returns for the FY 2020-21. The due date for filing of annual returns (GSTR-9) for the FY 2020-21 was 28 February 2022. The Department issued instructions for scrutiny for the FY 2020-21 after lapse of a period of more than two years (26 months) from the due date of filing of annual returns for the FY 2020-21.

After issuance of order, the Department conducted scrutiny of 705 taxpayers, out of which 215 taxpayers pertained to selected four wards. Out of 215 cases, discrepancy notices in form ASMT-10 was issued in 193 cases involving an amount of ₹ 79.44 crore. No discrepancy was stated to have been noticed in 18 cases. Reply in form ASMT-11 was not filed in 85 out of 193 cases and in remaining 108 cases, reply was filed and an amount of ₹ 1.06 crore was accepted by the taxpayers, out of which ₹ 0.66 crore was paid by the taxpayers through DRC-03. SCNs under Section 73/74 were also issued in 104 cases for an amount of ₹ 24.82 crore.

The fact that the Department conducted scrutiny after being pointed out by Audit, indicates inefficiency of monitoring of scrutiny function of the ward offices.

Recommendation 2: The Department may ensure the initiation and completion of scrutiny of returns for the year 2020-21 in a time bound manner.

2.2.6.3 Non-initiation of follow-up action after cancellation of registration

Sections 29 of the GGST Act, 2017 provides for the cancellation of registration (i) on application filed by taxpayer, if the business is discontinued, its structure changes, or the taxpayer is no longer liable for registration and (ii) *suo-moto* cancellation of the registration by the proper officer in certain cases such failure to file returns for consecutive six months (for normal taxpayer), not starting the business within six months, or obtaining registration by means of fraud, willful misstatement or suppression of facts. As per Section 45 of the Act, the taxpayers are required to file final return (GSTR-10) to discharge the outstanding liability, if any, within three months of the effective date of cancellation or the date of order of cancellation, whichever is later. Section 46 of the Act requires that in case GSTR-10 is not filed within the due date, a notice shall be issued to the taxpayer after five days of the due date of furnishing the return, electronically, requiring him to furnish such return within fifteen days of issuance of such notice.

In case the taxpayer fails to file the returns even after such notice, the proper officers may proceed to assess the tax liability of the said person to the best of their judgment and issue an assessment order (ASMT-13) as per Section 62 (read with Rule 100) of the GGST Act, 2017 alongwith a summary of demand (DRC-07). If the taxpayer fails to file final return within 30 days of issuance of ASMT-13, action under Sections 78 and 79 for the recovery of the dues and penalty may be initiated.

Audit sought (October-November 2023) information from four selected wards on *suo-moto* cancellations of registration and cancellations on taxpayer's application during the year 2020-21, for evaluation of cancellation functions and follow-up action after cancellation of registration.

All four selected ward offices replied (November 2023-February 2024) that information on *suo-moto* cancellation and cancellations of registrations on taxpayers' application during the year 2020-21, was not readily available in the required format at the ward office. However, the ward offices furnished MIS reports containing information on *suo-moto* cancellation and

registrations cancelled on taxpayer's application. These MIS reports had no information of action taken by the Department on cancelled taxpayers.

The analysis of MIS data revealed that out of 1,423 cancelled taxpayers (On application-727 and *suo-moto*-696), only 214 (15.04 *per cent*) taxpayers filed final return (GSTR-10), of which 143 taxpayers filed final return on time, while 71 taxpayers filed returns with delay. Remaining 1,209 (94.96 *per cent*) taxpayers did not file final return (**Appendix 2.5**).

Audit selected 80 (20 from each selected four wards) cases and requisitioned records of follow-up action taken by the Department. However, no records were provided to Audit.

The Department replied (September 2024) that the assessment of registrations cancelled u/s 62 of GGST Act, is required to be completed within a period of five years from the date of filing of annual return for the FY to which the return relates. As GST back-office system does not have facility to conduct scrutiny of non-filers of final return, the same has not commenced. The Department further stated that in respect of 20 selected cases pertaining to Mapusa ward, follow-up action and assessment will be carried out on priority basis. Also, an officer had been assigned for monitoring of progress of these cases assigned to proper officer on timely basis for better compliance and reporting.

The reply is indicative of urgent need of having a module in the system for assessment of non-filers or conduct the assessment manually. Also, action to protect revenue should start as soon as it comes to the notice of the proper officers and they should not wait till the timeline of three/five years to avoid possibility of such cases becoming time barred.

Recommendation 3: The Department may monitor the status of cancellation of registrations and take timely action in consonance with the statutory provisions to check undischarged tax liabilities.

2.2.6.4 Non-utilisation of BIFA/DGARM reports

The Goods and Service Tax Network (GSTN) formed a Business Intelligence and Fraud Analytics (BIFA) unit in March 2019 to act as a fraud detection platform from a tax compliance perspective. BIFA uses Artificial Intelligence and Machine Learning, Big Data Analytics and Deep Learning to evolve the GST Analytics and Intelligence Network (GAIN) portal which provides specific intelligence to the tax officers. The proper officers of the State and the Center are provided access to GAIN, wherein the officers can utilise these analytical models for identifying the tax defaulters and new *modus operandi* of tax evasion.

The CBIC (Board) formed¹⁷ Directorate General of Analytics and Risk Management (DGARM) with the aim of studying, interpreting and analysing the GST data and sharing the results with various stakeholders under the Board and also with the respective Tax Departments.

Information on the receipt and utilisation of BIFA/DGARM reports was sought from the selected ward offices (October-November 2023).

The ward offices replied (November 2023-January 2024) that the reports were normally generated or received at the Head office and sent to concerned ward offices and as such no BIFA/DGARM reports were received from the Commissionerate. Information on BIFA/DGARM report was also sought from the Commissionerate for cross verification.

The Department replied (September 2024) that BIFA reports were used for selection of cases for audit under Section 65, scrutiny under Section 61 and enforcement under Section 67. The Department intimated that BIFA access was given to State of Goa in the year 2020, initially access was given to the CST, one Addl. CST and one Dy. CST only and thereafter to other Dy. CSTs and the STOs in-charge of the ward offices between July 2022 and August 2024. It was also stated (November 2024) that no BIFA reports were generated by the Enforcement section for the period 2018-19 to 2020-21 and forwarded to ward offices for further scrutiny. The reply of the Department was silent on receipt of DGARM reports and action taken thereon.

Reply of the Department indicates though the tax officers were given access to BIFA reports, the same have not been gainfully utilised by tax officers.

Recommendation 4: The Department need to issue instructions for effective utilisation of BIFA and DGARM reports and monitoring thereof.

2.2.6.5 Non-completion of action against cases selected by EIU

As per Order No. CCT/1-51/2021-22/730, dated 22/06/2021, issued by the Commissioner of State Taxes (CST), Goa, the Economic Intelligence Unit (EIU) and the Enforcement Cell, comprising four Senior Tax Officers (STOs) and a Deputy Commissioner (EIU) as the in-charge, were assigned various responsibilities. These duties included studying tax evasion dynamics, identifying the *modus operandi*, formulating strategies to combat economic offences and tax evasion, conducting data analytics, performing risk analysis for selective assessments, and carrying out inspections, searches, and seizures.

Audit sought (October 2023) information from the Commissionerate regarding the reports generated by the EIU and the subsequent follow-up

¹⁷ CBIC formed DGARM *vide* OM F.NO. A-11013/19/2017-Ad. IV dated 11 July 2017

actions taken. No information was provided to audit during field audit. The Department provided (December 2023) a list, detailing 53 taxpayers selected by the EIU, covering assessment periods from 2017-18 to 2020-21. Further, the Department submitted details of the actions taken on these 53 taxpayers in July 2024.

From the data provided, it was observed that of the 53 taxpayers, 44 were selected for enforcement under the GST Act. These cases were forwarded to the appropriate officers at the respective ward offices for necessary action. Further, the assessment was completed in only four cases, in ten cases assessment was partially completed. Show Cause Notices (SCN)/DRC-01 were issued in three cases. Notice calling for records under Section 151 of the GGST Act, 2017 was issued in one case. Assessment was initiated by the CGST authorities in one case. One taxpayer was unavailable at the business location, and notices were being returned undelivered. In the remaining 24 cases, action was still under process.

Out of 24 pending cases, in six cases, entire period had become time barred at the time of furnishing information to Audit (July 2024), in other 15 cases part period had become time barred and remaining three cases became time barred in November 2024.

The Department need to analyse the reasons of delay in taking action and take effective measure for timely action to protect the interest of revenue in cases selected by EIU.

Recommendation 5: The Department may ensure proper follow-up action on cases selected by EIU in a time bound manner before they are time barred.

2.2.7 Centralised audit

2.2.7.1 Inconsistencies in GST returns

Audit analysed GST returns data pertaining to 2018-19 to 2020-21 as made available by GSTN. Rule-based deviations, and logical inconsistencies between GST returns filed by taxpayers were identified on a set of 17 parameters, which can be broadly categorised into two domains - ITC and Tax payments.

Out of the 15 prescribed GST returns,¹⁸ the following basic returns that apply to normal taxpayers were considered for the purpose of identifying deviations, inconsistencies and mismatches between GST returns/data:

- GSTR-1: monthly return furnished by all normal and casual registered taxpayers making outward supplies of goods and services or both and contains details of outward supplies of goods and services.
- GSTR-3B: monthly summary return of outward supplies and ITC claimed, along with payment of tax by the taxpayer to be filed by all taxpayers except those specified under Section 39(1) of the Act. This is the return that populates the credit and debits in the Electronic Credit Ledger and debits in Electronic Cash Ledger.
- GSTR-6: monthly return for ISDs providing the details of their distributed ITC and inward supplies.
- GSTR-8: monthly return to be filed by the e-commerce operators who are required to deduct TCS under GST, introduced in October 2018.
- GSTR-9: annual return to be filed by all registered persons other than an ISD, TDS/TCS deductors, Casual Taxable Person and Non-Resident taxpayer (NRTP). This document contains the details of all supplies made and received under various tax heads (CGST, SGST and IGST) during the entire year along with turnover and audit details for the same.
- GSTR-9C: annual audit form for all taxpayers having a turnover above ₹ 5 crore in a particular financial year. It is basically a reconciliation statement between the annual returns filed in GSTR-9 and the taxpayer's audited annual financial statements.
- GSTR-2A: a system-generated statement of inward supplies for a recipient. It contains the details of all business to business (B2B) transactions of suppliers declared in their Form GSTR-1/5, ISD details from GSTR-6, details from GSTR-7 and GSTR-8 respectively by the counterparty and import of goods from overseas on bill of entry, as received from Indian Customs Electronic Gateway (ICEGATE) Portal of Indian Customs.
- GSTR-2B: It is a month-wise auto-drafted statement for regular taxpayers {whether or not opted into the quarterly return and monthly

¹⁸ GSTR-1, GSTR-2A, GSTR-2B, GSTR-3B, GSTR-4 (taxpayers under the Composition scheme), GSTR-5 (non-resident taxable person), GSTR-5A {Non-resident online information and database access or retrieval (OIDAR) service providers}, GSTR-6 (ISD), GSTR-7 (taxpayers deducting TDS), GSTR-8 (E-commerce operator), GSTR-9 (Annual Return), GSTR-10 (Final return), GSTR-11 {person having Unique Identification Number (UIN) and claiming a refund}, CMP-08, and ITC-04 (Statement to be filed by a principal/job-worker about details of goods sent to/received from a job-worker).

payment (QRMP) scheme} introduced on the GST portal providing eligible and ineligible ITC for each month, similar to GSTR-2A but remains constant or unchanged for a period. The statement was launched from the August 2020 tax period onwards.

The details of data analysis undertaken on the 17 identified parameters and impact thereon is given in **Table No. 2.8(a) and 2.8(b)**.

Table 2.8(a): Data analysis summary of sampled cases of Goa State

Sl. No.	Algorithm used	Impact
Mismatch in availing of ITC/Tax payment		
1	ITC available as per GSTR-2A with all its amendments was compared with the ITC availed in GSTR-3B in Table 4A(5) (accrued on domestic supplies) excluding the reversals in Table 4B(2) but including the ITC availed in the subsequent year from Table 8C of GSTR-9 and blocked credits.	ITC mismatch between GSTR-2A and GSTR-3B
2	ITC available from GSTR-2A was compared with Table 8A of GSTR-9 which captures ITC available from GSTR-2A (as an auto-populated non-editable field) but excludes those entries in GSTR-2A where the supplier has not filed GSTR-1 by due date of its filing and also excludes the ITC for the period during which the recipient taxpayer was under composition scheme.	ITC passed on without supplier remitting tax
3	ITC availed through Table 4 of GSTR-3Bs pertaining to period 2018-19 to 2020-21 filed after October of the following year.	ITC availed in GSTR-3B filed after the cut-off period
4	ISD ITC availed in GSTR-9 Table 6G or GSTR-3B Table 4(A)(4) of recipient was compared with the sum of Table 5A, Table 8A, and Table 9A of GSTR-6 of distributor GSTINs	Incorrect availing of ISD credit
5	RCM payments in GSTR-9 Table 4G (tax payable) were compared with ITC availed in GSTR-9 Table 6C, 6D and 6F (ITC availed). In cases where GSTR-9 was not available, RCM payment in GSTR-3B Table 3.1(d) was compared with GSTR-3B 4(A)(2) and 4A(3). Greater of difference in GSTR-9 and GSTR-3B considered where both were available.	Short payment of tax under RCM versus ITC availed in GSTR-3B/GSTR-9
6	Negative figure in GSTR-9C Table 9R and examination of reasons provided in Table 10 for mismatch	Mismatch in tax paid between books of accounts and returns

Sl. No.	Algorithm used	Impact
7	Positive figure in GSTR-9C Table 12F and examination of reasons provided in Table 13 for mismatch	Mismatch of ITC availed between Annual returns and Books of accounts
8	Positive figure in GSTR-9C Table 14T and examination of reasons provided in Table 15 for mismatch	Reconciliation between ITC availed in Annual returns with expenses in financial statements
9	The greater of tax liability between GSTR-1 (Tables 4 to 11), considering advances and amendments, and GSTR-9 (Tables 4N, 10 and 11) was compared with tax paid details in GSTR-3B Tables 3.1(a) and 3.1(b). In cases where GSTR-9 was not available, GSTR-3B tax paid was compared with GSTR-1 liability.	Unsettled liabilities
10	GSTR-3B Table 3.1(a)+(b) was compared with tax liability declared in the e-way bills and cases where GSTR-3B are less than e-way bills are identified.	Suppression of tax liability based on e-way bill verification
11	Taxpayers who have not filed GSTR-3B but have filed GSTR-1 or where GSTR-2A available, indicating taxpayers carrying on the business without discharging tax.	GSTR-3B was not filed but GSTR-1 is available
12	Interest calculated at the rate of 18 <i>per cent</i> on cash portion of tax payment on delayed filing of GSTR-3B <i>vis-à-vis</i> interest declared in GSTR-3B	Non/short payment of interest
13	The composition taxpayers whose turnover on all India basis (Central and State jurisdiction) under all GSTINs of the same PAN have crossed the turnover limit of ₹ one crore in 2018-19 and ₹ 1.50 crore in 2019-20 were identified.	Ineligible composition levy
14	E-commerce GSTR-8 became effective from 01 October 2018 when TCS provisions became effective. GSTINs declared in GSTR-8 who are also filing GSTR-4/CMP-08 under composition scheme.	Composition taxpayers also availing e-commerce facility

**Table 2.8(b): Data analysis summary of sampled cases of Goa State
(Turnover mismatch)**

Sl. No.	Algorithm used	Impact
Turnover mismatch in Annual Return and financial statements		
1	Negative figure in GSTR-9C Table 7G and examination of reasons provided in Table 8 for mismatch	Mismatch in taxable turnover declared in GSTR-9C Table 7G
2	Table 3.1(a) of GSTR-3B was compared with Column 6 of Table 9 of GSTR-2A. Cases where GSTR-3B values are less than that of GSTR-2A are identified.	Under-declaration of taxable supplies by comparing TDS returns
3	Unbilled revenue at the beginning of the year in GSTR-9C Table 5B should tally with the unbilled revenue of the previous GSTR-9C shown in Table 5H. Any mismatch indicates suppression of taxable turnover.	Suppression of taxable value based on unbilled revenue declared in GSTR-9C

The Pan-state data analysis depicted large number of deviations with high money values which point out lack of basic validation control that should have been built into the application software. For example, in sample of parameter ‘suppression of tax liability based on e-way bill’, the number of deviations were 19 with money value of ₹ 1,225.01 crore. These money value figures flowing from data indicated that controls to input and validate data in GST system and EWB system are either not working properly or are entirely absent.

2.2.7.2 Results of Centralised audit

Audit selected a sample of 287 cases from amongst the top deviations/inconsistencies in each of the 17 parameters for the period 2018-19 to 2020-21. The audit queries were issued to the respective ward offices between August 2023 and September 2023 without further scrutiny of taxpayer’s records. The audit check in these cases was limited to verifying the Department’s action on the identified deviations/mismatches.

The Department provided responses in 286 cases. In one case amounting to ₹ 0.11 crore, response of the Department was awaited (September 2024).

Based on responses received (286 cases) from the Department to the Audit enquiries, the extent to which these parameters translated into compliance deviations is summarized in **Table 2.9(a) and 2.9(b)**.

Table 2.9(a): Dimension-wise summary of deficiencies

Dimension	Sample	Cases where reply received	Compliance deviations						Department reply accepted by Audit						Department reply not acceptable to Audit (Rebuttal)		Department furnished reply without appropriate documentary evidence		Department Stated they are examining the AQ						
			Accepted by Dept. including cases where action is yet to be initiated			Total			Data entry errors		Action taken before Audit		Other valid explanations		No. Amt.		No. Amt.		No. Amt.						
			No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
ITC mismatch between GSTR-2A and GSTR-3B	30	244.24	30	244.24	3	10.76	2	29.59	2	12.48	7	52.83	-	-	5	50.34	9	55.86	1	6.36	4	20.63	4	58.22	
ITC passed on without supplier remitting tax	26	49.09	26	49.09	3	2.54	1	0.47	2	2.01	6	5.02	-	-	6	13.18	2	2.29	7	23.80	5	4.80			
ITC availed in GSTR-3B filed after the cut-off period.	15	23.40	15	23.40	-	-	2	3.55			2	3.55	-	-	1	2.86	11	14.97	-	-	-	-	1	2.02	
Incorrect availing of ISD credit	15	4.44	15	4.44	-	-	3	0.33	2	1.38	5	1.71	-	-	-	-	-	3	0.96	-	-	3	0.98	4	0.79
Short payment of tax under RCM versus ITC availed in GSTR-3B/ GSTR-9	16	34.03	16	34.03	2	2.87	-	-	1	0.19	3	3.06	2	8.69	-	-	4	15.49	-	-	7	6.79	-	-	
Mismatch in tax paid between books of accounts and returns	9	14.23	9	14.23	-	-	3	5.35	2	4.77	5	10.12	-	-	-	1	0.002	-	-	2	4.10	1	0.01		
Mismatch of ITC availed between Annual returns and Books of accounts	9	5.31	9	5.31	-	-	1	0.15			1	0.15	-	-	1	0.73	3	2.57	2	1.07	1	0.72	1	0.07	
Reconciliation between ITC availed in Annual returns with expenses in financial statements	9	22.60	9	22.60	-	-	-	-	-	-	-	-	1	1.21	3	6.59	1	1.15	2	7.81	2	5.84			
Unsettled liabilities	34	70.04	34	70.04	7	21.77	6	5.38	4	5.37	17	32.52	-	-	5	11.68	1	3.43	8	17.49	3	4.92			
Suppression of tax liability based on E-way bill verification	19	1225.01	19	1225.01	5	19.51	-	-	1	5.02	6	24.53	-	-	5	60.32	1	24.68	6	965.14	1	150.34			

Dimension	Sample	Cases where reply received		Accepted by Dept. including cases where action is yet to be initiated		Compliance deviations		Department reply accepted by Audit		Department reply not acceptable to Audit (Rebuttal)		Department furnished reply without appropriate documentary evidence		Department Stated they are examining the AQ		
		No.	amt.	No.	amt.	No.	amt.	Total	Data entry errors	Action taken before Audit query	Other valid explanations	No.	amt.	No.	amt.	
		Recovered/ Demand order (DRC-07) issued	SCN (DRC-01) issued	ASMT- initiated	10/Action initiated											
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
GSTR-3B was not filed but GSTR-1 is available	23	15.90	23	15.90	9	11.68	1	0.23	9	2.29	19	14.20	-	-	-	19
Non/short payment of interest	56	14.30	55	14.19	25	3.91	6	5.82	6	0.57	37	10.30	-	-	-	3
Ineligible composition levy	6	NQ	6	NQ	-	-	-	-	-	-	1	NA	-	-	1	0.68
Composition taxpayers also availing e-commerce facility	4	NQ	4	NQ	-	-	-	-	1	NA	1	NA	-	-	-	-
Total	271	1722.59	270	1722.48	54	73.04	25	50.87	30	34.08	109	157.99	3	8.69	8	55.14
																182.30
																11
																39.35
																44
																1048.86
																41
																230.15

NQ: Not quantified

Table 2.9(b): Dimension-wise summary of deficiencies (Turnover mismatch)

Dimension	Sample	Cases where reply received	Compliance deviations				Department reply accepted by Audit				Department reply not acceptable to Audit (Rebuttal)				Department furnished reply without appropriate documentary evidence				Department Stated they are examining the AQ					
			Accepted by Dept. including cases where action is yet to be initiated		Total	Data entry errors	Action taken before Audit query	Other valid explanations	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.				
			Recovered/ Demand order (DRC-07) issued	SCN (DRC-01) issued																				
No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Mismatch in taxable turnover declared in GSTR-9C Table 7G	6	1187.65	6	1187.65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	354.44	4	833.21		
Under-declaration of taxable supplies by comparing TDS returns	5	158.04	5	158.04	-	-	-	2	34.59	2	34.59	-	-	-	1	5.69	-	-	2	117.76	-	-		
Suppression of taxable value based on unbilled revenue declared in GSTR-9C	5	32.29	5	32.29	-	-	-	-	-	-	2	9.26	-	-	2	17.59	-	-	1	5.44	-	-		
Total	16	1377.98	16	1377.98	-	-	-	2	34.59	2	34.59	2	9.26	-	-	3	23.28	-	-	5	477.64	4	833.21	

2.2.7.3 Summary of Centralised Audit

Audit noticed deviations from the provisions of the Act/Rule in 109 cases {Col. No. 6, 8 and 10 of Table 2.9(a)} involving mismatch in ITC/Tax liability of ₹ 157.99 crore (Col. No. 7, 9 and 11) constituting 40.37 *per cent* of the 270 inconsistencies/mismatches (**Appendix 2.6A**) in data for which the Department provided responses, wherein, the Department issued notices/demand orders or recovered the amount. Relatively higher rates of deviations were noticed in risk parameters such as ‘Tax not remitted due to GSTR-3B not filed’, ‘Non/short payment of interest on delayed payment of tax’ and ‘Mismatch in tax payments as per Table 9R of GSTR-9C’, *etc.*

In 65 cases (Col. No. 14, 16 and 18), constituting 24.07 *per cent*, where the replies were acceptable to Audit; data entry errors by the taxpayers comprised three cases (Col. No. 14): the Department had proactively taken action in eight cases (Col. No. 16) and 54 cases (Col. No. 18) had other valid explanations.

In 11 cases (Col. No. 20) constituting 4.07 *per cent* the Department’s reply is not acceptable to the Audit and rebutted accordingly. In 44 cases (Col. No. 22), constituting 16.30 *per cent*, though the Department did not accept the deviations pointed out by Audit, their contention was not borne out by evidence, and was thus not amenable to verification by Audit. In the remaining 41 cases (Col. No. 24) audit observation was under examination by the Department.

Audit also noticed turnover related mismatches (**Appendix 2.6B**), in 16 cases {(Col. No. 4) of Table 2.9(b)}. Of these, in two cases (Col. No. 10), constituting 12.50 *per cent* the Department had initiated/taken action on the audit observations. In five (31.25 *per cent*) cases (Col. No. 14 and Col. No. 18) replies were acceptable to Audit. In five cases (Col. No. 22), constituting 31.25 *per cent* the Department had not provided relevant documents in support of their contention; hence reply could not be verified. In the remaining four cases (Col. No. 24) audit observation was under examination.

A few high value illustrative cases from each dimension are given below:

(i) ITC mismatch between GSTR-2A and GSTR-3B

GSTR-2A is a purchase related dynamic tax return that is automatically generated for each business by the GST portal, whereas GSTR-3B is a monthly return in which summary of outward supplies along with ITC declared and payment of tax are self-declared by the taxpayer.

In order to analyse the veracity of ITC availed, relevant data was extracted from GSTR-3B and GSTR2-A for the period 2018-19 to 2020-21, and the

ITC available as per suppliers' details was matched with the ITC credit availed by the taxpayer. The methodology adopted was to compare the ITC available as per GSTR-2A with all its amendments and the ITC availed in GSTR-3B in Table 4A(5) including 4(D) (blocked credits) and ITC availed in subsequent period as per Table 8C of GSTR-9.

Audit observed that in the case of taxpayer (GSTIN: 30XXXXXXXXXX1Z5) under Mapusa ward, the ITC available as per GSTR 2A (with all its amendments) was ₹ 172.50 crore and ₹ 184.41 crore for the year 2018-19 and 2019-20 respectively and ITC availed in GSTR3B {Table 4A (5) including 4(D) blocked credits of GSTR-3B and ITC claimed in subsequent period as per Table 8C of GSTR-9} was ₹ 178.23 crore and ₹ 212.00 crore for the year 2018-19 and 2019-20 respectively. This resulted in mismatch of ITC availed amounting to ₹ 5.73 crore and ₹ 27.59 crore for the year 2018-19 and 2019-20 respectively.

On this being pointed out (September 2023), the Department replied (September 2024) that demand order under Section 73 for ₹ 4.05 crore was issued for FY 2018-19 and an appeal against the demand was filed by the taxpayer which was pending. Case for FY 2019-20, was selected for audit, and a show cause notice was issued on 30/05/2024 and proceedings were ongoing. Further progress in this regard was awaited (September 2024).

(ii) ITC passed on without supplier remitting tax

In order to analyse the extent of compliance of ITC availment under Section 16(4) of the GGST Act, the relevant data from GSTR-9 particularly pertaining to Table 8A of GSTR-9 was compared with the ITC data reflected in GSTR-2A. While GSTR-2A is generated based on the disclosures made by the suppliers in their GSTR-1, Table 8A of the GSTR-9 is auto-populated from Tables 3, 4, 5 and 6 of the GSTR-2A (Tables 3 and 5 of the old GSTR-2A format) and considers GSTR-2A as available on 31 October of the following financial year.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1ZD) under Vasco ward, that ITC available as per GSTR-2A was ₹ 32.12 crore, ₹ 25.16 crore and ₹ 21.69 crore for the year 2018-19, 2019-20 and 2020-21 respectively and ITC as per Table 8A of GSTR-9 was ₹ 29.74 crore, ₹ 25.00 crore and ₹ 21.21 crore for the year 2018-19, 2019-20 and 2020-21 respectively. This resulted in mismatch of ITC between GSTR-2A and GSTR-9 return, amounting to ₹ 2.38 crore, ₹ 0.16 crore and ₹ 0.48 crore for the years 2018-19, 2019-20 and 2020-21 respectively.

On this being pointed out (August 2023), the Department replied (September 2024) that the taxpayer was assessed for the year 2018-19 and

2019-20 and demand orders (DRC-07) under Section 73 was issued, verification had been initiated for the year 2020-21.

Further progress in this regard was awaited (September 2024).

(iii) ITC availed in GSTR-3B filed after the cut-off period

GST Act provides for availing of ITC only till the due date of furnishing GSTR-3B for the month of September following the end of the financial year to which such ITC pertains or furnishing of relevant Annual Return, whichever is earlier. Accordingly, if any GSTR-3B is furnished after such time, ITC availed therein becomes inadmissible.

In order to review the extent of excess/irregular ITC availed on this account, instances of ITC availed through Table 4 of GSTR-3Bs pertaining to 2018-19, 2019-20 and 2020-21 filed by the taxpayer beyond the due dates of September GSTR-3B return of the following year were identified.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1ZL) under Panaji ward, that the taxpayer had availed ITC amounting to ₹ 3.07 crore on the GSTR-3B returns for the period August 2019 to March 2020 filed between November 2019 to October 2020 and ₹ 2.01 crore on the GSTR-3B returns for the period November 2020 to March 2021 filed between January 2022 to March 2022. The GSTR3B returns for the said period were filed after limitation period *i.e.* after 31 October 2020 and 31 October 2021 for the year 2019-20 and 2020-21 respectively.

On this being pointed out (August 2023), the Department replied (September 2024) that the taxpayer was assessed for 2019-20, and the DRC-01 was issued. The 2020-21 case will be verified, and the outcome will be intimated to the Audit. Further progress in this regard was awaited (September 2024).

(iv) Incorrect availing of ISD credit

In order to check whether the ITC availed by the taxpayer was in excess of that transferred by the ISD, the ITC availed as declared in the returns of the taxpayer was compared with the ITC transferred by the ISD(s) in their GSTR-6s.

The methodology adopted was to compare GSTR-9 Table 6G (net of Table 7B) with the sum of Table 5A, Table 8A, and Table 9A (considering adjustments) of GSTR-6 for respective GSTINs. In cases where Table 7B was null, Table 7H values were considered. In cases where GSTR-9 was not available, GSTR-3B Table 4(A)(4) {net of Table 4(B)(2)} was compared with the sum of Table 5A, Table 8A and Table 9A (considering adjustments) of GSTR-6 for respective GSTINs.

Audit observed in the case of a taxpayer (GSTIN:30XXXXXXXXXX1ZW) under Panaji ward, that the ITC

availed in Table 6G (net of reversal in Table 7H) of GSTR-9 was ₹ 1.59 crore for the year 2020-21, the ITC distributed by the ISD in Table (5A+8A+9A) of GSTR-6 was ₹ 0.98 crore for the year 2020-21. This resulted in excess availing of ITC by recipient under ISD mechanism, amounting to ₹ 0.61 crore.

On this being pointed out (September 2023), The Department replied (September 2024) that the case was marked for audit under Section 65 of the GGST Act, 2017 and Audit observation had been forwarded to the concerned Assessing Authority for further necessary action in the matter. Further progress in this regard was awaited (September 2024).

(v) Short payment of tax under RCM versus ITC availed in GSTR-3B/GSTR-9

Under RCM, the liability to pay tax is fixed on the recipient of supply of goods or services instead of the supplier or provider in respect of certain categories of goods or services or both under Section 9(3) or Section 9(4) of the GGST Act, 2017 and under Sub-section (3) or Sub-section (4) of Section 5 of the IGST Act, 2017.

In order to analyse the veracity of tax paid under RCM, the datasets in GSTR-3B and annual return GSTR-9 pertaining to RCM was compared to check whether the tax has been discharged fully on the activities/transactions under RCM. In cases where GSTR-9 was filed, the RCM payments in Table 4G was compared with ITC availed in Table 6C, 6D and 6F of GSTR-9. In cases where GSTR-9 was not available, RCM payments in GSTR-3B Table 3.1(d) were compared with GSTR-3B Table 4(A)(2) and 4A(3).

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1ZP) under Panaji ward, that the tax paid under RCM, as reported in Table 4G of GSTR-9 was Zero for the year 2019-20, while the ITC availed declared in Table 6C+6D+6F of GSTR-9 was ₹ 1.56 crore for the year 2019-20. This resulted in mismatch of tax paid under RCM amounting to ₹ 1.56 crore for the year 2019-20.

On this being pointed (August 2023), the Department replied (September 2024) that the order u/s 73 was issued to the taxpayer. Further progress in this regard was awaited (September 2024).

(vi) Mismatch in tax paid between books of accounts and returns

To review the extent of mismatch in tax paid reported in the Annual Return *vis-à-vis* the Financial Statements, the relevant datapoints pertaining to Table 9 of the GSTR-9C reconciliation statement submitted by the taxpayer as required under Rule 80(3) of GGST Rules for the years 2018-19 to 2020-21 was analysed at data level.

Table 9 of GSTR-9C attempts to reconcile the tax paid by segregating the turnover rate-wise and comparing it with the tax discharged as per annual return GSTR-9. The unreconciled amounts could potentially indicate tax levied at incorrect rates, incorrect depiction of taxable turnover as exempt or incorrect levy of CGST/SGST/IGST. There can also be situations, wherein supplies/tax declared, are reduced through amendments (net of debit notes/credit notes) in respect of the transactions carried out in the subsequent year from April to September. In order to rule out the possibility of incorrect disclosure of the tax paid amount in GSTR-9C, the amount was also compared with actual tax payment details in GSTR-9.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1Z4) under Mapusa ward, that there was a mismatch amounting to ₹ 2.54 crore between the tax payable (Table 9P of GSTR-9C) as per the books of accounts and actual tax paid (Table 9Q of GSTR-9C) as per annual returns (Table 9R of GSTR-9C) for the year 2020-21.

On this being pointed out (August 2023), the Department replied (September 2024) that scrutiny/verification of the same was under process. Once the case records of the taxpayer are scrutinised and verified, outcome along with action taken report will be intimated to audit in due course. Further progress in this regard was awaited (September 2024).

(vii) Mismatch of ITC availed between Annual returns and Books of accounts

In order to review the extent of identified mismatch in ITC availed, figures reported in the Annual Return *vis-à-vis* the Financial Statements, the relevant datapoints pertaining to Table 12 of the GSTR-9C reconciliation statement submitted by the taxpayer as required under Rule 80(3) of GGST Rules, for the years 2018-19 to 2020-21 were analysed at data level.

Table 12F of form GSTR-9C captures the unreconciled ITC between the annual return GSTR-9 and that declared in the Financial Statements for the year after the requisite adjustments. Table 12 deals with three aspects of ITC, ITC accounted in the books of accounts (Booked), ITC claimed in returns/ECL (Availed) and ITC utilised for payment (Utilised). Though there is no restriction on utilising the ITC, the GST law imposes a restriction on the time period to avail the ITC. The unreconciled amount in Table 12F where the ITC claimed in GSTR-9 is more than ITC availed in Financial Statements indicates excess availing of ITC. Since the taxpayer has been provided with an option not to fill the table 12B and 12C of GSTR-9C, only those cases where at least there was one entry in Table 12B to 12E, were considered.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1ZO) under Margao ward, that there was unreconciled ITC as per Table 12F of

GSTR-9C of ₹ 0.94 crore for the period 2018-19 to 2020-21, between ITC availed as per Annual Financial Statements and ITC claimed in Annual Return (GSTR-9). This resulted in mismatch of ITC amounting to ₹ 0.94 crore.

On this being pointed out (September 2023), the Department replied (September 2024) that for the year 2018-19, the difference was due to not mentioning of IGST credit of the year 2018-19 on import of goods in Table 6E of GSTR-9 of 2018-19, as clarified vide press release dated 04 June 2019. Also, the same was examined and found acceptable by the Department. For the year 2019-20, SCN (DRC-01) was issued (30/05/2024) for the FY 2019-20. For the year 2020-21, Audit enquiry was marked to proper officer. Further progress in this regard was awaited (September 2024).

(viii) Unsettled liabilities

In order to analyse the undischarged tax liability, relevant data was extracted from GSTR-1, and GSTR-9 for the years 2018-19 to 2020-21, and the tax payable in these returns was compared with the tax paid as declared in GSTR-9. Where GSTR-9 was not available, a comparison of tax payable between GSTR-1 and GSTR-3B was made. The amendments and advance adjustments declared in GSTR-1 and GSTR-9 were also considered for this purpose. For identification of mismatch, Tables 4 to 11 of GSTR-1 and Tables 4G, 4N, 10, and 11 of GSTR-9 were considered. The greater of tax liability between GSTR-1 and GSTR-9 was compared with the tax paid declared in Tables 9 and 14 of GSTR-9 to identify the short payment of tax. In the case of GSTR-3B, Tables 6.1 *minus* Table 3.1(d) were taken into account.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1Z5) under Margao Ward, that the taxpayer had declared a liability of ₹ 10.95 crore (excluding RCM liability) in his GSTR-1 returns for the year 2018-19 while the tax liability as per GSTR-3B for the year 2018-19 was ₹ 1.60 crore. The greater liability as per GSTR-1 was ₹ 10.95 crore. However, tax liability discharged as per GSTR-3B was ₹ 1.60 crore. This resulted in mismatch between tax liability and tax payment of ₹ 9.35 crore for the year 2018-19.

On this being pointed out (August 2023), the Department replied (September 2024) that the NCLT¹⁹ Mumbai, initiated Corporate Insolvency Resolution Process (CIRP) against the taxpayer on 14/12/2018, imposing a moratorium on legal proceedings. On 16/12/2020, NCLT ordered the liquidation of the taxpayer. The department had filed a claim with the

¹⁹ NCLT-National Company Law Tribunal

liquidator for dues amounting to ₹ 89.62 crore, including tax, interest, and penalties. Further progress in this regard was awaited (September 2024).

(ix) Suppression of tax liability based on e-way bill verification

To analyse the extent of short-payment of tax, relevant data related to tax liability declared in GSTR-3B for the years 2018-19, 2019-20 and 2020-21 was compared with disclosures made in e-way bill. For identification of mismatch, the cases where tax payable as per Table 3.1(a)+3.1(b) of GSTR-3B, were less than the tax liability declared in the e-way bills were chosen.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXXXX1Z5) under Margao ward, that the tax liability as per Table 3.1(a)+3.1(b) of GSTR-3B returns was ₹ 1.60 crore and zero for the year 2018-19 and 2019-20 respectively. However, the tax liability as per the e-way bills was ₹ 9.31 crore and ₹ 0.27 crore for the year 2018-19 and 2019-20 respectively. This resulted in mismatch of tax liability to the tune of ₹ 7.71 crore and ₹ 0.27 crore for the year 2018-19 and 2019-20 respectively.

On this being pointed out (August 2023), the Department replied (September 2024) that the NCLT Mumbai, initiated CIRP against the taxpayer on 14/12/2018, imposing a moratorium on legal proceedings. On 16/12/2020, NCLT ordered the liquidation. The department had filed a claim with the liquidator for dues amounting to ₹ 89.62 crore, including tax, interest and penalties.

Further progress in this regard was awaited (September 2024).

(x) GSTR-3B was not filed but GSTR-1 is available

At the data level, attempt was made to identify those taxpayers who did not file GSTR-3B but filed GSTR-1. GSTR-3B return is the instrument through which the liability is discharged, and ITC is availed. The very availability of GSTR-1 and non-filing of GSTR-3B indicates that the taxpayers had undertaken/carried on the business during the period but did not discharge their tax liability. It may also include cases of irregular passing on of ITC. All these cases, therefore, warrant investigation.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXXXX1ZD) under Mapusa ward, that the taxpayer had filed his GSTR-1 returns for the period from October 2018 to September 2020 and disclosed a net liability of ₹ 1.46²⁰ crore for the same. However, the liability was not discharged by the taxpayer as GSTR-3B returns for the period October 2018 to September 2020 were not filed by the taxpayer.

²⁰ Tax liability was ₹ 0.39 crore, ₹ 0.75 crore and ₹ 0.32 crore for the years 2018-19, 2019-20 and 2020-21 respectively.

On this being pointed out (September 2023), the Department replied (September 2024) that for the year 2018-19, the taxpayer had paid partial amount of ₹ 0.08 crore, and for the remaining amount of 2018-19 and amount of 2019-20, demand order (DRC-07) was issued. For the year 2020-21, the case was marked for enforcement action under Section 67 of GGST Act, verification was under process and the outcome would be intimated. Further progress in this regard was awaited (September 2024).

(xi) Non/Short payment of interest

Section 50 of the GGST Act stipulates that every person liable to pay tax in accordance with the provisions of this Act or the rules made thereunder but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay interest at the rate notified.

The extent of short payment of interest on account of delayed remittance of tax during 2018-19 to 2020-21 was identified through the tax paid details in GSTR-3B and the date of filing of the GSTR-3B. The due date of filing of GSTR-3B for the respective months (including any extension provided) and the actual date of filing of GSTR-3B has been taken into account to calculate the interest liability and the net tax liability (cash component) has been considered to work out the interest payable.

All the relaxations, and reduced rate of interest extended to the industries during the COVID-19 Phase I from January to April 2020 and Phase II for March 2021 returns have been considered while working out the interest component. The interest is worked out to the extent the records were made available to Audit. As, for the supplies made prior to the tax period and declared in the return for the said tax period, the interest is to be discharged on the entire tax component. Due to the non-availability of such bifurcation, the interest on such supplies have also been worked out on the cash component.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1Z7) under Mapusa ward, that the taxpayer had filed his GSTR-3B returns for the period from April 2018 to March 2021 with a delay ranging from 197 days to 769 days for which the taxpayer was liable to pay interest amounting to ₹ 0.50 crore and ₹ 0.42 crore and ₹ 0.002 crore for the year 2018-19, 2019-20 and 2020-21 respectively.

On this being pointed out (September 2023), the Department replied (September 2024) that for the year 2018-19 demand order (DRC-07) under Section 73 had been issued for ₹ 0.45 crore for the year 2019-20, SCN (DRC-01) for ₹ 0.89 crore had been issued and for the year 2020-21, scrutiny was in progress, and the outcome would be intimated to Audit. Further progress in this regard was awaited (September 2024).

(xii) Composition taxpayers also availing E-Commerce facility

As per Section 10(2)(d) of the GGST Act, 2017, a registered taxpayer cannot be eligible for composition levy if he is engaged in making supplies through an e-commerce operator who is required to collect tax at source under Section 52.

At the data level, attempt was made to identify those composition taxpayers who had made their supplies through e-commerce. The datasets pertaining to GSTR-8 filed by the e-commerce operators and CMP-08 filed by the composition taxpayers were compared to check whether the recipient GSTINs mentioned in GSTR-8 also filed CMP-08. Apart from irregularly availing the benefit of composition levy, it was also noticed that the turnover as declared by the e-commerce provider in the GSTR-8 returns pertaining to most of these taxpayers was more than the turnover declared by the taxpayers in their CMP-08 for composition levy and there may also be a likelihood of short payment of tax.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1ZE) under Margao ward, that the taxpayer was availing composition levy, despite making supplies through e-commerce operator. It was also noticed that the turnover of ₹ 0.47 crore as declared by the e-commerce operators in their GSTR-8 returns for the year 2020-21 (August 2020-March 2021) was more than the turnover of ₹ 0.18 crore declared by the taxpayer in his CMP-08 returns for the year 2020-21, for composition levy.

On this being pointed out (August 2023), the Department replied (September 2024) that ASMT-10 had been issued (13/10/2023). Further progress in this regard was awaited (September 2024).

(xiii) Under-declaration of taxable supplies by comparing TDS returns

TDS and TCS details are declared in GSTR-7 and GSTR-8 respectively and communicated to the registered person in Table 9 of GSTR-2A. Cases where the taxable value declared on account of outward taxable supplies (other than zero rated, nil rated and exempted) in GSTR-3B were less than the net amount liable for TCS and TDS credit as per Table 9 of GSTR-2A, have been identified.

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1ZP) under Panaji Ward, that suppression of taxable value amounting to ₹ 23.97 crore was identified through TDS declaration for the year 2020-21, as the taxable value of outward supplies (other than zero rated, nil rated and exempted), amounting to ₹ 0.24 crore, declared in his GSTR-3B returns for the year 2020-21, was less than the net amount of ₹ 24.22²¹ crore, liable for

²¹ ₹ 48,43,535.50 X 100/2 = ₹ 24,21,76,775

TDS credit, as per Table 9 of GSTR-2A, for the year 2020-21. Since the taxpayer may have made other supplies also which do not necessitate TDS recovery, the Department may examine in detail all such cases to rule out any loss of revenue.

On this being pointed out (August 2023), the Department replied (September 2024) that the case was selected for assessment u/s 65 of the GGST Act. Further progress in this regard was awaited (September 2024).

2.2.7.4 Analysis of causative factors

Considering the Department's response to the 286 identified data deviations/inconsistencies, the factors that caused the data deviations/inconsistencies are as follows:

A. Deviations from GST law and rules-accepted or action initiated by Department

Out of the 286 deviations where replies were received, the Department has issued demand orders or recovered the amount in 54 cases. Further, the Department issued show cause notices in 25 cases, initiated action or issued notice conveying discrepancies to the taxpayer in form ASMT-10 in 32 cases.

An illustrative case is given below:

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1Z1) under Panaji ward, that there was a mismatch amounting to ₹ 0.15 lakh, ₹ 2.27 crore and ₹ 0.01 crore between the tax payable as per the books of accounts and the tax paid as per annual returns (Table 9R of GSTR-9C) for the period 2018-19, 2019-20 and 2020-21 respectively.

On this being pointed out (August 2023), the Department replied (September 2024) that for the year 2018-19, the difference of ₹ 0.15 lakh was due to excess tax paid for the year 2017-18, which was adjusted during the year 2018-19. For the year 2019-20, DRC-01 had been issued. The case for the year 2020-21 shall be verified and the outcome shall be intimated to the Audit.

Further progress in this regard was awaited (September 2024).

B. Cases where department's reply was not tenable

Out of the 286 compliance deviations to which the Department had replied, replies in 11 cases amounting to ₹ 39.35 crore were not tenable.

An illustrative case is given below:

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1ZZ) under Margao ward, that the ITC available as per GSTR-2A (with all its amendments) was ₹ 12.62 crore and ₹ 15.83 crore for the year 2018-19 and

2020-21 respectively and ITC availed in GSTR-3B in Table 4A (5) including 4(D) (blocked credits) and ITC availed during subsequent period from Table 8C of GSTR-9 was ₹ 18.98 crore and ₹ 19.32 crore for the years 2018-19 and 2020-21 respectively. This resulted in mismatch of ITC availed amounting to ₹ 6.36 crore and ₹ 3.49 crore for the year 2018-19 and 2019-20 respectively.

On this being pointed out (September 2023), the Department replied (September 2024) that for the year 2018-19, ITC of ₹ 5.70 crore towards SEZ imports, ₹ 0.06 crore towards ITC-RCM paid and ₹ 0.20 crore towards ISD credit were received, which were not reflected in the GSTR-2A. And for wrongly availed ITC of ₹ 0.42 crore, DRC-07 had been issued (25/04/2024). The case records of the taxpayer were under verification for the year 2020-21.

The reply is not tenable as the ITC mismatch arrived at by Audit excluded the ITC under RCM, ITC from ISD credit and ITC from SEZ imports, as only ITC under Table 4A(5) of GSTR-3B was considered. The Department needs to re-examine the case and issue the notice accordingly.

The case for the year 2020-21 was under verification. Further progress in this regard was awaited (September 2024).

C. Data entry errors by taxpayers

Out of 286 cases where Department's reply was received, in five cases, the Department intimated that mismatches were due to data entry error which did not have any revenue implication.

An illustrative case is given below:

Audit observed in the case of a taxpayer (GSTIN: 30XXXXXXXXXX1Z1) under Ponda ward, that the tax paid under RCM as reported in Table 4G of GSTR-9 was ₹ 0.29 crore for the year 2019-20 while the ITC availed declared in Table 6C+6D+6F of GSTR-9 was ₹ 5.14 crore for the year 2019-20. This resulted in short payment of tax under RCM amounting to ₹ 4.85 crore for the year 2019-20.

On this being pointed out (August 2023), the Department replied (September 2024) that the deviation is due to the fact that the amount as stated in GSTR-9, Table 6F (₹ 4.85 crore) was erroneously shown under Import of services instead of Import of goods under Table 6E. The taxpayer was informed and the taxpayer had filed statement of IGST credit availed on import of goods along with bill of entry number. Further it was stated that the above error was also clarified in GSTR-9C.

2.2.8 Detailed audit of GST returns

Apart from identifying inconsistencies/deviations in GST returns through data analysis, detailed audit of GST returns was also conducted as part of

this SSCA. A risk-based and parameter-based sample of 15 taxpayers²² were selected. The methodology adopted was to initially conduct a desk review of GST returns and financial statements filed by taxpayers as part of GSTR-9C and other records available in the back-end system to identify potential risk areas, inconsistencies/deviations and red flags and then accessing taxpayers' records through wards for evaluation of tax compliance. Audit identified the risks related to excess availment of ITC and undischarged tax liability and non or short payment of interest for detailed examination. On the ITC dimension, the mismatches were identified by comparing GSTR-2A, GSTR-3B with and GSTR-9. On the tax liability dimension, the mismatches were identified by comparing GSTR-3B with GSTR-1 and GSTR-9 and for non or short payment of interest, interest was calculated on account of delay in filing of GSTR-3B, delayed payment of tax *vide* DRC-03, interest on tax payable on account of non-receipt of goods sent for job work and interest on reversal of excess ITC utilised.

2.2.8.1 Scope limitation (non-production of records)

Based on desk review results, audit requisitioned corresponding granular records of taxpayers such as financial statements, invoices (outward and inward supplies), stock accounts of purchases, *etc.* to evaluate compliance by taxpayers.

However, in 14 out of 15 cases, the Department did not produce the corresponding granular records and in one case²³, produced only partial records. The case-wise listing of non-production is given in **Appendix 2.7**. The matter was brought to the notice (November to December 2023) of the Department by Audit. In response, the Department stated (September 2024) that all the records were called for under Section 151 of the GGST Act, 2017 in respect of 15 selected taxpayers and were made available to the audit. The reply of the Department is not correct as records were either not produced during the audit or produced partially on later dates.

Thus, due to non-production of records, audit was constrained in the conduct of the detailed audit of deviations relating to discharge of tax liability and availment of ITC. These deviations, noticed from the returns filed by the taxpayers are reported as 'Mismatch', in **paragraphs 2.2.8.3(i), 2.2.8.4(i) and 2.2.8.4 (ii)**.

²² Panaji (8), Margao (3), Mapusa (1), Vasco (2) and Ponda (1)

²³ Mapusa Ward

2.2.8.2 Filing of returns

(i) Non/short payment of interest on account of delayed filing of GSTR-3B returns

Section 50 (1) and (2) of GGST Act, 2017, provides that every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed²⁴, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding eighteen *per cent*, as may be notified by the Government on the recommendations of the Council.

The extent of non/short payment of interest on account of delayed remittance of tax during 2018-19 to 2020-21 was identified using the tax paid details and the date of filing of the GSTR-3B. Only the net tax liability (cash component) was considered to work out the interest payable.

Audit observed that in two cases, constituting 13.33 *per cent* of the 15 selected cases, taxpayers had filed their GSTR-3B returns with a delay ranging from 01 day to 184 days. However, the interest liability of ₹ 0.85 lakh for delayed filing of returns was not discharged/short-discharged as detailed in **Appendix 2.8**. On being pointed out (October to December 2023), the department stated that interest had been recovered from both the taxpayers.

An illustrative case is featured below:

A taxpayer (GSTIN: 30XXXXXXXXXX1ZD), under Panaji ward had filed his GSTR-3B returns for the period 2018-19 to 2020-21 with a delay ranging from 01 day to 36 days and paid the tax dues by debiting the electronic credit and cash ledger. However, interest amounting to ₹ 0.76 lakh was not paid by the taxpayer.

On this being pointed out (October 2023), the Department stated (September 2024) that the taxpayer had paid (December 2023) the interest and furnished the DRC-03.

(ii) Non-payment of interest on delayed payment of additional tax liability (DRC-03)

The extent of non-payment of interest on account of delayed payment of tax was identified using the tax paid *vide* DRC-03 after filing GSTR-3B and GSTR-9. Only the tax paid with delay by debiting electronic cash ledger was considered to work out the interest payable.

Audit observed from the annual return of the taxpayer (GSTIN: 30XXXXXXXXXX4ZG) under Panaji ward that the taxpayer declared his

²⁴ 20th day of succeeding month

tax liability (excluding tax liability under RCM) of ₹ 1.31 crore in Table 5N of GSTR-9 for the year 2018-19, whereas tax liability of only ₹ 1.20 crore was discharged by debiting his electronic ledgers (₹ 0.72 crore from electronic credit ledger and ₹ 0.48 crore from electronic cash ledger). Further, the differential amount of tax amounting to ₹ 0.11 crore was paid by the taxpayer by debiting electronic cash ledger *vide* DRC-03 dated 23/12/2020 after a delay of 609 days (*i.e.* from 23/04/2019 to 22/12/2020). Though the taxpayer was liable to pay interest on the delayed payment of tax as required under section cited *supra*, no interest was paid. The amount of interest payable worked out to ₹ 0.03²⁵ crore.

On this being pointed out (November 2023), the Department stated (September 2024) that the observation will be verified and outcome would be intimated. Further progress in this regard was awaited (October 2024).

(iii) Short payment of tax liability and non-payment of interest on non-receipt of goods sent for job work

As per Sub-section (1) of Section 143 of GGST Act, 2017 a registered person (referred to as the “principal”) may under intimation and subject to such conditions as may be prescribed, send any inputs or capital goods, without payment of tax, to a job worker for job work and from there subsequently send to another job worker.

As per Sub-section (3) of Section 143 of GGST Act, 2017 read with Rule 45(4) of GGST Rules, 2017 where the inputs sent for job work are not received back by the principal after completion of job work or are not supplied from the place of business of the job worker within a period of one year of their being sent out, it shall be deemed that such inputs had been supplied by the principal to the job worker on the day when the said inputs were sent out and the principal shall be liable to pay the tax along with applicable interest. Further, as per Rule 45(3) of GGST Rule 2017, the details of challans in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another during a quarter shall be included in Form GST ITC-04 furnished for that period on or before the twenty-fifth day of the month succeeding the said quarter.

Audit scrutiny of ITC-04 returns filed by one taxpayer (GSTIN: 30XXXXXXXXXX1ZR) under Margao ward revealed that the taxpayer sent goods to job worker during 2018-19 to 2020-21. However, details of goods returned such as challan number, date, quantity and taxable value, was not mentioned in ITC-04.

Audit sought (October 2023) challan wise receipt of goods from the STO, Margao. The STO, Margao, furnished (October 2023) the copy of representation filed by the taxpayer in response to audit observation where

²⁵ ₹ 0.11 crore X 18 *per cent* X (609/365) = ₹ 0.03 crore

the copy of taxpayer's representation (May 2021) to the Commissioner of State Tax (CST) for extension of timeline for inputs which were not received in time from the job workers and the order (June 2023) of the CST, dismissing the extension sought by the taxpayer. The CST, *vide* the said order, instructed the taxpayer to discharge the tax liability arising from the supply of inputs from the respective dates, when goods were sent for job work. In compliance with the said instruction, the taxpayer discharged ₹ 12.45 lakh for the F.Y. 2019-20 and 2020-21 *vide* two DRC-03 dated 07/07/2023.

Audit further observed (December 2023) that the taxpayer did not discharge the tax liability of ₹ 3.78 lakh for F.Y. 2018-19 and did not discharge interest liability amounting to ₹ 9.40 lakh on account of delay in receipt of goods from job worker for the F.Y. 2018-19 to 2020-21.

On this being pointed out (December 2023), the Department stated (September 2024) that the taxpayer discharged the tax liability of ₹ 3.78 lakh through DRC-03 dated 28/12/2023, and interest liability of ₹ 9.40 lakh *vide* DRC-03 dated 22/12/2023.

(iv) Non-payment of interest on reversal of excess ITC utilised

As per Section 50 (3) of the GGST Act, 2017 a taxable person who makes an undue or excess claim of input tax credit under sub-Section (10) of Section 42 or undue or excess reduction in output tax liability under Sub-section (10) of Section 43, shall pay interest²⁶ on such undue or excess claim or on such undue or excess reduction, as the case may be. Section 128A of GGST Act, 2017 provides for waiver of interest or penalty or both relating to demands raised under Section 73 for the period from 01 July 2017 to 31 March 2020, subject to filing of request by the taxpayer and verification of the same by the tax officer.

Audit observed (November 2023) from scrutiny of electronic credit ledger of one taxpayer (GSTIN: 30XXXXXXXXXX1Z4) under Vasco ward, that the taxpayer for the period 2018-19 and 2019-20 made voluntary payment of ₹ 59.12 lakh and ₹ 19.11 lakh for the F.Y. 2018-19 and 2019-20 respectively through DRC-03 dated 29/07/2021 on account of excess utilisation of ITC.

The taxpayer reversed only the excess utilised ITC and did not pay the interest payable at the applicable rate on the excess ITC utilised that was reversed belatedly, as required under Section cited *supra*.

Audit sought (November 2023) month-wise details of availment and utilisation of ITC which was reversed *vide* the above-mentioned DRC-03,

²⁶ As per notification dated 08 June 2022, rate of interest was revised from 24 *per cent* to 18 *per cent* with retrospective effect from 01 July 2017.

in order to ascertain the adequacy of ITC reversal made by the taxpayer. Records were however not provided.

The interest liable to be recovered from the taxpayer worked out to ₹ 28.51 lakh.

On this being pointed out (November 2023), the Department stated (September 2024) that with insertion of Section 128A in Central Goods and Service Tax Act, which provides for the waiver of interest and penalty in respect of F.Y. 2017-18, 2018-19 and 2019-2020, the taxpayer was not liable to pay interest.

The reply is not acceptable as Goa circular No. 31/2024-25-GST dated 01 November 2024 envisages that waiver of interest under Section 128A is available only if demand is raised under Section 73 of GGST Act, 2017 and thereafter, request of waiving off of interest is submitted by the taxpayer in form SPL-01, which is subject to verification by the tax officer. Since the procedure for waiving off interest was not followed, the undischarged liability of interest of ₹ 28.51 lakh stood recoverable from the taxpayer.

2.2.8.3 Utilisation of ITC

Input Tax Credit (ITC) refers to the Goods and Services Tax (GST) paid by a taxable person on purchase of goods and/or services that are used in the course or furtherance of business. To avoid the cascading effect of taxes, credit of taxes paid on inward supplies can be used to set-off for payment of taxes on outward supplies.

GSTR-2A is a purchase related dynamic return that is automatically generated for each business by the GST portal, whereas GSTR-3B is a monthly return in which summary of outward supplies along with ITC declared and payment of tax are self-declared by the taxpayer.

(i) Mismatch in ITC availment

Audit analysed GSTR-2A returns of the selected taxpayers along with GSTR-3B, GSTR-9 and GSTR-9C returns filed by the taxpayers and noticed mismatches between ITC availed and ITC available under RCM, ISD, import of goods and all other ITC claimed in the returns. However, facts and figures of the returns could not be ascertained due to non-production of granular records like purchase invoices, purchase register and suppliers' ledger, ISD invoices, bills of entries, etc. The details of mismatches of ITC noticed in returns are enumerated in **Table 2.10**.

Table 2.10: Mismatch in ITC claimed by the taxpayers

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
1	Mismatch of ITC between GSTR-2A and GSTR-3B returns: ITC available as per GSTR-2A with all its amendments was compared with the ITC availed in GSTR-3B in Table 4A(5) ²⁷ considering ineligible ITC in Table 4D and including the ITC availed in the subsequent years as per Table 8C of GSTR-9. (APPENDIX 2.9)	12	4	195.61	<p>In one case²⁸, the Department stated (September 2024) that excess availment of ITC of ₹ 1.08 crore is on account of: a) claim of ITC amounting to ₹ 3.78 lakh under other ITC instead of ITC under RCM; b) excess claim of ITC amounting to ₹ 22.26²⁹ lakh and c) Classification error by the Maharashtra branch of the taxpayer as the Maharashtra branch of the taxpayer, instead of treating branch transfer under IGST, erroneously treated the goods as local sales and discharged CGST and SGST to the tune of ₹ 82.34 lakh in the State of Maharashtra, and therefore, it is revenue neutral. However, STO stated (October 2024) that the taxpayer had paid IGST to the tune of ₹ 82.34 lakh to rectify the classification error.</p> <p>At the instance of audit, excess claim of ITC amounting to ₹ 22.26 lakh (December 2023) and ₹ 82.34 lakh (October 2024) on account of classification error have been recovered from the taxpayer.</p> <p>In three cases³⁰, the Department stated (September 2024) that the cases would be verified by the proper officer and the action taken would be intimated to audit.</p> <p>In two cases³¹, the Department stated (September 2024) that for year 2019-20, show cause notice (DRC-01) had been issued under Section 73 of the Act. In response, the taxpayer submitted a reconciliation statement. Reply for the year 2018-19 and 2020-21 was awaited.</p> <p>In one case³², the Department stated (September 2024) that for the year</p>

²⁷ All other ITC

²⁸ Sl. No. 5 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXXXX1ZD)

²⁹ ₹ 22.26 lakh (₹ 108.39 lakh – ₹ 82.35 lakh – ₹ 3.78 lakh)

³⁰ Sl. No. 1, 3 and 6 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXXXX1ZS, 30XXXXXXXXXXXX4ZG and 30XXXXXXXXXXXX1ZY)

³¹ Sl. No. 2 and 4 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXXXX1Z9 and 30XXXXXXXXXXXX1Z2)

³² Sl. No. 7 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXXXX1Z5)

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
					<p>2019-20, the proper officer had issued DRC-07 to the taxpayer. Reply for the year 2018-19 and 2020-21 was awaited.</p> <p>In one case,³³ the Department stated (September 2024) that the audit observation was marked to the proper officer for assessment and adjudication under Section 73 of the Act.</p> <p>In one case³⁴, the Department stated (September 2024) that show cause notice (SCN) in GST DRC-01 for the F.Y. 2019-20 was issued to the taxpayer. As regards F.Y. 2020-21, verification of case records of the taxpayer was under process.</p> <p>In one case³⁵, the Department stated (September 2024) that for F.Y. 2018-19 and 2019-20, the case was scrutinised by the proper officer under Section 61 of GGST Act, 2017 and on verification of returns and compliance submitted by taxpayer, it was observed that ITC claimed in GSTR-3B return was much lower than GSTR-2A. Therefore, the proper officer dropped the proceedings. For F.Y. 2020-21, the Department stated that the case is selected for scrutiny u/s 61 of GGST Act, 2017 and outcome of the same would be informed.</p> <p>The reply of the department for F.Y. 2018-19 and 2019-20 is not acceptable as from the details furnished by the Department for the year 2019-20, it was observed that the proper officer did not adjust ITC under ISD for working out excess availing of ITC. Further progress in the verification for F.Y. 2020-21 was awaited.</p> <p>In one case³⁶, the Department stated (September 2024) that there is no excess availment of ITC. It was further stated that copies of invoices pertaining to 2017-18 claimed in 2018-19 are obtained</p>

³³ Sl. No. 8 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXX1Z8)

³⁴ Sl. No. 9 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXX1ZR)

³⁵ Sl. No. 10 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXX1ZN)

³⁶ Sl. No. 11 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXX2Z1)

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
					<p>and attached. However, documentary evidence was not found attached.</p> <p>In one case³⁷, the Department stated (September 2024) that excess availed ITC had been reversed by the taxpayer. However, documentary evidence was not provided.</p>
2	Mismatch in ITC availed on import of goods: ITC availed in respect of import of goods in Table-6E of GSTR-9 was compared with the ITC available on account of import of goods in GSTR-2A. (APPENDIX 2.10)	4	3	57.97	<p>In one case³⁸, the Department stated (September 2024) that the taxpayer had discharged the cess liability of ₹1.82 crore <i>vide</i> DRC-03, dated 24/05/2024 and IGST credit (import of goods) of ₹ 2.40 lakh pertaining to 2018-19 was availed in 2019-20 and ₹ 9.33 lakh pertained to forward charge credit and inadvertently availed under import of goods. Hence, IGST credit availed under import of goods was not in excess to the IGST credit available in GSTR-2A.</p> <p>The reply for the remaining amount could not be verified as documentary evidence in support of the reply was not furnished.</p> <p>In one case³⁹, the Department stated (September 2024) that DRC-01 u/s 73 of GGST Act, 2017 for the F.Y. 2018-19 and 2019-20 was issued to the taxpayer. In response to the SCN, the taxpayer submitted all the documents for F.Y. 2018-19 and the same had been verified. As regards F.Y. 2020-21, verification of case records of the taxpayer is under process.</p> <p>The reply of the department for the year 2018-19 could not be verified as copies of bill of entries were not furnished in support of the reply. Further progress in verification for F.Y. 2019-20 and 2020-21 along with documentary evidence was awaited.</p> <p>In one case⁴⁰, the Department stated (September 2024) that for F.Y. 2018-19, the case was selected for</p>

³⁷ Sl. No. 12 of APPENDIX 2.9 (GSTIN: 30XXXXXXXXXX1Z4)

³⁸ Sl. No. 1 of (APPENDIX 2.10) (GSTIN: 30XXXXXXXXXX1Z9)

³⁹ Sl. No. 4 of (APPENDIX 2.10) (GSTIN: 30XXXXXXXXXX1ZR)

⁴⁰ Sl. No. 3 of (APPENDIX 2.10) (GSTIN: 30XXXXXXXXXX1ZN)

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
					<p>scrutiny where the proper officer undertook the scrutiny of returns under Section 61 of GGST Act, 2017. It was further stated that the taxpayer submitted a detailed statement of the bill of entries not reflected in GSTR-2A.</p> <p>The reply is not acceptable as audit observation pertained to F.Y. 2020-21, but the department's reply pertained to F.Y. 2018-19.</p> <p>In one case⁴¹, the Department stated (September 2024) that the taxpayer had given reply which would be verified by the proper officer and necessary action would be initiated.</p> <p>Further progress in recovery of undischarged tax was awaited.</p>
3	Mismatch in ITC available and ITC availed as per Table 8D of GSTR-9: Table 8D of GSTR-9 captures the difference between ITC available as per GSTR-2A and that of availed as per GSTR-3B with subsequent period's adjustments. The negative figure in Table-8D of GSTR-9 indicates that ITC is availed in excess over eligible.	1 ⁴²	1	0.18	<p>The Department stated (September 2024) that for F.Y. 2018-19, the taxpayer has reversed wrongly availed ITC of ₹ 15.64 lakh in July 2019 returns and for the balance amount (₹ 1.71 lakh) of excess ITC availed, DRC-07 dated 26/04/2024 had been issued. For F.Y. 2020-21, verification of case records of the taxpayer is under process.</p> <p>The reply could not be verified as the Department did not provide supporting documents. Further progress in verification of excess availed ITC, for the year 2020-21 may also be intimated to audit.</p>
4	Mismatch in ITC availed on ISD: ITC availed in respect of Input Service Distributor in Table 6G of GSTR-9 was compared with the ITC available on account of ISD in GSTR-2A. (APPENDIX 2.11)	8	4	50.26	<p>In three cases⁴³, the Department stated (September 2024) that proper officers had issued DRC-01 for the year 2019-20 and for F.Y. 2020-21, verification is under process. In one⁴⁴ out of three cases, the taxpayer stated that due to technical glitch, ISD credit was not available in GSTR-2A and the taxpayer furnished GSTR-6 and ISD invoices. The proper officer had accepted the taxpayer's reply and dropped the proceedings. However, documentary evidence</p>

⁴¹ Sl. No. 2 of (APPENDIX 2.10) (GSTIN: 30XXXXXXXXXX1ZY)

⁴² GSTIN- 30XXXXXXXXXX1ZP

⁴³ Sl. No. 3, 5 and 6 of APPENDIX 2.11 (GSTIN: 30XXXXXXXXXX4ZG, 30XXXXXXXXXX1ZR and 30XXXXXXXXXX1ZP)

⁴⁴ Sl. No. 3 of APPENDIX 2.11 (GSTIN: 30XXXXXXXXXX4ZG)

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
					<p>for pro-rata distribution of ITC was not provided.</p> <p>In one case⁴⁵, the Department stated (September 2024) that due to technical issues on the GST Portal, ITC amounting to ₹ 392 only was reflecting in Form GSTR-2A for the year 2018-19. It was further stated that the taxpayer submitted ISD invoices amounting to ₹ 50.97 lakh distributed to Goa Branch.</p> <p>However, documentary evidence for pro-rata distribution of ITC was not provided.</p> <p>In one case⁴⁶, the Department furnished the statement of ISD ITC availed in excess and short for the year 2018-19 along with GSTR-6 and tax invoices and stated (September 2024) that the taxpayer had given reply, which would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.</p> <p>The reply for the year 2018-19 could not be verified, as the working of pro-rata distribution of ITC was not provided. Action for the F.Y. 2019-20 and 2020-21 is awaited.</p> <p>In one case⁴⁷, the Department stated (September 2024) that for the year 2019-20, order under Section 73(9) had been issued (August 2024) to the taxpayer.</p> <p>Further progress in recovery of the tax dues for the F.Y. 2018-19, 2019-20 and 2020-21 is awaited.</p> <p>In one case⁴⁸, the Department stated (September 2024) that the difference is on account of the fact that ISD ITC pertaining to year 2017-18 was availed in the wrong head (CGST & SGST) and was reversed in the period April 2018 of the year 2018-19 and correctly availed under IGST for the period April 2018 of the year 2018-19.</p>

⁴⁵ Sl. No. 4 of APPENDIX 2.11 (GSTIN: 30XXXXXXXXXX1Z8)

⁴⁶ Sl. No. 1 of APPENDIX 2.11 (GSTIN: 30XXXXXXXXXX1ZS)

⁴⁷ Sl. No. 2 of APPENDIX 2.11 (GSTIN: 30XXXXXXXXXX1ZK)

⁴⁸ Sl. No. 7 of APPENDIX 2.11 (GSTIN: 30XXXXXXXXXX1ZN)

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
					<p>The reply could not be verified as supporting documents were not provided.</p> <p>In one case⁴⁹, the Department stated (September 2024) that there is no excess availing of ITC under ISD mechanism with regard to IGST credit. However, there is excess availing of ITC under CGST and SGST of ₹ 0.71 lakh each. It was further stated that the taxpayer has paid the same <i>vide</i> DRC-03. However, supporting documents for IGST credit was not provided.</p>
5	<p>Mismatch in ITC availed on RCM: ITC availed under RCM as per Table 6C+6D+6F of GSTR-9 was compared with the tax paid under RCM as per Table-6.1B of GSTR-3B.</p> <p>(APPENDIX 2.12)</p>	3	2	0.22	<p>In two cases⁵⁰, the Department stated (September 2024) that the cases would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.</p> <p>In one case⁵¹, the Department stated (September 2024) that SCN along with GST DRC-01 is issued for the F.Y. 2019-20.</p> <p>Further progress in this regard was awaited.</p>
6	<p>Mismatch in ITC availed between annual return and audited financial statements: Figures in Table 12F of GSTR-9C captures mismatch of ITC availed in annual return (GSTR-9) and audited financial statements (GSTR-9C). Reasons for mismatch in ITC (as per Table 12F of GSTR-9C) were examined.</p> <p>(APPENDIX 2.13)</p>	2	2	3.50	<p>In one case⁵², the Department intimated (September 2024) that order had been issued (August 2024) by the proper officer under Section 73(9) of GGST Act, 2017 for the year 2019-20. Reply for the year 2020-21 was awaited.</p> <p>In the remaining one case⁵³, the Department stated (September 2024) that the taxpayer had already reversed ITC amounting to ₹ 0.50 crore in GSTR-3B for the month of August 2020.</p> <p>The reply was silent about verification of reversal made by the taxpayer and the remaining amount by the Department.</p>

⁴⁹ Sl. No. 8 of APPENDIX 2.11 (GSTIN: 30XXXXXXXXXX2Z1)

⁵⁰ Sl. No. 1 and 2 of APPENDIX 2.12 (GSTIN: 30XXXXXXXXXX1Z9 and 30XXXXXXXXXX1Z2)

⁵¹ Sl. No. 3 of APPENDIX 2.12 (GSTIN: 30XXXXXXXXXX1Z8)

⁵² Sl. No. 1 of APPENDIX 2.13 (GSTIN: 30XXXXXXXXXX1ZK)

⁵³ Sl. No. 2 of APPENDIX 2.13 (GSTIN: 30XXXXXXXXXX2Z1)

(ii) Availment of ineligible ITC

As per Section 16(2) of the GGST Act, 2017 no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless, the tax charged in respect of such supply has been actually paid to the Government.

Section 29(2) of GGST Act, 2017 stipulates that the proper officer may cancel the registration of the person from such date including any retrospective date as he may deem fit for reasons such as, obtaining registration by means of fraud, wilful misstatement or suppression of facts, non-filing of returns for a continuous period of six months, *etc.*

Further, as per Standard Operating Procedure (SOP) regarding scrutiny of returns, issued by the Commissioner of State Tax (June 2023), in case of retrospective cancellation of registration of a supplier, the recipient is not entitled to claim ITC in respect of invoices or debit notes issued after the effective date of cancellation of the registration.

Audit observed in 12 cases (80 *per cent*) out of 15 selected cases that taxpayers had availed ineligible ITC of ₹ 3.88 crore (3,272 invoices), passed on by 234 suppliers, where either supplier had not discharged the tax liability by filing GSTR-3B returns or had issued invoices after effective date of cancellation of his registration, or both, which is detailed in **APPENDIX 2.14.**

On this being pointed out (October to December 2023), the department stated that ITC amounting to ₹ 4.43 lakh was paid along with interest by one taxpayer⁵⁴. In case of two taxpayers⁵⁵, DRC-01 had been issued for the year 2019-20 and for the remaining years verification was awaited. In respect of one⁵⁶ out of these two cases, proper officer had dropped the proceedings for the year 2019-20 after getting reply from the taxpayer, however, no documentary evidence in support of verification had been furnished to audit. In case of two taxpayers⁵⁷, DRC-07 had been issued for the year 2019-20 and for F.Y. 2018-19 and 2020-21 reply was awaited. In case of one taxpayer⁵⁸, DRC-07 had been issued for the year 2018-19 and for the F.Y. 2020-21, case was marked to proper officer for scrutiny and the same is under process. In case of two taxpayers⁵⁹, verification was awaited. In

⁵⁴ Sl. No. 12 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1ZB)

⁵⁵ Sl. No. 4 and 6 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1Z9 and 30XXXXXXXXXX1ZY)

⁵⁶ Sl. No. 6 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1ZY)

⁵⁷ Sl. No. 1 and 7 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX4ZG and 30XXXXXXXXXX1Z5)

⁵⁸ Sl. No. 9 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1Z8)

⁵⁹ Sl. No. 3 and 5 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1Z2 and 30XXXXXXXXXX1ZK)

case of one taxpayer⁶⁰, the case was marked to proper officer for assessment under Section 73 of GGST Act and the same is under process.

In case of one taxpayer⁶¹, the Department stated that the taxpayer had not claimed ITC from one supplier and claimed less ITC than ITC available in GSTR 2A, however, response in respect of other suppliers and documentary evidence in support of the reply had not been furnished to audit. In one case⁶², the Department stated that the purchase invoice is reflecting in GSTR-2A. However, the Department did not consider the non-payment of tax by the supplier. In case of one taxpayer⁶³, it was stated that the taxpayer was selected for scrutiny for the year 2018-19 and taxpayer's reply that payment of tax to the Government is the responsibility of the supplier and ITC cannot be denied to the taxpayer was found acceptable and proceedings were dropped by issuing ASMT-12. The reply is not acceptable as Section 16(2) (c) of the Act requires tax to be paid to the Government for availing ITC. Reply for the years 2019-20 and 2020-21 was awaited.

An illustrative case is featured below:

Audit observed from GSTR-2A returns of the taxpayer (GSTIN:30XXXXXXXXXX1Z9) under Panaji ward that the total ITC for the year 2018-19, 2019-20 and 2020-21, available in GSTR-2A was ₹ 317.62 crore. On further scrutiny of GSTR-2A, it was observed that there were 1,460 invoices against which ITC of ₹ 3.08 crore had been passed on to the taxpayer by 88 suppliers. However, these suppliers had not furnished their GSTR-3B return. Further, ITC of ₹ 0.15 crore was passed on by the supplier to the taxpayer through one invoice issued on 28/01/2021, though the registration of the supplier had been cancelled *w.e.f.* 31/01/2020. Thus, the taxpayer had availed ineligible ITC of ₹ 3.23 crore (₹ 3.08 crore + ₹ 0.15 crore), during the years 2018-19 to 2020-21.

On this being pointed out (October 2023), the Department stated (September 2024) that for the year 2019-20, the proper officer had issued (May 2024) the show cause cum demand notice (DRC-01) under Section 73 of the GGST Act, 2017. In response to the notice, the taxpayer had failed to submit reply or to reverse the ineligible ITC.

Further progress in this regard was awaited (October 2024).

2.2.8.4 Discharge of tax liability

The taxable event in the case of GST is the supply of goods and/or services. Section 9 of the GGST Act is the charging section authorising levy and collection of tax called Central/State Goods and Services Tax on all

⁶⁰ Sl. No. 8 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1ZP)

⁶¹ Sl. No. 2 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1ZD)

⁶² Sl. No. 11 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1Z4)

⁶³ Sl. No. 10 of APPENDIX 2.14 (GSTIN: 30XXXXXXXXXX1ZN)

intra-state supplies of goods or services or both, except on supply of alcoholic liquor for human consumption, on value determined under Section 15 of the Act *ibid* and at such rates not exceeding 20 *per cent* under each Act, *i.e.*, CGST and GGST Act. Section 5 of the IGST vests levy and collection of IGST on *inter-state* supply of goods and services with Central Government with maximum rate of 40 *per cent*. Section 9(4) of the GGST Act and Sections 5(3) and 5(4) of the IGST Act provide for reverse charge levy on certain goods or services, wherein the recipient instead of supplier becomes liable to pay tax.

(i) Mismatch in discharge of tax liability

Audit scrutinised GSTR-1, GSTR-3B and GSTR-9 returns filed by the taxpayers and noticed mismatch between tax liability and payment of tax by comparing the tax liability disclosed by the taxpayers and tax paid. However, facts and figures of the returns could not be verified due to non-production of granular records like invoices for outward supplies, debit and credit notes issued, details of supplies on which tax paid on reverse charge mechanism, documents related to export, exempted supplies *etc*. The details of mismatches of tax liability and tax payment, noticed from returns, are provided in **Table 2.11**.

Table 2.11: Mismatch related to discharge of tax liability

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
1	Mismatch in tax liability and tax payment between returns- tax liability declared in GSTR-1 and GSTR-9 was compared with the tax paid as per GSTR-3B. (APPENDIX 2.15)	6	4	1.39	<p>In three cases⁶⁴, the Department stated (September 2024) that cases would be verified by the proper officer and necessary action would be initiated.</p> <p>In one case,⁶⁵ the Department stated (September 2024) that the taxpayer had accepted and paid the amount ₹ 0.59 lakh <i>vide</i> DRC-03 dated 24/04/2024.</p> <p>In one case⁶⁶, the Department stated (September 2024) that the case was scrutinised under Section 61 of GGST Act, 2017 and on verification of returns and compliance submitted by</p>

⁶⁴ Sl. No. 1, 2 and 3 of APPENDIX 2.15 (GSTIN: 30XXXXXXXXXX1Z9, 30XXXXXXXXXX1ZY and 30XXXXXXXXXX1Z5)

⁶⁵ Sl. No. 6 of APPENDIX 2.15 (GSTIN: 30XXXXXXXXXX1ZB)

⁶⁶ Sl. No. 4 of APPENDIX 2.15 (GSTIN: 30XXXXXXXXXX1ZN)

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
					<p>taxpayer, the proper officer has dropped the proceedings. However, documentary evidence was not provided.</p> <p>In one case⁶⁷, the Department stated (September 2024) that the taxpayer is in construction business and it was exempted under service tax and due to exemption, it was recording revenue on gross basis, <i>i.e.</i> 100 <i>per cent</i> income. With GST introduction, taxpayer recorded the revenue on gross basis and paid the tax thereon and the difference between the taxable gross turnover and the taxable net turnover is on account of change in Law in turnover.</p> <p>The reply could not be verified as RA bills of the relevant period to calculate the turnover had not been furnished to Audit.</p>
2	Mismatch in tax liability under RCM and tax payment between returns (GSTR-3B and GSTR-9) : the tax liability under RCM in Table 3.1(d) of GSTR-3B was compared with the tax liability reported in Table 4G of GSTR-9 and payments made under RCM as per Table 6.1B of GSTR-3B. (APPENDIX 2.16)	2	1	0.08	In both cases, the Department stated (September 2024) that the cases would be verified by the proper officer and necessary action would be initiated.
3	Mismatch in tax liability under RCM and tax payment between returns (GSTR-2A and	2	2	0.23	In case of one taxpayer ⁶⁸ , STO stated that the issue would be verified and intimated to audit.

⁶⁷ Sl. No. 5 of APPENDIX-2.15 GSTIN: 30XXXXXXXXXXXX1Z4)

⁶⁸ Sl. No. 1 of APPENDIX 2.17 (GSTIN: 30XXXXXXXXXXXX1Z2)

Sl. No.	Parameter	No. of cases	No. of Wards	Amount of mismatch (₹ in crore)	Remarks
	GSTR-3B): the tax liability under RCM discharged by the taxpayer in Table 6.1(b) of GSTR-3B was compared with the ITC reflected in GSTR-2A of the taxpayer. (APPENDIX 2.17)				In case of remaining taxpayer ⁶⁹ , the case was scrutinised by the proper officer and thereafter proceedings were dropped considering the taxpayer's reply satisfactory. However, no documentary evidence in support of verification had been furnished to Audit.
4	Mismatch in taxable turnover between annual return and audited financial statement: Negative figure in Table 7G of GSTR-9C captures unreconciled taxable turnover between annual return and audited financial statement. Reasons for taxable turnover (as per Table 7G of GSTR-9C) were examined.	1 ⁷⁰	1	30.90	<p>The Department stated (September 2024) that the taxpayer is in construction business and it was exempted under service tax and due to exemption, it was recording revenue on gross basis, <i>i.e.</i> 100 <i>per cent</i> income. With GST introduction, taxpayer recorded the revenue on gross basis and paid the tax thereon and the difference between the taxable gross turnover and the taxable net turnover is change in Law in turnover. Therefore, the value ₹ 30.90 crore was recorded excessive on account of change in Law.</p> <p>The reply could not be verified as RA bills of the relevant period to calculate the turnover had not been furnished to the audit.</p>

(ii) Understatement of the total turnover by the taxpayer

As per Section 51(1) of GGST Act, 2017 a Department or establishment of the Central Government or State Government, local authority, Governmental agencies or such persons or category of persons as may be notified by the Government on the recommendations of the Council, is required to deduct tax at the rate of one *per cent* from the payment made or credited to the supplier of taxable goods or services or both, where the total value of such supply, under a contract, exceeds two lakh and fifty thousand

⁶⁹ Sl. No. 2 of APPENDIX 2.17 (GSTIN: 30XXXXXXXXXXXX1ZN)

⁷⁰ GSTIN: 30XXXXXXXXXXXX1Z4

rupees. Total taxable turnover of the taxpayer must include the taxable value on which TDS is deducted by the deductor.

Audit observed from the scrutiny of GSTR-2A, GSTR-3B (Monthly Returns) and GSTR-9 (Annual returns) of the taxpayer (GSTIN: 30XXXXXXXXXX1Z4) under Vasco ward for the year 2020-21, that the taxpayer had declared his total turnover in GSTR-9 (Table 5N) of ₹ 277.06 crore, whereas the taxable turnover of the taxpayer as per tax deducted at source (TDS) declared by the deductor, in his GSTR-7 was ₹ 399.90 crore. The amount of TDS declared in GSTR-7 of the deductor, was compared with that of the amount auto-populated in GSTR-2A of the taxpayer and it indicated understatement of total turnover, to the extent of ₹ 122.30 crore (₹ 399.90 crore - ₹ 277.60 crore). In addition to the said understatement of the turnover, the total turnover of the taxpayer may also include other outward supplies such as contracts awarded by non-governmental agencies where deduction of TDS was not required.

Audit called for (November 2023) details of outward supplies effected by the taxpayer for the F.Y. 2020-21 from the ward, but, no information was furnished. In absence of details of outward supplies, audit could not ascertain the total turnover of the taxpayer for the F.Y. 2020-21. Hence, the Department needs to examine all the transactions and not to limit to the amount pointed out by audit. This was communicated to the Department (November 2023).

On this being pointed out (November 2023), the Department stated (September 2024) that the TDS deductor (Ministry of Road Transport and Highways) was required to deduct TDS on taxable value of the supplies, but it had been deducted on invoice value, which led to variation in the turnover reported in GSTR-3B and GSTR-2A (TDS amount). The Department further stated that on verification of records, it was also found that the TDS on gross turnover pertaining to the month March 2020, was deducted in the month of April 2020. The Department had also furnished GSTR-1, GSTR-3B for the month March 2020 and reconciliation of tax liability and TDS deducted. However, supporting documents such as copies of RA bills, invoices, *etc.* of the relevant period to verify deduction of TDS had not been furnished by the Department. The same was awaited (October 2024).

(iii) Non -verification of details of return of goods from Job Worker

As per Sub-section (3) of Section 143 of GGST Act, 2017 where the inputs sent for job work are not received back by the principal after completion of job work within a period of one year of their being sent out, it shall be deemed that such inputs had been supplied by the principal to the job worker on the day when the said inputs were sent out.

Also as per Rule 45(3) of GGST Rules, 2017 the details of challans in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another during a quarter shall be included in Form GST ITC-04 furnished for that period on or before the twenty-fifth day of the month succeeding the said quarter.

Audit observed from the scrutiny of ITC-04, filed by the taxpayer (GSTIN: 30XXXXXXXXXX1ZN) under Ponda ward, that the taxpayer had sent goods for job work during the period 2017-21, however, ITC-04 were not filed or filed with delay, the details of which are given in the **Table 2.12**.

Table 2.12 - Details of Job Work

Financial Year	Period	Taxable Value of the Goods sent for Job work (₹ in crore)	Due date of Return Filing	Date of Return Filing	Delay in months
2017-18	July to September 2017	0.14	25/10/2017	31/12/2017	2
2018-19	ITC- 04 was not available on GSTN Backend Portal				
2019-20	April to June 2019	42.40	25/07/2019	16/08/2021	23
	July to September 2019	49.18	25/10/2019	16/08/2021	20
	October to December 2019	58.20	25/01/2020	16/08/2021	30
	January to March 2020	35.09	25/04/2020	31/08/2021	16
2020-21	April to June 2020	27.67	25/07/2020	31/08/2021	13
	July to September 2020	51.01	25/10/2020	31/08/2021	10
	October to December 2020	39.37	25/01/2021	03/11/2021	9
	January to March 2021	53.13	25/04/2021	03/11/2021	6
Total Taxable Value (₹ in crore)		356.19			

ITC-04 for the F.Y. 2018-19 was not available on the GSTN backend portal because of which audit could not check whether goods sent for job work in the F.Y. 2017-18 were received within the specified time limit. For F.Y. 2017-18, 2019-20 and 2020-21, ITC-04 returns were filed with delay ranging from 02 to 30 months.

Further, scrutiny of ITC-04 filed by the taxpayer revealed that the taxpayer did not mention details of goods (challan number, date, quantity, taxable value, etc.) received back from the different job workers. In the absence of date wise receipt of goods along with challan number, quantity, taxable value, etc., from job workers, audit could not ascertain whether goods worth ₹ 356.19 crore sent for job work were received back within the specified time period or not.

On this being pointed out (November 2023), the Department stated (September 2024) that details from the taxpayer were awaited and further progress of the same would be intimated.

Further progress in this regard was awaited (October 2024).

Recommendation 6: The Department may initiate remedial action for all the compliance deviations brought out in this report before they get time barred.

2.2.9 Summary of recommendations

The Department may:

- ***Ensure timely and proper action and assessment of non-filers for safeguarding government revenue.***
- ***Ensure the initiation and completion of scrutiny of returns for the year 2020-21 in a time bound manner.***
- ***Monitor the status of cancellation of registrations and take timely action in consonance with the statutory provisions to check undischarged tax liabilities.***
- ***Issue instructions for effective utilisation of BIFA and DGARM reports and monitoring thereof.***
- ***Ensure proper follow-up action on cases selected by EIU in a time bound manner, before they are time barred.***
- ***Initiate remedial action for all the compliance deviations brought out in this report before they get time barred.***

Department of Captain of Ports

2.3 Undue favour to contractors in award of contracts on nomination basis

Award of contracts on nomination basis, contravening Government rules and regulations, resulted in undue benefit of ₹ 3.14 crore to the contractors.

General Financial Rules, 2017 (GFR) envisages that every authority delegated with financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy, and transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement (Rule 144 refers). However, Rule 133 and 194 of the GFR allow single-source selection through direct negotiation or nomination in exceptional circumstances, such as emergencies or when the task is a natural extension of previous work by the firm. This provision is contingent upon ensuring that prices remain reasonable and consistent with the market rates for tasks of similar nature. Further, as per Section 3.5.7 of the Manual for Procurement of Works, 2019, if the new tasks seamlessly continue previous work by the firm and considering the relatively small scale of the additional

work in relation to the initial procurement and the reasonableness of pricing, single-source procurement/work can be cost-effective. However, the cost of the additional work should not exceed 25 *per cent* of the original contract value.

The Government of Goa resolved⁷¹ to undertake the desilting of the River Sal from the Telaulim-Varca New Bridge towards downstream upto the mouth of river Sal, in an area of 18 Kilometers (kms) length, 12 Meters (mtrs) width and 3 mtrs depth to facilitate free movement of Vessels. The Captain of Ports Department (CoP) decided to undertake this work in three phases (6.00 kms length in each phase) and two⁷² tenders were floated in June 2020 and June 2021 respectively as discussed below:

Phase 1: Desilting of River Sal from Telaulim – Varca New Bridge towards downstream up to Shatmalley opposite Salt pan (6 kms length, 12 mtrs width and 3 mtrs depth)

CoP prepared an estimate (March 2020) of ₹ 15,38,83,800⁷³ for the above work and tendered the same on 04 June 2020. M/s Vaibhavi Dredging was selected as the lowest bidder at their tendered cost of ₹ 8,46,36,750 (45 *per cent* below the estimated cost). The Work order was issued on 24 November 2020. The work was completed in May 2021 within the stipulated time frame (180 days from the issue of Work order).

In the meantime, on request (January 2021) of the Department (Water Resources, Fisheries & Legal Metrology) and Village Panchayat, Dramapur-Sirlim (March 2021) an additional⁷⁴ dredging work was estimated for ₹ 3,97,94,025 (31 March 2021). The CoP allotted (22 October 2021) the additional work to the same contractor on nomination basis, on grounds of continuation of work in the same area and availability of machinery, enabling immediate commencement and completion of work. The contractor completed the additional work (18 February 2022), and the Department paid (03 March 2022) the final bill of ₹ 3,97,94,025.

⁷¹ Budget speech 2017-18

⁷² (i) Desilting of River Sal from the Telaulim-Varca New Bridge towards downstream upto Shatmalley opposite salt pan in 1st phase within an area of 6 kms in length, 12 mtrs. wide and 3 mtrs. depth, (ii) Desilting of River Sal from the Shatmalley opposite salt pan towards downstream upto Ambelim in 2nd phase, within an area of 6 kms in length, 12 mtrs. wide and 3 mtrs. depth.

⁷³ Quantity desilted (2,16,000 cubic mtrs.) X Rates per cubic mtrs. @ ₹ 525 (₹ 11,34,00,000) + pre & post dredging surveys @ 5 *per cent* (₹ 56,70,000), Mobilisation & Demobilisation @ 10 *per cent* (₹ 1,13,40,000) and GST @ 18 *per cent* (₹ 2,34,73,800)

⁷⁴ Desilt rivulet of river Sal in Dramapur-Sirlim within an area of 2.5 kms in length x 2.3 mtrs. depth x 12.0 mtrs. width.

Phase 2: Desilting of River Sal from the Shatmalley opposite salt pan towards downstream upto Ambelim (6 kms length, 12 mtrs width and 3 mtrs depth)

The CoP prepared identical tender estimates (phase 1) of ₹ 15,38,83,800⁷⁵ for phase 2. The work was e-tendered (21 June 2021) and M/s Western Dredging, Margao, Goa was selected as the lowest bidder at their tendered cost of ₹ 12,47,00,000 (19 *per cent* below the estimated cost). The work order was issued on 02 December 2021. The work was completed in April 2022 within the specified time frame (to be completed within 180 days from the issue of work order).

Subsequently, the Government forwarded (06 May 2022) a note to the CoP along with the resolutions of Chinchinim and Assolna Panchayats, urging urgent desilting of river Sal from Cancnamoddi till Assolna- Chinchinim road due to flood risks.

Accordingly, the CoP prepared an estimate of ₹ 4,46,45,300 (07 June 2022) for the additional work⁷⁶ and awarded the contract (12 September 2022) to the same contractor (M/s Western Dredging) on nomination basis as approved by the Government. As per the Work order, additional work had to be carried out on the same terms and conditions as per the original tendered work. The work was completed in June 2023 and payment of ₹ 4,46,45,300 was made (30 November 2023).

Scrutiny of the above works (09 February 2023) revealed the following irregularities:

1. Additional works were taken up during the execution of original works both in Phase 1 and Phase 2. As per the Manual for Procurement of Works, 2019, the cost of any additional work exceeding 25 *per cent* of the original contract value of the work should undergo a tendering process. The amount of the additional works taken up by the CoP amounted to 47⁷⁷ *per cent* and 36⁷⁸ *per cent* of the original works in Phase 1 and 2 respectively. Hence, the works should have been tendered instead of being awarded on nomination basis.
2. Further, audit observed that the contracts were granted under the stipulation that the terms and conditions of the original projects must be adhered to, and no additional cost towards mobilization and demobilization of de-silting machinery would be involved on the plea

⁷⁵ Quantity desilted (2,16,000 cubic mtrs.) X Rates per cubic mtrs. @ ₹525 (₹ 11,34,00,000) + pre & post dredging surveys @ 5 *per cent* (₹ 56,70,000), Mobilisation & Demobilisation @ 10 *per cent* (₹ 1,13,40,000) and GST @ 18 *per cent* (₹ 2,34,73,800)

⁷⁶ Desilting/dredging and cleaning of Assolna river, a tributary of river Sal within an area of 4.70 kms in length, 10 mtrs. wide and 1.4 mtrs. depth.

⁷⁷ ₹ 3,97,94,025 X 100/₹ 8,46,36,750

⁷⁸ ₹ 4,46,45,300X 100/₹ 12,47,00,000

that such machinery was already available at site. Given that the initial tenders were awarded at prices *45 per cent* and *19 per cent* below the estimated costs, the same principle should have been applied to the additional work. However, this procedure was not followed, and additional work was awarded without applying the *45 per cent* and *19 per cent* reduction from the estimated cost and additionally, cost of mobilization and demobilization of de-silting machinery was also paid, which resulted in excess payment of ₹ 3.14 crore to the contractor (**Appendix 2.18**).

3. Audit also observed that the tender for Phase 3 of the project contained the same quantities and estimated costs as Phases 1 & 2 and this was awarded (13 December 2022) at *37 per cent* below the estimated cost. Thus, tenders for all the three phases attracted competitive proposals below the estimated cost. The CoP not only opted to award additional works on nomination basis at higher prices than the corresponding cost of the original works, but also did not apply the lower rates quoted by the bidders against the original tenders, though the same terms and conditions were applicable as per the award.

The CoP replied (10 February 2023) that the additional works involved were more challenging tasks and necessitated a different set of machinery. Further, the CoP replied (05 September 2024) that both additional works were awarded on a nomination basis with the approval of the Government. However, the CoP acknowledged that the rates quoted by the tenderers were accepted, and the work orders were issued at those rates.

The reply is not tenable because there was nothing on record at either at the proposal stage or in the additional work estimates, that the additional work was more challenging or required additional machinery. In fact, it was stated during the proposal for the additional works that de-siltation machinery was available at site so the same machineries could be mobilised and the additional works would be awarded under the same terms and conditions as the original work.

Further, the estimates were prepared solely based on the rates quoted by the contractors, without taking into account the rates previously quoted by the same agency in the original tenders and thus, the quoted rates should have been reduced by the same percentage as in the original tender. However, the Captain of Ports failed to apply this reduction.

Thus, the decision of CoP to award the additional works on nomination basis was in contravention of procurement rules. Besides, inability to adhere to the same terms and conditions as applicable to the original works, led to an excess payment of ₹ 3.14 crore made to the Contractors. Beside the objectives of achieving economy, efficiency and transparency in public procurement was not achieved.

Department of Excise

2.4 Short levy of excise duty and health surcharge

Assessing Authority short-levied excise duty of ₹ 59.10 lakh and health surcharge of ₹ 1.18 lakh respectively due to consideration of lower Maximum Retail Price (MRP) slab for liquor manufacturing unit

As per the Government of Goa (GoG) explanation *vide* Notification No.1/1/2008-Fin (R&C), dated 10/11/2008 read with circular dated 25/11/2008, all volumes of packages of foreign liquor/Indian-made foreign liquor and wine whether they are below or above 750 ml packaging, are to be individually converted to the volume of 750 ml for determination of the MRP slab irrespective of their pack size. The highest MRP arrived at, after calculating the same *vis-à-vis* each volume, is to be considered for the determination of MRP slab and levy of excise duty.

Further, the GoG *vide* Notification No.1/2/2020-Fin (R&C)/556 dated 11/05/2020 stipulated that duty on Excise in the form of Health Surcharge at the rate of two *per cent* in addition to the rates of Excise Duty be levied and collected.

During scrutiny (February, 2024) of determination of MRP slab for the liquor product recorded in the labels by a distillery⁷⁹, it was observed that the Assessing Authority (AA) had incorrectly determined lower MRP slab of two different rates of excise duty for two different volumes⁸⁰, though a single rate of excise duty was applicable on the highest MRP derived after conversion of all different volumes to 750 ml products for levy of the excise duty.

Thus, incorrect determination of MRP slab for levy of excise duty during 2021-22 and 2022-23 by the AA resulted in a short levy of excise duty of ₹ 59.10 lakh (as detailed in **Table 2.13**) *plus* health surcharge of ₹ 1.18 lakh⁸¹.

⁷⁹ Agave Industries India Pvt. Ltd (a lessee of M/s Blue Oceans Beverages Ltd.), Goa

⁸⁰ 90 ml and 750 ml

⁸¹ Health surcharge @ two *per cent* of excise duty *i.e.*, two *per cent* x ₹ 59,09,850 = ₹ 1,18,197

Table 2.13: Details of short levy of Excise Duty due to incorrect determination of MRP slab during the period 2021-22 and 2022-23

Name of the brand	Year	MRP (₹)		MRP (₹) after converting to 750 ML	Quantity dispatched in Bulk litre (BL)	Excise Duty levied (₹)	Excise Duty leviable on highest MRP (in ₹)	Short levied duty (₹)	Health surcharge leviable @ 2 per cent of E.D (₹)	
		Volume of packaging (ml)								
Desmondji 51 Agave	2021-22	₹ 115	₹ 675	958	675	18891	2833650	5667300	2833650	56673
		90 ml	750 ml							
	2022-23	₹ 115	₹ 850	958	850	27873	6982650	8361900	1379250	27585
		90 ml	750 ml							
Total								5909850	118197	

Thus, action to recover the short-levied amount of ₹ 60.28 lakh towards Excise Duty and health surcharge from the Manufacturing Unit M/s Agave Industries Pvt. Limited by the department need to be initiated.

The matter was referred to the Government (02 April, 2024); their reply was awaited (January, 2025).

2.5 Short levy of License fee from the hoteliers

Short levy of license fee of ₹ 33.59⁸² lakh from hoteliers due to incorrect identification of category of hotels

Under Section 13(A) of the Goa Excise Duty Act, 1964 the Government levies fee in consideration of grant of license under the Act for retail sale of liquor on its licensed premises. The license fee is levied based on “Category of Hotels viz; A/B/C” as classified by the Department of Tourism (DoT), Government of Goa (GoG) and “Star” status classified by the Ministry of Tourism, Government of India (GoI).

Further, Rule 122 of the Goa, Daman and Diu (Excise Duty) Rules, 1964 provides for levy of additional amount at the rate of two *per cent* per month for delay in payment of short-levied license fee.

Scrutiny of records (December 2023 and February 2024) of license fee levied on category hotels during audit period (2019-20 to 2022-23) for the offices of the Excise Stations: Pernem and Margao revealed short levy of license fee due to incorrect identification of category “B/C” and Star status

⁸² ₹ 19.60 lakh + ₹ 13.99 lakh = ₹ 33.59 lakh

of hotels, amounting to ₹ 19.60 lakh which is recoverable along with leviable interest of ₹ 13.99 lakh from 22 hoteliers as detailed below in the **Table 2.14**:

Table 2.14: Short levy of License Fee due to incorrect categorization/misclassification of Hotels by the Excise Stations Pernem and Margao during 2019-20 to 2022-23

Name of Taluka Excise Station	No. of hoteliers	Category/Star status of hotels	Short Levy (in ₹)	Interest leviable as per Rule 122 (in ₹)	Particulars
Excise Station, Pernem	5	B	367594	311395	APPENDIX 2.20A
Excise Station, Pernem and Margao	16	C	1096983	800486	APPENDIX 2.20B
Excise Station, Margao	1	5 Star	495000	287100	APPENDIX 2.20C
Total	22	-	1959577	1398981	

Thus, the excise stations failed to verify the correctness of the category of the hotels which resulted in short levy of license fees of ₹ 33.59 lakh (including interest at the rate of two *per cent* per month of delay in payment of license fee) during the period 2019-20 to 2022-23.

The short-levied license fees in the 22 cases above needs to be reviewed and the amount recovered on priority in the interest of Government revenue. Further, the Department may consider putting in place necessary internal controls for identification of the correct category of hotels to avoid the recurrence of such lapses and to plug in the leakage of revenue in future.

The matter was referred to the Government (April, 2024); their reply was awaited (January, 2025).

2.6 Short levy of license fee

Short levy of license fee of ₹ 10.39 lakh due to incorrect application of rate for levy of license fee from bar/bar-cum-restaurant in 'A' class municipality

As per Govt. of Goa (GoG) Notification No. 1/2/2018-Fin (R&C) dated 21 March 2018, higher license fee was applicable for 'A' class municipality in comparison to 'B' class municipality for grant of excise license for retail sale of Indian Made Foreign Liquor (IMFL), Country Liquor (CL) and Foreign Liquor (FL) for consumption on premises. The Government *vide* notification mentioned *ibid*; designated Mapusa municipality as an 'A' class municipality. The rates of renewal of license fee of IMFL/CL and FL license for bar/bar-cum-restaurant in 'A' and 'B' class municipality applicable during 2018-19 to 2022-23 were as given in **Table 2.15**.

Table 2.15: Details of annual fee

Type of license	Annual fee for IMFL (₹)		Annual fee for FL (₹)	
	‘A’ class municipality	‘B’ class municipality	‘A’ class municipality	‘B’ class municipality
Bar/bar-cum-restaurant to which air conditioning facility is not available/not provided	15000	9000	6000	4500
Bar/bar-cum-restaurant to which air conditioning facility is available/provided	30000	19000	6000	4500

(Source: Data provided by the Department)

Further, Rule 122 of Goa Daman and Diu (Excise Duty) Rules, 1964 empowers the Department to levy additional amount equivalent to two *per cent* of such license fee for each month of delay on grounds of non-payment of any annual license fee in prescribed time.

During scrutiny of records of license fees levied by the office of Excise Station, Mapusa, during 2018-19 to 2022-23, Audit identified 39 cases where the rate applicable to ‘B’ class municipality was levied instead of the rate applicable to ‘A’ class municipality for the years 2018-19 to 2020-21. However, correct license fee as applicable to ‘A’ class municipality was levied for the years 2021-22 and 2022-23 in these 39 cases. The short-levied license fees in these 39 cases amounted to ₹ 10,39,482 (including interest) as detailed in **Appendix 2.21**.

On being pointed out (03 January, 2023), the Excise Inspector accepted the Audit observation and stated that notices would be issued for recovery of short-levied amount of the license fees. As the cases pointed out are illustrative and not exhaustive, the Department may therefore consider carrying out a detailed scrutiny of similar cases and effect recovery in such cases where license fee was short levied.

The matter was referred to the Government (04 April, 2024); their reply was awaited (January, 2025).

CHAPTER III

**Public Sector Undertakings
and Government
Commercial & Trading
Activities**

CHAPTER III

Public Sector Undertakings and Government Commercial & Trading Activities

3.1 Functioning of State Public Sector Undertakings

3.1.1 Introduction

There were 16¹ State Public Sector Undertakings (PSUs) as on 31 March 2023 in sectors other than Power Sector². These State PSUs were incorporated during the period between 1965 and 2016 and included 14 Government Companies and two Statutory Corporations, *i.e.*, Goa Industrial Development Corporation and Goa Information Technology Development Corporation. The Government Companies included one active subsidiary company (*i.e.*, Goa Electronics Limited) of EDC Limited. The State Government provides financial support to the State PSUs in the form of equity, loans and grants/subsidy from time to time. Of the 16 State PSUs, the State Government invested funds in all except in Goa Electronics Limited. Audit comments on the accounts of the State PSUs have been incorporated in the Audit Report on State Finances for the year 2022-23 separately.

3.1.2 Coverage of this chapter

This chapter contains the result of performance audit and compliance audit on the functioning of the State PSUs, Electricity Department and River Navigation Department. For the Report of the Comptroller and Auditor General of India for the period ended 31 March 2023, one Subject Specific Compliance Audit on Loan Management of EDC Ltd., and four compliance audit paragraphs were issued to the Secretary concerned with a request to furnish replies within four weeks. The replies were awaited from the State Government (January 2025). The total financial impact of these performance audit and compliance audit paragraphs is ₹ 165.87 crore.

3.1.3 Lack of responsiveness of Government to Audit

Inspection reports outstanding

The Accountant General (AG) arranges to conduct periodical inspections of PSUs, auditable units under the Electricity Department and River Navigation Department to test-check their transactions. The AG also verifies the maintenance of important accounting and other records as per prescribed rules and procedures. These are followed up with inspection

¹ Excluding one new State PSU *viz.*, Goa State Minorities Finance & Development Corporation Limited added in June 2023.

² The State Government's Electricity Department executes the functions of power purchase, distribution and maintenance.

reports (IRs) which are issued to the heads of the PSUs inspected with copies to the Administrative departments. Half yearly reports of pending IRs are sent to the Secretaries of the concerned departments, to facilitate monitoring of the action taken on the audit observations included in these IRs.

As of June 2023, 127 IRs (639 paragraphs) were outstanding for want of compliance from the PSUs, Electricity Department and River Navigation Department. Details of IRs and paragraphs outstanding are given in **Table 3.1**.

Table 3.1: Details of IRs and paragraphs outstanding

(Figures in number)

Name of PSU/Department	June-2021		June-2022		June-2023	
	IRs	Paras	IRs	Paras	IRs	Paras
EDCL	06	29	07	22	04	16
GSIDCL	04	23	05	29	06	36
GAAL	01	04	01	04	01	04
GSSTFDCL	01	07	01	07	01	07
GEL	02	04	02	02	01	01
GFDCL	04	15	04	15	04	15
GSSCOBCFDCL	02	19	03	16	03	16
GHRSSIDCL	01	08	01	08	01	08
GSHCL	04	18	04	11	04	06
ITCGL	05	31	05	31	05	30
SIDCGL	03	10	03	07	02	04
GTDCL	04	18	05	22	05	22
KTCL	01	09	02	16	02	16
GIDC	09	95	10	104	10	98
GITDC	01	02	01	02	01	02
Electricity Department	76	365	74	336	69	311
River Navigation Department	06	37	06	37	08	47
Total	130	694	134	669	127	639

(Source: Compiled from Audit records)

3.1.4 Follow-up action on Audit Reports

Replies outstanding

The Report of the Comptroller and Auditor General of India is a product of audit scrutiny and it is imperative that they elicit appropriate and timely response from the executive. All the Administrative departments of PSUs are required to submit explanatory notes indicating the corrective/remedial action taken or proposed to be taken on paragraphs and performance audits (PA) included in the Audit Reports. The Finance Department, Government of Goa issues every year, instructions to all Administrative departments to submit replies/explanatory notes on paragraphs/PAs within a period of three months of presentation of the respective Audit Reports to the Legislature, in the prescribed format without waiting for any questionnaire from the Committee on Public Undertakings (COPU). The status of explanatory notes not received as on 31 March 2024 is given in **Table 3.2**.

Table 3.2: Position of explanatory notes not received (as on 31 March 2024)
(Figures in number)

Year of the Audit Report (PSU) ³	Date of placement of Audit Report in the State Legislature	Total Performance Audits (PAs) and Paragraphs in the Audit Report		Number of PAs/ Paragraphs for which explanatory notes were not received	
		PAs	Paragraphs	PAs	Paragraphs
2015-16	07/08/2017	1	1	0	1
2018-19	29/01/2021	1	1	0	1
Total		2	2	0	2

(Source: Compiled based on explanatory notes received from respective departments)

One explanatory note each from Sewerage and Infrastructural Development Corporation of Goa Limited and Goa Electricity Department are pending for submission.

Discussion of Audit Reports by COPU

The status of discussion, of Performance Audits and Paragraphs, relating to Economic Sector that appeared in Audit Report, by the Committee on Public Undertakings (COPU) as on 31 March 2024 is given in **Table 3.3**.

Table 3.3: PAs and Paragraphs appeared in Audit Reports vis-à-vis discussed as of 31 March 2024

(Figures in number)

Year of the Audit Report (PSU)	Number of PAs/Paragraphs			
	Appeared in Audit Report		Discussed by COPU	
	PAs	Paragraphs	PAs	Paragraphs
2016-17	0	4	0	4
2017-18	1	1	1	1
2018-19	1	1	1	0
2019-20	0	2	0	1
2020-21	0	0	0	0
Total	2	8	2	6

(Source: Compiled based on the discussions of COPU on the Audit Reports)

Compliance to Reports of COPU

Action Taken Notes (ATNs) on five reports of the COPU presented to the State Legislature in February 2011, December 2017, January 2019⁴ and January 2021 are awaited (March 2024) as indicated in **Table 3.4**.

Table 3.4: Compliance to COPU Reports

Year of the COPU Report	Total number of COPU Reports	Total number of recommendations in COPU Reports	Number of recommendations where ATNs were not received
2009-11	1	4	4
2014-15	1	8	8
2017-18	1	6	6

³ Explanatory Notes for the AR 2016-17, 2017-18 and 2019-20 have been received, however, there is no Audit Paragraph for this chapter in the AR 2020-21. The AR for 2021-22 was placed in the Legislature on 08/08/2025.

⁴ Two COPU Reports in 2018-19.

Year of the COPU Report	Total number of COPU Reports	Total number of recommendations in COPU Reports	Number of recommendations where ATNs were not received
2018-19	2	12	12
2019-20	1	4	4

(Source: Compiled based on recommendations of COPU)

These Reports of COPU contained recommendations in respect of paragraphs which appeared in the Audit Report of the CAG of India for the year 2003-04, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 respectively.

Recommendation 1: The State Government may ensure that replies to Paragraphs/Performance Audits and ATNs on the recommendations of COPU are furnished as per the prescribed time schedule.

Finance Department

3.2 Subject Specific Compliance Audit on Loan Management of EDC Limited (2018-23)

EDC Ltd. (EDC) is a Non-Banking Financial Company (NBFC), set up by the Govt. of Goa with the main objective of providing financial assistance to entrepreneurs (MSMEs⁵). The activities of loan management of EDC for the period 2018-19 to 2022-23 was audited to assess whether the sanction and disbursement of loans were in accordance with the prescribed guidelines, the process of recovery of dues were in accordance with the mandate to minimize waivers and whether EDC effectively discharged its role and fulfilled its mandate pertaining to loan management.

Scrutiny of loan sanctions and disbursements revealed deficiencies in loan appraisals and loan security, resulting in lower interest rates being charged on loans. Further, the interest rates were not reviewed periodically by the Board as was required by the Standard Operating Procedure (SOP), and selective borrowers were offered interest rate reductions.

Scrutiny of One Time Settlement (OTS) cases revealed non-compliance with the conditions of OTS scheme resulting in higher principal waivers extended to selective defaulters.

The recovery from the defaulters of written-off loans was adversely impacted due to lack of follow-up action required to be taken by EDC despite favourable court verdicts and in some defaults, due to non-filing of court cases thereby delaying their resolution.

⁵ Micro, Small and Medium Enterprises

The data of defaulters were not accurately reported to Credit Information Companies (CICs like CIBIL) which also weakened the recovery process.

Audit observed the absence of long term corporate business planning with a vision to drive the business direction in EDC resulting in a continuous decline in the loan portfolio. The annual profits of ₹ 250 crore (during the audit period) were retained by EDC without any realistic plan for its deployment in furtherance of the core mandate of lending to MSMEs.

3.2.1 Introduction

EDC Ltd. (EDC) was incorporated on 12 March 1975, and has been registered⁶ as a Non-Banking Financial Company (NBFC)⁷ with Reserve Bank of India (RBI) and classified as NBFC-ND-SI (Non-Deposit taking Systemically Important). It was notified as a financial institution in January 1993 and provisions of Sections 29, 30 and 31 of the State Financial Corporations Act⁸, 1951 were made applicable. The main objectives of EDC are as follows:

- To carry on the business of a financial institution by providing financial assistance to entrepreneurs (MSMEs⁹).
- To act as an agent for the disbursement of various schemes, incentive, and benefits on behalf of the Government.

As on 31 March 2023, EDC had an equity capital of ₹ 100.92 crore held by Government of Goa (GoG) (85.42 *per cent*), IDBI Bank Ltd., (11.42 *per cent*) and Administration of Daman and Diu (3.16 *per cent*).

3.2.2 Organisational set-up

The Board of Directors¹⁰ (Board) is the policy making body while their execution is through the Managing Director (MD). The organizational chart of EDC is depicted in **Appendix 3.1**.

⁶ *Vide* Certificate of Registration N-13.02341 dated 22 May 2019

⁷ A company engaged in the business of loans and advances but not offering banking services of demand deposits, self-cheques, *etc.*, and does not form part of the payment and settlement system of banks.

⁸ To facilitate efficient handling of loan defaults through takeover of the unit, recall of loans and other reliefs.

⁹ Micro, Small and Medium Enterprises; involving maximum investment in Plant and Machinery upto ₹ 50 crore and turnover upto ₹ 250 crore

¹⁰ Chairman, Vice-Chairman, Finance Secretary or his nominee, six Directors nominated by Government, nominee of IDBI and Managing Director (*vide* GoG Notification No. 470 of 31 October 2018)

3.2.3 EDC's loan products - An overview and its position as on 31 March 2023

EDC extends financial assistance under various loan schemes *i.e.*, term loans, Government loan, Government funded schemes¹¹, personal loans, subsidy¹² and staff loans. The loan schemes are explained in detail in **Appendix 3.2**.

The loan portfolio as on 31 March 2023 is detailed in **Table 3.5**.

Table 3.5: Details of loan book position as on 31 March 2023

Sl. No.	Name of loan scheme	Short name	Net Advances as on 31 March 2023 (₹ in crore)	Loan Accounts
1	Loan assistance to State Government agencies	Government Loan ¹³ (Govt.)	225.43	7 ¹⁴
2	Financial assistance against mortgage of immovable properties	Term Loan ¹⁵	21.66	5
3	Loan assistance for Construction Projects		12.01	4
4	Term Loan assistance to Qualified Professionals		1.77	9
5	Composite Loan Scheme for EDC Clients with good track record		62.85	17
6	General Term Loan Scheme		57.32	43
7	EDC Credit Support Scheme		5.36	10
8	Personal Loan Scheme	Personal Loan	56.50	580
9	Chief Minister's Rojgar Yojana	CMRY	23.93	2215
10	EDC Employees Staff Loan	Staff Loan	1.13	27
11	Goa Tribal's Employment Generation Programme	GTEGP	0.00	Govt. Scheme ¹⁶
Total			467.96	2917

(Source: Data collected from EDC's records)

3.2.4 Funding

The loans are primarily financed through own funds (Equity and Reserves & Surplus¹⁷). EDC also utilized the Government deposits parked with EDC and availed bank loan/overdraft where needed. Details of loans outstanding *vis-à-vis* own funds of five years from 2018-19 to 2022-23 is given in **Table 3.6**.

¹¹ Chief Minister's Rojgar Yojana, Goa Tribal's Employment Generation Programme

¹² Modified Interest Rebate Scheme (A scheme of interest subsidy from Government to borrowers through EDC)

¹³ Loan to Government agencies, PSUs and Departments

¹⁴ Goa Education Development Corporation-₹ 2.44 crore; GSIDC-₹ 151 crore; SIDCGL- ₹ 71.99 crore

¹⁵ Financial assistance against mortgage of immovable property, Loan assistance for Construction Projects, Term Loan assistance to Qualified Professional, Composite Loan scheme for EDC Clients with good track record, General Term Loan scheme and EDC Credit support scheme (during COVID-19 pandemic period)

¹⁶ GTEGP scheme is implemented by EDC but is entirely funded by Government of Goa.

¹⁷ Comprising of accumulated profits

Table 3.6: Details of loan portfolio vis-à-vis Own funds (2018-19 to 2022-23)
(₹ in crore)

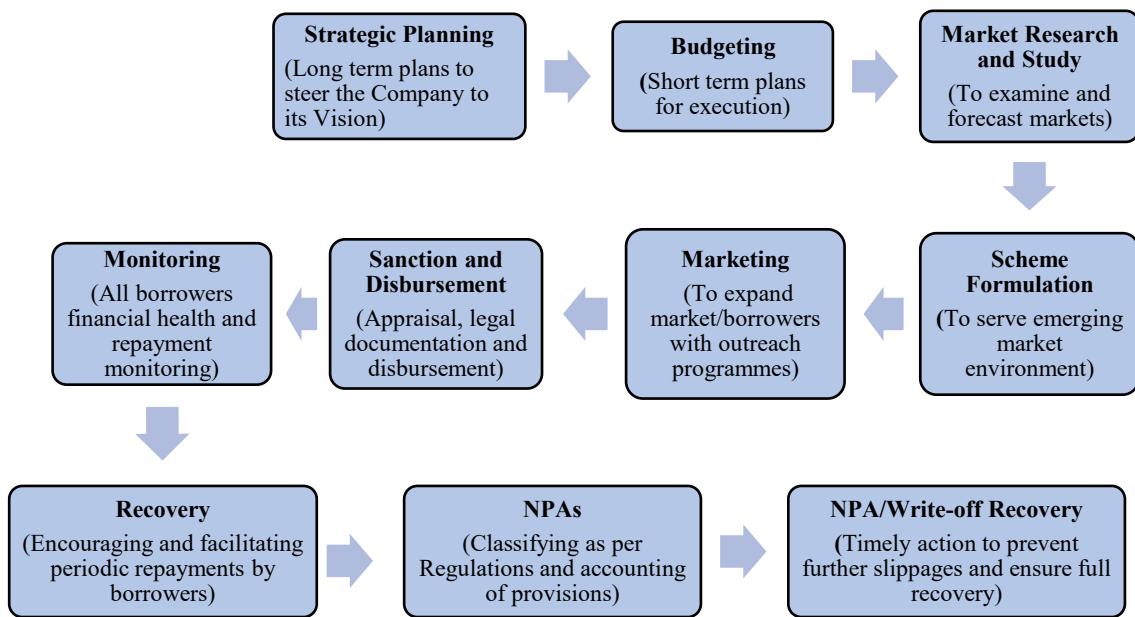
Year	Loan portfolio	Equity (A)	Reserves & Surplus (B)	Own funds (C=A+B)
2018-19	850.53	100.92	426.76	527.68
2019-20	752.47	100.92	452.11	553.03
2020-21	645.05	100.92	522.48	623.40
2021-22	540.28	100.92	591.80	692.72
2022-23	467.96	100.92	648.67	744.97

(Source: Financial Statements and party-wise loan data of EDC)

3.2.5 Loan management at a glance

The activities under loan management are depicted in **Chart 3.1**.

Chart 3.1: Activities under loan management



The above activities under loan management were examined in the audit. The step-by-step process of lending is explained in **Appendix 3.3**.

3.2.6 Audit objectives

The audit of loan management of EDC was carried out with a view to assess whether:

- the sanction and disbursement of loans were in accordance with the prescribed guidelines.
- the process of recovery of dues (NPAs and written-off loans) were in accordance with the EDC's mandate to minimize waivers.
- EDC effectively discharged its role and fulfilled its mandate pertaining to the loan management.

3.2.7 Scope and methodology

The present audit covers the loan management of EDC during the period 2018-19 to 2022-23 by way of sampling¹⁸ 30 cases each from amongst 106 loan sanctions, 156 OTS closures and 106 write-off/NPA accounts as detailed in the **Table 3.7**. This covered all term loans¹⁹ and Government loans comprising of 82.57²⁰ *per cent* of the EDC's loan portfolio. The CMRY and Personal loans were excluded for audit (due to their lower proportion²¹) though their overall statistics and business contribution is covered in the report.

Table 3.7: Details of sample selected

	Types of Cases	Particulars (in ₹)	Total cases	Sampling (per cent)	Cases selected for scrutiny
A.	Loans Sanctioned (Total 106 cases; ₹ 818.90 crore)	0 to 4.99 crore	85	10	9
		5 crore to 9.99 crore	12	100	12
		10 crore & above	9	100	9
B.	One Time Settlement (Total 156 cases; waiver of ₹ 80.53 crore)	0 to 49.99 lakh	129	10	13
		50 lakh to 1.99 crore	20	50	10
		2 crore & above	7	100	7
C.	NPA & Write-off cases (Total 99 cases; with principal write-off being ₹ 57.72 crore)	-	-	-	-
		NPA	upto 3.55 crore	7	100
		Write-off cases	0 to 99.99 lakh	59	10
			1 crore to 4.99 crore	30	24
			5 crore & above	10	100

The audit objectives were discussed with EDC during the Entry Conference held on 14 August 2023. The findings were discussed in the exit conference held on 29 May 2024 with Principal Secretary (Finance) and the views expressed during the exit conference have been included along with Government's replies, wherever necessary.

Audit findings

3.2.8 Sanctions and disbursements of loans

The first objective of audit was to assess whether the sanction and disbursement of loans were in accordance with the prescribed guidelines. Audit noticed that the appraisal process was deficient, the nature/title of security was defective in some cases, the interest rates were not reviewed

¹⁸ Through 'Stratified Random Sampling'

¹⁹ All loans excluding staff loan, personal loan & CMRY loan.

²⁰ ₹ 386.40 crore (Infrastructure ₹ 225.43 crore plus Term Loan ₹ 160.97 crore) / ₹ 467.96 crore (Loan book)

²¹ CMRY and staff/personal loans constituted only 5.11 *per cent* (₹ 23.93 crore out of ₹ 467.96 crore) and 12.32 *per cent* (₹ 57.62 crore out of ₹ 467.96 crore) respectively of EDC's loan book.

periodically and selective interest rate reductions were offered. Detailed audit findings are discussed in succeeding paragraphs (3.2.8.1 to 3.2.8.3).

3.2.8.1 Incorrect appraisal (credit rating process) resulting in grant of loans at lower interest rates

EDC evaluated the loan applications based on 19 parameters like management factors, industry risk, financial risk, *etc.*, as outlined in clause (h) of para 2.3 and Annexure 2.3 B of Standard Operating Procedures (SOP). The interest rate applicable was determined by the marks obtained in such credit rating. In four loan accounts out of 30, excess marks were awarded in credit rating causing loss of interest revenue of ₹ 1.03²² crore (Case wise details are provided in **Appendix 3.4**) as mentioned in **Table 3.8** below.

Table 3.8: Details of excess marks awarded in credit rating

Sl. No.	Name of the borrower	Loan amount sanctioned	Marks awarded by EDC	Marks to be awarded	Excess marks awarded	Interest charged	Interest chargeable
1	Healthway Hospitals P. Ltd.	₹ 25 crore	73	53	20 (for operational experience)	11.50 <i>per cent</i>	12.50 <i>per cent</i>
2	Adwalgalkar Healthcare P. Ltd.	₹ 5 crore	69	49	20 (for operational experience)	11.00 <i>per cent</i>	12.50 <i>per cent</i>
3	Livom P. Ltd.	₹ 7 crore	66	51	15 (for operational experience)	11.00 <i>per cent</i>	12.50 <i>per cent</i>
4	Mepra Medicaments P. Ltd.	₹ 7 crore	60	52	8 (six marks in management factors, two marks in financial factors)	11.50 <i>per cent</i>	12.50 <i>per cent</i>

(Source: Scrutiny of loan appraisal file)

On the above being pointed out, EDC replied (December 2023) that higher marks were awarded for the applicant's good repayment history with other banks among other reasons offered which were not correct due to awarding marks twice for good track record as detailed in **Appendix 3.4** with rebuttal thereto.

²² Interest from January 2019 to March 2022 being ₹ 8.86 crore @ 11.50 *per cent* [(8.86 crore/11.50) = ₹ 77.05 lakh] and from April 2022 being ₹ 2.42 crore @ 9.50 *per cent* [(2.42 crore /9.5) = ₹ 25.52 lakh] = ₹ 1.03 crore

3.2.8.2 Sanction of loan with defective/insufficient security

For every term loan, the scheme documents and clause (B) (iv) of para 2.2 and clause (iii) of Guiding rule II of the SOP manual prescribed that security in the form of immovable non-agricultural property may be reckoned as security (primary/additional/collateral) of value equivalent or more to the loan sanctioned. It also states that only non-agricultural land with clear title and ‘Conversion Sanad²³’ was to be considered as security for the loans. In three loans (involving two borrowers) out of 30, the security offered was found to be ineligible and had defective title to cover the principal amount as detailed in **Table 3.9** and in **Appendix 3.5**.

Table 3.9: Details of loans with shortfall in security

Sl. No.	Name of borrower	Sanction amount and date (A)	Security considered by EDC (B)	Value of eligible security as per SOP (C)	Shortfall of security amount (A-C=D)
1	Alcon Constructions (Goa) P. Ltd. (ALCON)	₹ 16 crore; 26 October 2021	₹ 45.04 crore • Industrial Land: ₹ 4.69 crore (13,400m ² X ₹ 3,500/m ²) • Agricultural Land: ₹ 15.40 crore (1,28,300m ² X ₹ 1,200/m ²) • Project Building: ₹ 6.45 crore • Associate's ²⁴ Hotel: ₹ 18.50 crore	₹ 12.24 crore • Industrial Land: ₹ 2.71 crore (13,400m ² X ₹ 2,020/m ²) • Agricultural Land: ₹ 3.08 crore (1,28,300m ² X ₹ 240/m ²) • Building: ₹ 6.45 crore • Associate's Hotel: Nil (due to ongoing loan of Associate)	₹ 3.76 crore
2	DRK Ventures LLP (DRK)	₹ 30 crore; 05 November 2019	₹ 179.41 crore • Land: ₹ 19.81 crore. • Building: ₹ 16.15 crore • Associate's ²⁵ Land & Building: ₹ 143.45 crore	₹ 16.15 crore • Land: Nil (defective title) • Building: ₹ 16.15 crore • Land & Building: Nil (unapproved by Associate)	₹ 18.85 crore
3		₹ 5 crore; 26 May 2021			

In case of loan to ALCON, 1.28 lakh m² of ‘agricultural garden land’ was reckoned as security and valued at a higher rate S1(settlement rate) of ₹ 1,200/m² instead of valuing it at agricultural land rate²⁶ of ₹ 240/m². Moreover, the said agricultural land was a ‘no development slope’ in an

²³ The conversion of use of land from agriculture to non-agriculture purpose.
(Source: GoG website)

²⁴ ALCON Hotels (Goa) P. Ltd.; Loan a/c no. 00006106 - ₹ 10 crore

²⁵ Kamat Construction and Resorts P. Ltd.

²⁶ Minimum base rate of agricultural land (80 per cent of base rate of ₹ 1,200/m²)

ecologically sensitive area (ECO-1) as per Land Use Plan document of 2021 and should not have been considered as security for a commercial loan. Also, the property of an associate²⁷ valued at ₹ 18.50 crore was incorrectly considered as additional security though it was already reckoned as security in another loan.

In respect of loan to DRK, the land (primary security) valued at ₹ 19.81 crore offered as security was without a clear title²⁸. Further, an additional security of an associate²⁹ valued at ₹ 143.45 crore was considered without obtaining due confirmation from the associate borrower entity.

EDC replied that the deviations from SOP were in exercise of their discretion among other reasons offered which were incorrect due to higher valuation and defective title of collateral security as detailed in **Appendix 3.5** with rebuttal thereto. Government further stated (July 2024) that the audit recommendation shall be reviewed by the Board for appropriate changes.

Recommendation 2: EDC may implement measures to strengthen the appraisal process, including the adoption of more robust credit rating metrics. Additionally, it may ensure that loans are backed by effective security, with clear titles and free from encumbrances.

3.2.8.3 Loss of revenue of ₹ 118.39 lakh due to irregular and selective reduction of the interest rate on term loans

Clause (B) (vii) of Para 2.2 of SOP manual prescribed that the lending rates to be charged by EDC is determined after periodical review of all important metrics³⁰. This lending rate is applied to all small loans (up to ₹ 50 lakh), while for larger loans, the additional interest is charged (up to three *per cent*) based on the credit rating exercise. All the term loans are eligible for annual interest subsidy by the Government up to nine *per cent* under MIRS³¹ scheme. So, the effective cost to the borrowers of EDC is reduced by the extent of the subsidy. The lending rate during the audit period was 10.50 *per cent* till July 2021 and was revised downwards to 9.50 *per cent* thereafter.

²⁷ ALCON Hotels (Goa) P. Ltd.; TL account no. 00006106 - ₹ 10 crore

²⁸ As the land was not registered in the name of the borrower as per the Title investigation report.

²⁹ Kamat Construction and Resorts P. Ltd.

³⁰ Prevalent bank rates for MSME lending, cost of funding, FD interest rates, liquidity position, prevalent interest subsidy to borrowers, RBI's indicative rates, etc.

³¹ Modified Interest Rebate Scheme (MIRS): All the term loans are eligible for interest subsidy (upto nine *per cent*) from Government of Goa by way of two *per cent* subsidy for Women entrepreneurs, additional two *per cent* subsidy for Goan entrepreneurs and an additional five *per cent* subsidy for units located in backward talukas.

Clause 3(i) in the special terms and conditions of term loans, as well as Paragraph "I" in loan agreements, clearly stipulated that the term loan would carry interest as determined by the credit rating exercise or such higher rate as decided periodically. EDC revised³² (July 2021) its lending rates from 10.50 *per cent* to 9.50 *per cent* with effect from 01 July 2021 for new borrowers.

Audit observed that EDC irregularly reduced the interest rate (between 1.00-2.50 *per cent*) for five (out of 30 sampled) ongoing term loan accounts upon requests from borrowers citing lower rates being offered by private banks and general inflationary pressures on their costs. Such selective and out-of-turn interest rate reduction for a few borrowers was not fair and also vitiated the provisions of loan agreement and resulted in a revenue loss of ₹ 118.39 lakh until 31 March 2023 as indicated in **Table 3.10** with detailed explanation of each case in **Appendix 3.6**.

Table 3.10: Details of irregular reduction of interest rate after signing of loan agreement

Sl. No.	Borrower	Loan Amount (₹) interest rate and disbursement date	Revised Interest rate and effective date	Reduction in interest	Difference (in ₹)
1	Healthway Hospitals P. Ltd. (01120901)	25 crore @ 11.50 <i>per cent</i> from 28 February 2019	9.50 <i>per cent</i> 01 April 2022	2.00 <i>per cent</i>	41,51,123 ³³
2	Armacar Holdings P. Ltd. (01136601)	12 crore @ 11.00 <i>per cent</i> from 30 August 2019	9.50 <i>per cent</i> 01 July 2021	1.50 <i>per cent</i>	24,35,021 ³⁴
3	Raj Housing Development P. Ltd. (01160601)	13.35 crore @ 13.50 <i>per cent</i> from 07 January 2020	11 <i>per cent</i> 01 July 2022	2.50 <i>per cent</i>	19,26,950 ³⁵
4	DRK Ventures LLP (01156701)	30 crore @ 10.50 <i>per cent</i> from 06 February 2020	9.50 <i>per cent</i> 01 April 2022	1.00 <i>per cent</i>	28,24,348 ³⁶
5	DRK Ventures LLP (01156702)	5 crore @ 10.50 <i>per cent</i> from 15 July 2021	9.50 <i>per cent</i> 01 April 2022	1.00 <i>per cent</i>	5,01,550 ³⁷
Total					1,18,38,992

Clause 3 of Guiding rule -II of SOP manual prescribed review of lending rates based on the market conditions once every six months. However, EDC reviewed its lending rates only twice (06 March 2020 and 02 July 2021) and revised the rate once (02 July 2021). A periodical review of all important metrics and timely adjustment of lending rate was essential in ensuring new business (new loans off-take) as well as optimizing interest revenue. Though RBI had raised its policy rates six

³² *Vide* BM-383/Item-3/Resolution-5378 dated 02 July 2021

³³ Loss of interest: ₹ 1,97,17,835 X (11.50-9.50)/9.50 = ₹ 41,51,123

³⁴ Loss of interest: ₹ 1,54,21,800 X (11.00-9.50)/9.50 = ₹ 24,35,021

³⁵ Loss of interest: ₹ 84,78,579 X (13.50-11.00)/11.00 = ₹ 19,26,950

³⁶ Loss of interest: ₹ 2,68,31,306 X (10.50-9.50)/9.50 = ₹ 28,24,348

³⁷ Loss of interest: ₹ 47,64,731X (10.50-9.50)/9.50 = ₹ 5,01,550

times in the one year period (from REPO³⁸ rate of 4.00 *per cent* in April 2022 to 6.50 *per cent* in February 2023), EDC did not increase its rates or review the key metrics. Matching every counteroffer from private entities and lowering the interest rate posed a serious financial risk to EDC, as it was not in the practice of monitoring and emulating every competitive move of banks during upward rate revisions.

EDC replied (November 2023) that considering the audit observations, the future interest rates have been linked to RBI REPO rate to avoid selective reductions. Further, EDC clarified that (i) the interest rate was reduced for some borrowers considering the threat of almost 50 *per cent* borrowers shifting to private banks like the three borrowers³⁹; and (ii) the reduction of interest rate for some borrowers was as per the revised credit rating.

The reply is not correct as (i) the borrowers had contracted for the determined rate of interest reckoning interest subsidy; (ii) the interest rate derived in the loan appraisal was applicable⁴⁰; and (iii) not a single borrower had, citing higher rates, shifted away from EDC by relinquishing the Government subsidy (the three examples cited by EDC pertained to defaulters who were ineligible for any interest subsidy).

The Government further replied (July 2024) that (i) the interest was reduced considering lower rates offered by banks and (ii) the audit recommendation shall be reviewed by the Board for appropriate changes. The fact remained that the interest rate increase was not effected from April 2022 till December 2023 and the interest rate reduction was done selectively to few borrowers.

Thus, the interest rates were not reviewed periodically by the Board and selective borrowers were offered interest rate reductions.

Recommendation 3: EDC may ensure timely review of interest rates as per extant policy and avoid selective interest rate reductions.

3.2.9 Process of recovery of loans from defaulters

The second objective of audit was to assess whether the process of recovery of dues was in accordance with the mandate to minimize waivers. Excessive principal waivers were noticed in the OTS settlements while the written-off loans were not pursued despite favourable court orders as detailed in succeeding **paragraphs (3.2.9.1 and 3.2.9.2)**.

³⁸ RBI's 'Repurchase Option' rate at which banks borrow from RBI

³⁹ LINC Infra Engineering P. Ltd. - ₹ 1.44 crore; Shaun Filaments - ₹ 5.78 crore; Pryto P. Ltd. - ₹ 72.05 lakh

⁴⁰ Para 2.2 pertaining to Financial norms and Guidelines for processing of Term loan applications under (B) Financing parameters, Pg 45 of SOP manual.

3.2.9.1 One-Time Settlement (OTS) scheme

During the audit period, 156 defaulted loans were settled under the following three OTS schemes:

- (i) Special One-Time Settlement Scheme (SOTS)⁴¹ of 2017 (22 loans accounts sampled out of 143).
- (ii) EDC Loan Compromise Settlement Guidelines (ELCSG)⁴² of 2015 (7 loans accounts sampled out of 11).
- (iii) Special One-Time Settlement Scheme under barge portfolio (OTS Barge)⁴³ of 2015 (one loan account sampled out of two).

(i) Special One-Time Settlement Scheme

In order to reduce the administrative overheads on chronic NPA Accounts⁴⁴, EDC formulated a Special OTS scheme for the loan portfolio with disbursement up to ₹ 15 lakh which was extended⁴⁵ further to all outstanding term loans upto ₹ 15 lakh (principal outstanding) as on 31 March 2019. There were three categories in the Special OTS Scheme to determine the settlement value as detailed in **Table 3.11** below:

Table 3.11: Details of category wise settlement for term loans upto ₹ 15 lakh as per the OTS scheme 2017

Term loan category	Settlement amount payable
Disbursements from 01/04/1997 to 31/03/2002 (More than 15 years & upto 20 years)	Entire principal (disbursed amount) <i>less</i> gross repayments made towards principal, interest, <i>etc.</i>
Disbursements from 01/04/1992 to 31/03/1997 (More than 20 years & upto 25 years)	75 <i>per cent</i> of entire principal (disbursed amount) <i>less</i> gross repayments made towards principal, interest, <i>etc.</i>
Disbursements prior to 01/04/1992 (More than 25 years)	50 <i>per cent</i> of entire principal (disbursed amount) <i>less</i> gross repayments made towards principal, interest, <i>etc.</i>

Audit observed that five loan accounts were incorrectly settled under the Special OTS scheme (due to incorrect categorization of defaulters) with excess waiver of ₹ 8.60 lakh as detailed in **Appendix 3.7**.

EDC stated (December 2023) that the age of the loan on the settlement date was considered for categorization (instead of the prescribed categorization) and also that the interest tax and other expenses were not

⁴¹ A Special One-time Settlement Scheme approved by the Board in July 2017 for settlement of loans upto ₹ 15 lakh in which applicants get full waiver of interest and also some Principal waiver based on the age of loans.

⁴² The OTS scheme “EDC Loan Compromise Settlement Guidelines (ELCSG)”, approved by the Board in August 2015 *vide* resolution no. 4739 for settlement of loans disbursed prior to 01 April 2012.

⁴³ “Special OTS Scheme of EDC Ltd. for all NPA accounts under Barge Portfolio” for its nine barge loan accounts approved (15 January 2015) by GoG, with the scheme validity up to 31 March 2015.

⁴⁴ NPA loans that, despite efforts to resolve them, have continued to remain in default status for various reasons like litigation, structural business problems, sectoral issues, Government’s policy changes, *etc.*

⁴⁵ *Vide* resolution No. 5152 BM 366 dated 03 June 2019

recoverable due to the interest waiver. However, this response is not correct as the defaulters were eligible for a principal waiver (25/50 *per cent*) at the time of the formulation of the Special OTS scheme (2017) and EDC's reckoning of the age of the loan on the date of settlement instead of the age on the date of the SOTS scheme actually enhanced the waivers for those defaulters who delayed settling the loan. Consequently, the defaulters were incentivized with higher principal waivers as the loan aged due to delayed settlement. All other expenses incurred by EDC including interest tax were also recoverable as seen in all other⁴⁶ OTS cases. Thus, five loans out of 22 were settled under SOTS scheme with an excess waiver of ₹ 8.60 lakh to the defaulters.

(ii) Special OTS Scheme under barge portfolio

EDC formulated “Special OTS Scheme of EDC Ltd. for all NPA accounts under Barge Portfolio” as per the scheme⁴⁷ notified by GoG to provide debt relief to mining affected borrowers. It was approved (15 January 2015) by GoG, with the scheme validity up to 31 March 2015. The defaulters (those classified as NPA as on 30 September 2014) had to apply for the scheme with a down payment of 10 *per cent* of outstanding principal amount for a settlement as per the scheme’s formula⁴⁸. The scheme provided for interest waiver from 01 October 2012. The defaulters had to pay in one lump sum within 90 days without any interest. In case of an extension of time for settlement, the borrower was to pay at least 50 *per cent* of the settlement amount within the normal period of 90 days and the balance amount in three monthly instalments together with simple interest at the applicable rate.

In respect of the barge loan of ₹ 2.67 crore availed (April 2009) by Domrine Shipping Company P. Ltd. (DSCPL), the loan account was classified as NPA on 30 September 2014 with total outstanding dues of ₹ 2.87 crore⁴⁹. The OTS amount worked out to ₹ 2.10 crore⁵⁰ *plus* applicable expenses. DSCPL, without applying for OTS with down payment of ₹ 19.45 lakh (10 *per cent* of ₹ 1.95 crore as per the scheme), demanded principal waivers of 50⁵¹/30⁵² *per cent*, etc., over and above the

⁴⁶ M/s Sharvani Service Centre, M/s Bhagwati Food products, United Springs, etc.

⁴⁷ All truck/barge loan borrowers were eligible for Government subsidy of 35 *per cent* (upto a maximum of ₹ 35 lakh) on the settlement amount offered by respective financial institutions as per their own policies.

⁴⁸ Principal balance *plus* interest dues as on 30 September 2012 *plus* outstanding expenses till the date of settlement

⁴⁹ Principal ₹ 1.95 crore *plus* Interest ₹ 0.90 crore *plus* expenses ₹ 0.02 crore = ₹ 2.87 crore.

⁵⁰ Principal of ₹ 1.95 crore *plus* Interest dues of ₹ 0.15 crore as on 30 September 2012 = ₹ 2.10 crore

⁵¹ *Vide* request letter dt. 25 January 2016 and responded by EDC on 17 February 2016 with refusal of waiver.

⁵² *Vide* request letter dt. 30 March 2016 and responded by EDC on 11 April 2016 with refusal of waiver.

prescribed interest waiver (from 01 October 2012) and 35 *per cent* subsidy due from the Government. DSCPL's request for additional principal waivers were rejected in February and April 2016 respectively by EDC citing absence of provision for additional waivers in the special OTS scheme for the barge sector as approved by GoG. Thereafter, upon referral (30 July 2018) by EDC of the matter of additional waiver in respect of DSCPL to Government, the GoG turned down the request for further waiver in January 2019.

As DSCPL did not settle the dues, EDCL went ahead with legal process for recovery of the amount and also secured⁵³ (13 December 2018) the possession of the barge (principal security) by enforcing the provisions under SARFAESI⁵⁴ Act, 2002. Although DSCPL resorted to litigation, the High Court's verdict (19 July 2019) was in favour of EDC. Despite the favourable court verdict and the possession of attached primary security and five⁵⁵ immovable properties as additional security, EDC's Board decided (28 August 2019) once again to review its rejection of the principal waiver and sought approval of GoG for an additional 30 *per cent* principal waiver of ₹ 58.35 lakh⁵⁶ to DSCPL. GoG, in turn, without agreeing to the additional principal waiver asked EDC Board to decide appropriately on the matter. On 17 January 2020, the Board, citing the prevalent practice of principal waiver by nationalized banks, decided to extend an additional 30 *per cent* principal waiver amounting to ₹ 58.35 lakh to DSCPL. The revised OTS offer of ₹ 1.58 crore⁵⁷ *plus* expenses (instead of ₹ 2.10 crore *plus* expenses as per the scheme) was made to DSCPL (23 January 2020) which was promptly accepted (February 2020) and the dues were remitted in September 2020.

Allowing the OTS to DSCPL after a lapse of five years and with an additional 30 *per cent* principal waiver of ₹ 58.35 lakh was unfair to other borrowers who promptly availed the scheme and complied with all the conditions. Further, DSCPL was not charged interest of ₹ 0.88⁵⁸ crore from April 2015 to December 2019 though it was charged in the other case of Kothari Overseas P. Ltd.

⁵³ *Vide* 'Order of Attachment' issued by the O/o The Mamatdar of Mormugao Taluka dt. 27 November 2018

⁵⁴ Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act

⁵⁵ One plot of 330 m², one flat 90 m² at Taleigao, Panaji and three residential flats in Mormugao

⁵⁶ Principal - ₹ 1.95 crore X 30 *per cent* additional waiver = ₹ 58,35,000

⁵⁷ Principal - ₹ 1,36,15,000 *plus* Interest - ₹ 15,25,836 *plus* Expenses - ₹ 6,69,457 = ₹ 1.58 crore

⁵⁸ ₹ 1.51 crore (Principal *plus* Interest) X 12.50 *per cent* X 12 months (from April 2015 to March 2016) *plus* ₹ 1.46 crore X 12.50 *per cent* X 45 months (from April 2016 to December 2019) = ₹ 0.88 crore

EDC responded (11 October 2023), stating that: (i) the additional waiver of 30 *per cent* of the principal balance was a commercial decision made to settle the loan account, (ii) interest was not to be charged during the period from 01 October 2012 till the date of communication of settlement, (iii) the settlement to be arrived at under the Special OTS Scheme was irrespective of the security available; and (iv) the litigation process was time-consuming. Government replied (July 2024) that the defaulter was continuously insisting on higher waiver like that of the nationalized banks. The responses were not correct as: (i) the deviation from established norms, allowing an exclusive principal waiver, contradicts the principles outlined in the Special OTS Scheme; (ii) the exemption from interest is applicable only when settling within validity period of 31 March 2015. In this case, the defaulter engaged in litigation for five years until 2020, negating eligibility for an interest waiver; (iii) the settlement terms of the Special OTS Scheme did not authorize any additional principal waiver; and (iv) the prolonged litigation was fully resolved with favourable outcomes in all legal forums and the defaulter received unwarranted rewards for non-compliance, evasion, and protracted delays in resolution. In summary, the extra waiver of ₹ 1.46 crore was an unwarranted favour to the defaulter DSCPL.

EDC did not scrupulously adhere to the conditions of OTS scheme and selectively allowed higher principal waivers. The defaulters who delayed their loan settlements were benefitted with disproportionate waivers vis-à-vis the ones who promptly complied with the OTS conditions in a timely manner.

Recommendation 4: EDC may ensure strict adherence to the OTS scheme conditions and optimise the recoveries on defaulted loans without selectively relaxing them for defaulters.

3.2.9.2 NPA and write-off cases

The 106 loan accounts with defaults as on 31 March 2023 comprised of seven Non-Performing Assets (NPA⁵⁹) and 99 written off⁶⁰ loan accounts. Audit observed insufficient pursuit by EDC in 16 out of 23 written-off loans. Delays were noted in concluding an OTS case, inaction despite favourable court verdicts in 10 cases, and non-filing of court cases in five instances as detailed in succeeding paragraphs:

⁵⁹ Loan accounts where defaults have taken place but have not yet been written off from the books of accounts.

⁶⁰ Write-off cases are those where the company, recognizing the high potential of loss, writes off the dues from its books of accounts but continue to pursue the recovery with the defaulters.

3.2.9.2(a) Lower OTS offer (by ₹ 0.98 crore) to defaulter Giovanni & Zibronni Shipping P. Ltd., and non-cancellation of OTS even after its validity period

In July 2008, EDC Ltd. sanctioned a term loan of ₹ four crore to M/s Giovanni & Zibronni Shipping Private Limited (GZSPL) for the acquisition of a 2,200-tonne barge. Despite EDC's security norms requiring principal/collateral security of at least 150 *per cent* of the loan exposure, the actual security obtained was only ₹ 3.25 crore against the mandated ₹ six crore. GZSPL defaulted on payments from the first instalment in 2010, leading to the entire loan being recalled in November 2010. As of June 2012, EDC couldn't recover its loan due to insufficient security, a concern highlighted in the CAG report of 2012 (Para 5.3). Subsequently, the Committee on Public Undertakings in its report⁶¹ pointed to the total lack of responsibility and transparency in disbursement of loan and sought to be apprised of further progress made in its recoveries by EDC. The Action Taken Note on the COPU recommendation is pending (January 2024).

Scrutiny of further progress revealed that EDC sold (2018) the barge (Principal security) for ₹ 1.35 crore and also obtained (17 July 2013) a favourable verdict in its civil miscellaneous application⁶² filed for enforcement of personal guarantee. The enforcement application⁶³ for sale of immovable properties is ongoing (2023) in Court. Meanwhile, the defaulter applied for OTS in January 2020 and was offered a settlement by EDC for ₹ 2.85 crore⁶⁴ as against the prescribed settlement value of ₹ 3.83⁶⁵ crore. However, even though the defaulter accepted the OTS offer, the cheque of ₹ 2.85 crore issued by the defaulter on 22 August 2020 was dishonoured due to insufficient funds. EDC filed criminal cases⁶⁶ u/s 138 of Negotiable Instruments Act which is ongoing.

GZSPL paid only ₹ 25 lakh (February 2021) within the prescribed timeline of one year (by April 2021). EDC allowed⁶⁷ one final opportunity till November 2021 but still could not effect recovery from GZSPL till January 2024. Though the OTS scheme at para 7.f prescribed withdrawal

⁶¹ Nineteenth report of COPU on CAG Report 2011-12 laid on the House on 31 January 2019.

⁶² Case No. CMA/141/2011 filed in District and Sessions Court, South Goa on 24 October 2011.

⁶³ Case No. CMA/11/2014 filed in District and Sessions Court, South Goa in 2014.

⁶⁴ Vide letter no. 1976 dt. 21 April 2020 for ₹ 2,85,10,821; [Outstanding principal of ₹ 2,76,63,101 *plus* other expenses of ₹ 5,49,016 *plus* interest of ₹ 2,98,704 (being 10 *per cent* of total interest of ₹ 29,87,040)] sale proceeds of barge ₹ 1.28 crore

⁶⁵ OTS offer - ₹ 3,82,51,643 [Outstanding principal of ₹ 2,76,63,101 *plus* other expenses of ₹ 5,49,016 *plus* interest of ₹ 1,00,39,526 (being 10 *per cent* of total interest of ₹ 10,03,95,260 as of December 2019)]

⁶⁶ OA 77/2022 and OA 389/2020 in JMFC Court, Panaji

⁶⁷ Vide letter no. 30 dt. 03 November 2021

of offer after the lapse of its validity by adjusting the amount paid against outstanding dues, EDC has neither cancelled the OTS offer nor adjusted the advance payment of ₹ 52⁶⁸ lakh against outstanding dues (January 2024).

EDC, in its response (November 2023) mentioned that the borrower had incurred significant losses and was granted additional time beyond November 2021 to comply and settle. However, this explanation is not acceptable as EDC had not levied the interest amount of ₹ 0.98 crore, as per the OTS scheme for the delay in settling the loan until December 2019. Non-levy of interest and keeping the OTS offer endlessly open from 2020 till date, constituted undue favours to the defaulter and were not in the financial interest of EDC.

3.2.9.2(b) Inaction against 15 defaulters of value ₹ 50.50 crore plus interest

In adherence to the accounting principle of conservatism, EDC had periodically written off of its loans, where the management anticipates prolonged delays in recovery due to litigation or default. Despite the write-offs, recoveries are pursued from defaulting parties till they are conclusively settled by (i) full recovery, (ii) partial recovery (like OTS) or (iii) full waivers (where there are no chances of recovery and all efforts have been exhausted). In respect of ten loan default cases [with gross disbursement of ₹ 16.71 crore (year 1987-2000) and favourable Court/Tribunal orders for pending recovery of ₹ 44.36 crore *plus costs plus interest*], there has been no pursuance for recovery from the defaulters (detailed in **Appendix 3.8**). In respect of five loan default cases (detailed in **Appendix 3.9**) with pending recovery of ₹ 6.14 crore *plus* interest, EDC was yet to file a case in the relevant jurisdiction or identify the personal assets of defaulter to proceed under PMRDA Act, 1986.

Audit did not find evidence of minimal efforts for recovery of written off loans such as visits to known addresses, discreet enquiries with related individuals (neighbours, customers, suppliers), hiring specialist detectives, searching electoral rolls, reporting the defaulters to Credit Information Companies (CICs) like CIBIL, *etc.*

On the above being pointed out, EDC replied (November 2023) that the loans were already written off in March 2007 and March 2008 and hence there was no progress thereafter. The reply was not correct since the loan accounts (despite being written off) were still live for recovery, were yet to be resolved conclusively (by way of recovery/OTS/waiver, *etc.*) and proper documentation of efforts were required to conclude on such loan defaults. Non-pursuance against defaulter in the relevant jurisdiction

⁶⁸ ₹ 27 lakh initial payment and ₹ 25 lakh paid in February 2021

constituted undue favours shown to the defaulters. The Government further stated (July 2024) that the efforts of the Recovery Department may not have been appropriately documented. The fact remained that neither the MD nor the Board was periodically apprised of such cases to enable active oversight by the top management.

EDC did not pursue the defaulters with written off loans by utilizing available legal remedies. The lack of an effective follow-up mechanism also adversely impacted the recovery from defaulters.

Recommendation 5: EDC may formulate an action plan to resolve the defaulted loan accounts conclusively through tracing of defaulters' assets and pursue decree executions.

3.2.9.3 Defective reporting of defaulters' data to Credit Information Companies that adversely hampered recovery from defaulters

The Credit Information Companies (CICs) registered with the Reserve Bank of India (RBI) under the Credit Information Companies (Regulation) Act, 2005, are mandated to carry out functions related to collecting, compiling, and providing credit information. CICs play a crucial role in the financial ecosystem by facilitating access to comprehensive credit information for lenders and other financial institutions during the credit evaluation process. All credit institutions (including EDC⁶⁹) were required to report⁷⁰ to RBI and four⁷¹ CICs periodically on their defaulters. This would prevent defaulters from accessing capital markets and obtaining new loans from any other bank or financial institution.

EDC has been consistently reporting about their loan accounts to CICs (like CIBIL) on a monthly basis in the form of electronic data files called as "Data Input Files" pertaining to seven main segments⁷² (out of nine). Scrutiny of data furnished (more specifically for March 2023) to CICs by EDC revealed that several details of 30 (loan accounts) defaulters test-checked were either unreported or incorrectly reported as detailed below and in **Appendix 3.10**.

- (i) The relationship segment (RS) and cheque dishonour segment (CD) were completely missed out while reporting in respect of all loan

⁶⁹ As defined by clause (f) of Section 2 of the CIC Act, 2005 that included all NBFCs.

⁷⁰ As per para 100 of RBI Master Directions, 2016 and Section 17 of CIC (Regulation) Act, 2005

⁷¹ CIBIL - Credit Information Bureau India Ltd., Experian - Credit Information Company of India P. Ltd., CRIF - Highmark Credit Information Services P. Ltd. and Equifax - Credit Information Services P. Ltd.

⁷² Borrower Segment (BS), Address Segment (AS), Relationship Segment (RS), Credit Facility Segment (CR), Guarantor Segment (GS), Security Segment (SS) and Cheque Dishonour Segment (CD)

accounts. This would have prevented the defaulters from regrouping under a different name and accessing credit.

- (ii) The guarantor segment (GS) consisting of data of guarantors (like name address, PAN, Ration card no., etc.) was not reported in 18 loan defaults out of 30 cases test-checked.
- (iii) The security segment (SS) comprising of data of the security held (like value, type, classification, date, etc.) was not reported at all though EDC held security in 14 loans out of 30.
- (iv) The credit facility segment (CR) comprising details like value, asset classification type, account status, suit filed data, etc., was incorrectly reported in 23 loans out of 30. In 21 out of 30 loans, the details of the litigation were incorrectly reported.
- (v) The address segment (AS) comprising of address related information of the borrowers was incorrectly reported in 28 loan accounts out of 30.

Complete and timely reporting of defaulters is crucial for impacting their credit history and prevents defaulters from accessing further loans and compels them to settle their dues with EDC. EDC replied (24 November 2023) that the matter will be reviewed, and all available data shall be filed with the CICs. Government further stated (July 2024) that the suggestions made in reporting shall be complied to prevent the defaulters from availing finance from other banks.

EDC did not effectively utilise the tool of reporting complete and accurate information about the defaulters to CICs and pursue the recovery process.

Recommendation 6: EDC may formulate an action plan to compile and report complete and accurate information about defaulters to CICs.

3.2.10 EDC's role and mandate pertaining to loan management

The third objective of this audit was to assess whether EDC effectively discharged its role and fulfilled its mandate pertaining to loan management. Audit observed the absence of long term planning regarding the nature of business growth, capital requirements, product development, etc., and also retention of annual profits without deployment plans in the core area of MSME loans as discussed in succeeding paragraphs.

Trend of loan sanctions and disbursements in EDC

The details of loan sanctions and disbursements for the five financial years upto 2022-23 are given below in **Table 3.12** and **Table 3.13**.

Table 3.12: Details of loan sanctions during the five year period (2018-19 to 2022-23)
(₹ in crore; percentage to the total sanctions)

Year	Loan Sanctions					Total
	Term Loans	Govt. Loans	Personal Loans	Staff Loans	CMRY	
2018-19	59.51 (38.91%)	80.00 ⁷³ (52.31%)	0.10 (0.07%)	0.63 (0.41%)	12.69 (8.30%)	152.93
2019-20	88.44 (87.86%)	-	2.58 (2.56%)	0.35 (0.35%)	9.29 (9.23%)	100.66
2020-21	24.55 (70.71%)	-	5.05 (14.54%)	0.05 (0.14%)	5.07 (14.60%)	34.72
2021-22	65.97 (21.17%)	240 ⁷⁴ (77.02%)	1.49 (0.48%)	0.40 (0.13%)	3.76 (1.21%)	311.62
2022-23	59.98 (18.60%)	200 (62.04%)	60.17 (18.66%)	0.35 (0.11%)	1.89 (0.59%)	322.39
Total	298.45	520.00	69.39	1.78	32.70	922.32

(Source: Information provided by EDC)

Table 3.13: Details of loan disbursements during the five year period (2018-19 to 2022-23)
(₹ in crore; percentage to the total disbursements)

Year	Loan Disbursements					Total
	Term Loans	Govt. Loans	Personal Loans	Staff Loans	CMRY	
2018-19	49.89 (28.61%)	113.09 (64.85%)	0.05 (0.03%)	-	11.36 (6.51%)	174.39
2019-20	50.44 (82.09%)	-	2.61 (4.24%)	-	8.39 (13.66%)	61.44
2020-21	34.84 (79.98%)	-	4.33 (9.94%)	-	4.39 (10.08%)	43.56
2021-22	35.17 (85.82%)	-	2.04 (4.98%)	-	3.77 (9.20%)	40.98
2022-23	15.55 (21.23%)	- ⁷⁵	54.35 (74.20%)	1.44 (1.96%)	1.92 (2.61%)	73.26
Total	185.89	113.09	63.38	1.44	29.83	393.63

(Source: Information provided by EDC)

It could be seen from the above tables that:

- (i) The disbursement of term loans declined from ₹ 49.89 crore (2018-19) to ₹ 15.55 crore (2022-23).
- (ii) The Govt. loan sanctions and disbursements were not predictable as it depended on the Government's financial requirements.
- (iii) The percentage of personal loans sanctioned to total sanctions showed drastic increase from 0.07 *per cent* in 2018-19 to 18.66 *per cent* in 2022-23 indicating a shift towards personal loan portfolio.

⁷³ Excluding the loan sanction of ₹ one crore to the fully owned subsidiary (Goa Electronics Limited)

⁷⁴ Government loan of ₹ 240 crore was not availed and hence revoked by EDC in October 2023.

⁷⁵ Government loans of ₹ 350 crore were disbursed to the Finance Department in May-June 2023.

Trend of loan portfolio in EDC

The category-wise position of loans outstanding in terms of money value during the period 2018-23 was as follows in **Table 3.14**.

Table 3.14: Details of category-wise position of loans outstanding
(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Term Loans	133.41 (15.69%)	160.60 (21.34%)	176.71 (27.39%)	179.64 (33.25%)	160.97 (34.40%)
Personal Loans	0.27 (0.03%)	2.56 (0.34%)	6.07 (0.94%)	6.39 (1.18%)	56.50 (12.07%)
Govt. Loans	686.77 (80.75%)	556.57 (73.97%)	428.52 (66.43%)	322.64 (59.72%)	225.43 (48.17%)
CMRY Loans	28.82 (3.39%)	31.46 (4.18%)	32.70 (5.07%)	30.56 (5.66%)	23.93 (5.11%)
Staff Loans	1.26 (0.15%)	1.28 (0.17%)	1.05 (0.16%)	1.05 (0.19%)	1.13 (0.24%)
Total	850.53	752.47	645.05	540.28	467.96
Standard⁷⁶	834.65	737.79	624.63	524.27	459.53
Sub-standard⁷⁷	3.15	2.92	5.20	1.37	0.34
Doubtful⁷⁸	12.44	7.25	9.85	8.85	4.79
Loss⁷⁹ assets	0.29	4.51	5.37	5.79	3.30
NPA⁸⁰ (₹ in crore)	15.88	14.68	20.42	16.01	8.43
NPA (in percentage)	1.87	1.95	3.17	2.96	1.80

(Source: Information provided by EDC)

As illustrated in the table above, the share of Govt. loans outstanding on the total loan book declined from 80.75 *per cent* (₹ 686.77 crore) to 48.17 *per cent* (₹ 225.43 crore) during 2018-19 to 2022-23. The outstanding term loans increased marginally from ₹ 133.41 crore in 2018-19 to ₹ 160.97 crore in 2022-23. Notably, the outstanding personal loans exhibited a significant surge at the close of each financial year throughout the audit period from ₹ 27 lakh (0.03 *per cent*) in 2018-19 to ₹ 56.50 crore (12.07 *per cent*) in 2022-23. EDC stepped up the sanction of personal loans from year 2022-23 to deploy the available funds.

3.2.10.1 Absence of business promotion and marketing of loan products

The core⁸¹ business of EDC is to provide financial assistance to entrepreneurs (MSMEs) through various term loan schemes. However, as

⁷⁶ Assets that do not disclose any problems and do not carry more than normal risk.

⁷⁷ Asset which remained NPA for less than or equal to 12 months.

⁷⁸ Asset which remained sub-standard beyond 12 months.

⁷⁹ Loss assets are those where loss has been identified by the Company, internal or external auditor, but the amount has not been written off wholly.

⁸⁰ Assets in which the instalment of principal/interest remained overdue for three months or more.

⁸¹ As per the 17-point Manual (a mandatory document required by Section 4(1)(b) of the Right to Information Act, 2005 detailing the organization's activities)

of 31 March 2023, the term loans were just 34.40 *per cent* out of total loan portfolio (₹ 160.97 crore out of ₹ 467.96 crore), the remaining being Government loans ₹ 225.43 crore (48.17 *per cent*), personal loans ₹ 56.50 crore (12.07 *per cent*) and CMRY loans ₹ 23.93 crore (5.11 *per cent*) & staff loans ₹ 1.13 crore (0.24 *per cent*).

1. In the backdrop of declining business from ₹ 850.53 crore in FY 2018-19 to ₹ 467.96 crore in FY 2022-23 (as of 31 March 2023), we observed that periodical 'root cause analysis' of declining loan book was not undertaken to arrest the declining trend of business.

2. EDC did not conduct any specific/targeted loan awareness campaign among its potential MSME customers (beyond routine advertising⁸²) like holding camps in 24 Industrial Estates of GIDC in the last five years or reaching out to new plot allottees by utilizing information from Government and its agencies like GIDC⁸³, DITC⁸⁴, IPB⁸⁵, *etc.*, on vacant and undeveloped plots, plots under advanced stages of allotment, plots under development, *etc.* As per GIDC data, there were 603⁸⁶ plot related transactions from April 2017 to December 2022 that were direct targets for marketing of EDC loans. EDC had sanctioned loans to only six⁸⁷ borrowers out of these 603 transactions during the audit period.

3. EDC did not have the data/information of members of GSIA⁸⁸, GCCI⁸⁹, TTAG⁹⁰, *etc.*, to target the marketing of its loan products. Tracking the data of the industry participants/players could have been an important step for business promotion.

EDC replied (December 2023) that (i) MSME loans were not declining, (ii) the operational performance was analysed regularly, (iii) the plot allottees may not require or may not be eligible for loans; and (iv) awareness camps were held in 2021 and the efforts of the Marketing Department will be seen in the coming year. The reply has to be viewed against the fact that (i) the MSME loan book was nearly static⁹¹ (between

⁸² Hoardings in EDC's Patto land, running radio jingles and disseminating general info through EDC's website

⁸³ Goa Industrial Development Corporation, a Statutory Corporation of the Government of Goa, that allots plots in Industrial Estates for industrial and commercial purposes.

⁸⁴ Directorate of Industry, Trade and Commerce

⁸⁵ Investment Promotion Board

⁸⁶ 121 fresh plot allotments of area 4.39 lakh m², 306 plot transfers to entrepreneurs comprising 11.33 lakh m² area and also 176 transactions involving sub-lease of plots/shed of area 7.60 lakh m² to entrepreneurs for starting their own business activities.

⁸⁷ Five transactions of plot allotment and one transaction of plot sub-lease.

⁸⁸ Goa State Industries Association

⁸⁹ Goa Chamber of Commerce and Industry

⁹⁰ Travel and Tourism Association of Goa

⁹¹ ₹ 133.41 crore in 2018-19; ₹ 160.60 crore in 2019-20; ₹ 176.70 crore in 2020-21 (including COVID support loan under ECS scheme); ₹ 179.64 crore in 2021-22 and ₹ 161 crore in 2022-23

133.41 crore in FY 2018-19 to ₹ 161 crore in FY 2022-23) while the overall outstanding loans were on the wane continuously (from ₹ 850.53 crore in FY 2018-19 to ₹ 467.96 crore in FY 2022-23); (ii) there were no documents to show that specific root cause analysis was done to arrest the declining trend of loans through new loan products/services; and (iii) the absence of any impact analysis reports indicated that the camp⁹² held in 2021 was a one-off event.

The Government replied (July 2024) that industrial loans were not availed due to COVID related uncertainties and Government availed the sanctioned loan of ₹ 350 crore in FY 2023-24. The reply has to be viewed against the fact that the loan book declined even before the COVID period (from ₹ 850.53 crore in 2018-19 to ₹ 752.47 crore in 2019-20) which was an indicator of declining trend that continued till the year 2022-23.

Thus, the primary mandate of helping the MSME entrepreneurs was not furthered through effective business promotion and marketing.

3.2.10.2 Absence of Vision-Mission Statement

Every organization's strategic business planning relies on its vision, mission, goals, and values. EDC did not have a Board-approved Vision-Mission Statement to guide on the path forward. The following was also observed:

a. Absence of strategic plan: EDC has been operating without a strategic plan for its business and has been preparing only annual budgets. The details of annual plans for the sanction of loans are outlined below in **Table 3.15**.

Table 3.15: Details of loans sanctioned (budget v/s actual) for the period 2018-23

Loan Sanctions	(₹ in crore)									
	FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23	
Scheme name	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Term Loans	70.00	59.51	100.00	88.44	100.00	24.55	100.00	65.97	100.00	59.98
CMRY & GTEGP ⁹³ Loan	30.00	29.53	29.00	23.81	24.00	12.71	14.00	9.48	14.00	4.56
Govt. Loans	100.00	80.00 ⁹⁴	100.00	0.00	200.00	0.00	100.00	240.00	250.00	200.00
Personal Loans	0.00	0.10	5.00	2.58	7.50	5.05	8.00	1.49	8.00	60.17
Total	200.00	169.14	234.00	114.83	331.50	42.31	222.00	316.94	372.00	324.71

(Source: Information provided by EDC)

It is evident from the table above that the target for the sanction of term loans remained static at ₹ 100 crore from 2019-20 to 2022-23 and was unachieved in four years. In contrast, the target for the sanction of personal loans of ₹ eight crore in 2022-23, was surpassed with a significant growth

⁹² One camp in 22 Industrial Estates between January and May 2021

⁹³ Including the Government component of loan of CMRY and GTEGP

⁹⁴ Excluding the loan sanction of ₹ 1 crore to the fully owned subsidiary (Goa Electronics Limited)

of 3,938 *per cent* (from ₹ 1.49 crore in 2021-22). The absence of a broad directional shift from term loans to personal loans in the budgets/targets clearly indicated a divergence between the execution *vis-a-vis* the planning of EDC.

b. Absence of dividend distribution policy: EDC lacked a dividend distribution policy to guide the top management on retention/distribution of profits. Such a policy would typically depend on the strategic business plan.

The financial performance of EDC and its dividend payments are given below in **Table 3.16**.

Table 3.16: Details of EDC's financial performance and dividend paid during FY 2018-23

Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Share Capital ⁹⁵ (face value ₹ 100) per share)	100.92	100.92	100.92	100.92	100.92
Reserves & Surplus (₹ in crore)	426.76	452.10	522.48	591.80	644.05
Total Equity (₹ in crore)	527.68	553.02	623.40	692.72	744.97
Net profit (₹ in crore)	36.24	38.13	66.69	52.47	61.07
Return on Equity (Profit/Equity)	6.87%	6.89%	10.70%	7.57%	8.20%
Earnings per Share (in ₹)	35.91	37.78	66.08	52.00	60.51
Dividend per share (in ₹)	1.00	1.00	1.00	1.00	1.00
Dividend yield [(Dividend/ face value per share (₹ 100))]	1.00%	1.00%	1.00%	1.00%	1.00%
Dividend payout ratio (Dividend/Profit)	2.78%	2.65%	1.51%	1.92%	1.65%

(Source: *Financial Statements of EDC for five years*)

EDC's dividend distribution ranged from 1.51 *per cent* to 2.78 *per cent* of annual profits indicating a dividend yield of one *per cent* (@ ₹ one per share) which was not remunerative for shareholders. Though there was no growth/expansion plan in the medium to long term and consequently no need for additional capital, the annual profits were almost entirely retained without distributing them as dividend to shareholders (Government). The prioritization of profit retention (despite the absence of any plans on its deployment) over providing fair remuneration to shareholders' capital indicated the risks associated with the absence of a dividend policy and business strategy for the medium to long term.

EDC replied (January 2024) that (i) though its first preference was MSME lending, the lack of credible demand for MSME loans resulted in lending to Government, (ii) it had been making consistent profits and (iii) personal loans were disbursed to deploy surplus cash from 2019-20.

⁹⁵ Face value ₹ 100 per equity share

The reply was silent as to why the annual profits were retained without its distribution as dividend despite absence of any business expansion plan and need for more capital.

The reply has to be viewed against the fact that (i) in the absence of demand for its MSME loans, the distributable surplus of ₹ 387.57 crore⁹⁶ was deployed in non-core areas like personal loans, bank deposits, etc., (ii) the claim of consistent profits of EDC was only due to the direct support of the Government (two-third of loans being to PSUs/Government and balance private sector term loans being heavily subsidized⁹⁷ by the Government). Also, a major part of the reserves of EDC was out of leasing of Government land in Patto which yielded ₹ 231.18⁹⁸ crore from April 2005 till March 2023 (translating to ₹ 560 crore NPV at eight *per cent* discounting); and (iii) personal loan sanctions surpassing the term loan sanctions (core mandate of EDC) was never planned in budgets/targets indicating lack of control. The Government further stated (July 2024) that the audit recommendation would be reviewed for appropriate action.

Absence of corporate business planning with a vision to drive the business direction resulted in a continuous decline in the loan book position. The annual profits were retained without any realistic plan for deployment to further the core mandate of lending to MSMEs.

Recommendation 7: EDC may formulate a strategic business plan including a Vision-Mission document to steer the direction of business as per the mandate.

Department of Industries

3.3 Idle Expenditure on acquisition of land acquired for expansion of industrial estate

Acquisition of land disregarding the request of the indenting department to de-notify the land acquisition in view of it not being financially feasible resulted in idle expenditure for an amount of ₹ 70.45 crore.

The Directorate of Industries, Trade and Commerce (DITC) is concerned with the promotion, development and regulation of industries in the State of Goa. The Goa Industrial Development Corporation (GIDC) which comes under the administrative purview of DITC establishes and manages industrial estates/areas and makes them available for setting up industrial units in the State. This initiative significantly contributes to the economic

⁹⁶ General Reserve of ₹ 0.14 crore and Retained earnings of ₹ 387.43 crore for the year ended 2022-23

⁹⁷ Between two to nine *per cent* of annual interest subsidy based on eligibility criteria.

⁹⁸ Source: Financial Statements of EDC from 2005 compiled by Audit and shared with EDC (11 January 2024).

growth and employment opportunities within the State. Department of Industries, Government of Goa (GoG) is the administrative department of the DITC and GIDC.

The GIDC forwarded a proposal (May 2013) to DITC seeking to acquire a parcel of land measuring 1,87,825 sq. mtrs. for the Phase-II expansion of its current Industrial Estate located at Shiroda Village⁹⁹, Ponda Taluka as the existing area was not adequate to meet the demands of the entrepreneurs. DITC, placed an indent with the Industries Department for acquisition of land admeasuring 1,87,825 sq. mtrs. After approving the proposal (12 June 2013) and obtaining no objection certificate (October 2013) from Town and Country Planning Department, the Industries Department requested (October 2013) the Collector, North Goa District to acquire the requisitioned land. On acquisition of the said parcel of land, the Land Acquisition Officer (LAO) declared (October 2015) the land acquisition award granting a compensation amount of ₹ 70.45 crore payable to the land owners¹⁰⁰.

However, GIDC raised a red-flag (September 2016) with the Government regarding the high rate of compensation fixed by the LAO stating that it would result in a high premium for the land and would likely be beyond the reach of the entrepreneurs. Therefore, based on the request of GIDC, the DITC sought (September 2016) Government approval to drop the land acquisition proposal. The Industries Department accorded approval (December 2016) to invoke Section 48¹⁰¹ of Land Acquisition Act, 1894 for the said proposal. Further, the proposal to de-notify the acquired land was placed before the Cabinet Meeting of the Council of Ministers (July 2017), however, the proposal was withdrawn by the Revenue Department. Accordingly, the Revenue Department requested (October 2017) the Industries Department to analyze the financial implications of the proposal and costs/expenditure incurred during acquisition process.

DITC informed (November 2017) the Industries Department citing the financial analysis made by the GIDC stating that in case the land was acquired at the award price, the premium amount to be charged for the developed plot would be about ₹ 10,530 per sq. mtrs., approximately five times of the prevailing highest premium of plot for sale which was ₹ 2,310 per sq. mtrs. (at Verna Industrial Estate) and as such there would be no takers for the plots at Shiroda Industrial Estate (Phase-II). Though the GIDC insisted on dropping the acquisition proposal, the Government, however, accorded approval (February 2018) for acquisition of the said land at the awarded compensation of ₹ 70.45 crore and the possession of

⁹⁹ Survey No. 965, 974, 975, 979, 980 & 987

¹⁰⁰ M/s Vedant Real Estate Developers had an area of 1,79,939.61 sq. mtrs. Other 11 parties had combined total area of 7,885.39 sq. mtrs.

¹⁰¹ The Government shall be at liberty to withdraw from the acquisition of any land of which possession has not been taken.

the acquired land was taken over by the GIDC in August 2018. The GIDC sought directions (August 2018) from the Government on development/utilization of the said land, but the Govt. did not provide any such (January 2025) information.

In this regard, Audit observed (March 2023) that the proposal initiated by the GIDC (May 2013) for acquisition of additional land at Shiroda Industrial Estate was to cater to the demand of entrepreneurs for industrial land. However, despite such prevailing demand, the GIDC had requested the Government for dropping of the proposal in view of the high compensation awarded by the LAO. Though DITC made efforts to withdraw the land acquisition proposal, the Government, after more than two years of declaration of the Award, acquired the land and the same was handed over (July 2018) to GIDC for development. GIDC after taking possession (August 2018) could not develop the land even after about six years of taking over the possession. Consequently, no new industries have been established and no employment opportunities were generated, despite an investment of ₹ 70.45 crore.

The DITC, while confirming (January 2024) the above facts stated that a request (October 2023) from GIDC seeking directions/instructions for the utilization of land had been forwarded (November 2023) to the Department of Industries.

Thus, the acquisition of land for industrial purposes with an exorbitant higher premium of ₹ 70.45 crore, despite the reluctance expressed by both the GIDC and the DITC resulted in the idling of the land for the last six years defeating the purpose of land acquisitions.

3.4 Irregular diversion of funds from Centrally Sponsored Scheme

The Goa Industrial Development Corporation (GIDC) irregularly retained ₹ 6.58 crore of funds released for implementation of Assistance to State for Development of Export Infrastructure and Allied Activities and parked the funds in Fixed Deposits (FDs); the Utilization Certificates (UCs) submitted by the Corporation for ₹ 6.12 crore were misleading.

Assistance to State for Development of Export Infrastructure and Allied Activities (ASIDE), a Centrally Sponsored Scheme was launched in March 2002 by the Department of Commerce (DoC), Government of India (GoI) to provide assistance to states for creating infrastructure for the development and growth of exports. A basket of 500-600 projects based on focused studies of the requirement of the exports/imports were to form the basic scope of the scheme. Projects outside the list of this basket of projects required mandatory concurrence of DoC, to ascertain its relevance for export. In the case of projects outside the list of the basket, the ASIDE

contribution would be limited to *50 per cent* and the rest to be borne by the State Government. A State Level Export Promotion Committee (SLEPC)¹⁰² was to scrutinize and approve specific projects and oversee the implementation of the scheme.

The unutilized scheme funds of the preceding period were to be kept separately and taken into account while releasing funds for the ensuing period. In the event of the grantee failing to comply with the terms and conditions of the grant sanction order, the whole or part of the grant was liable to be refunded along with the interest @ *10 per cent* per annum thereon. Interest earned on scheme funds was not to be utilized for funding projects under capital head without the approval of Ministry of Finance, GoI.

Goa Industrial Development Corporation (the Corporation), being the nodal agency in the State for the Scheme, received grants aggregating ₹ 63.38 crore during the period from 2002-03 to 2013-14. Out of this, the Corporation utilized an amount of ₹ 50.44 crore (up to 2013-14) for executing various works while retaining the balance amount of ₹ 12.94 crore (including ₹ 6.12 crore received in the year 2013-14). Subsequently, in 2015-16 the Scheme was delinked from GoI's budgetary support. The Corporation did not take up any approved ASIDE project since the last release of the grant in 2013-14 and was, thus liable to refund the unutilized grant to the GoI. Instead of refunding the same, the Corporation, parked the unutilized grant of ₹ 12.94 crore in fixed deposit accounts and, as of January 2023, a sum of ₹ 32.28 crore (including interest earned of ₹ 19.34 crore) was available with it.

Following repeated reminders from the GoI for submission of UCs, the Corporation submitted the UCs on 02 January 2023. In the UCs, the Corporation showed two of its own works¹⁰³ executed for a sum of ₹ 6.36 crore during the period 2017-19 as works executed under ASIDE scheme. The unspent balance of previous years and the balance remaining at the end of the year were shown as Nil, although an unspent balance of ₹ 6.82 crore of previous period and interest thereon was available with the Corporation. Later, the Corporation foreclosed (January 2023) fixed

¹⁰² As per the guidelines for ASIDE, there shall be a State Level Export Promotion Committee (SLEPC) headed by the Chief Secretary of the State and consisting of the Secretaries of concerned Departments at the State level, and a representative of the State cell of the Department of Commerce (DoC) and the Joint Director General of Foreign Trade posted in the State/region and the Development Commissioners of the Special Economic Zone/Export Processing Zone in the State as Members.

¹⁰³ (i) Construction of 800 m³ raw & filter water reservoir; and (ii) raw water distribution network at Verna Industrial Estate.

deposits to the extent of ₹ 26.91 crore¹⁰⁴ and utilized an amount of ₹ 16.91¹⁰⁵ crore to repay a loan to Punjab National Bank.

As per the guidelines for ASIDE scheme, the State could take up any work/project only with the prior approval of the SLEPC and where the projects did not fall within the basket of projects listed, approval of DoC, GoI was also needed. However, the two works for which the UCs were submitted in January 2023, had been executed by the Corporation on its own during 2017-19. These works neither had prior nor *post facto* approval of the SLEPC and DoC and were incorrectly shown to have been executed under ASIDE scheme. Thus, the UCs submitted by the Corporation were misleading. The Corporation also misled the GoI by stating that there was no unspent balance of previous years, even though an amount of ₹ 6.82 crore pertaining to previous years was available (January, 2023) with it.

Thus, instead of utilizing Scheme funds for approved projects, the Corporation irregularly diverted funds, parked in fixed deposits and avoided the refund of the amount and interest earned thereon to GoI. The ASIDE funds (including interest earned) so diverted amounted to ₹ 32.28¹⁰⁶ crore (kept in the FDs) as of January 2023.

On being pointed out by Audit (January, 2023) the Corporation refunded (March 2024) ₹ 26.95 crore (unspent balance of ₹ 6.58 crore as of 2013-14 and interest earned ₹ 20.37 crore) to DoC, GoI. Further, the Corporation replied (22 March, 2024) that approval of SLEPC was not obtained at the time of execution of works as the Committee ceased to exist from the year in which the scheme was discontinued and therefore, the matter was submitted (December, 2022) to the Government of Goa (GoG) to regularize the procedural lapse and the same was approved (December, 2022) by the GoG. Accordingly, the UC for ₹ 6.12 crore was submitted for the funds received in the year 2013-14 which was accepted by the DoC, GoI.

The reply was not tenable in view of the fact that the works/projects claimed to have been executed under ASIDE required the approval of SLEPC which was not the case and the UCs submitted to GoI were misleading.

Thus, the Corporation irregularly retained ₹ 6.58 crore of funds released for implementation of a CSS and parked the same in FDs and incorrectly submitted to GoI that there were no unspent balances. It was only at the

¹⁰⁴ 16 out of 20 FDs (₹ 32.21 crore = Total Amount ₹ 32.28 crore – bank account for ASIDE scheme ₹ 0.07 crore) were foreclosed by the Corporation.

¹⁰⁵ Loan availed by the Corporation for refunding the dues of SEZ parties on cancellation of their leases.

¹⁰⁶ Previous balance of ₹ 6.82 crore, ₹ 6.12 crore received in 2013-14 and interest earned as of January 2023-₹ 19.34 crore.

instance of audit, that the amount of ₹ 26.95 crore (including interest of ₹ 20.37 crore) was refunded to GoI. The UCs submitted by the Corporation for ₹ 6.12 crore to GoI were misleading.

Electricity Department

3.5 Non-availing of Input Tax credits (ITC) and non-payment of Goods and Services Tax (GST) by Goa Electricity Department

Failure to charge Goods and Services Tax by the Electricity Department on the meter rent charged to consumers during the period 01/07/2017 to 31/03/2023 and non-availing of ITC on purchase of electricity meters resulted in non-collection/non-payment of GST (₹ 10.55 crore) and non-availing of ITC (₹ 10.63 crore).

Goa Electricity Department (Department) is the deemed licensee for power distribution in the State of Goa. Clause 6.11 of Joint Electricity Regulatory Commission for the State of Goa and UTs (Electricity Supply Code) Regulations, 2018, empowered the Department to charge meter rent from consumers, at the rate approved by the Joint Electricity Regulatory Commission, if the meter is supplied by the Department at its own cost. In case of connections where the meter has been procured by the consumer, no meter cost and rent shall be collected from the consumer.

As per Section 9(1) of the Goa Goods and Services Tax (GGST) Act, 2017 GST shall be levied on all intra-state supplies of goods or services or both. The State Government exempted supply of electrical energy¹⁰⁷ and service by way of transmission and distribution¹⁰⁸ of electricity from GST under Section 11 of the GGST Act. However, other services¹⁰⁹ provided to consumers are taxable under GST¹¹⁰. Accordingly, the Department is liable to charge GST on the value of other services, including meter rent billed to the consumers.

Further, Section 16 of the GGST Act, 2017 stipulates that “every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in Section 49, be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of

¹⁰⁷ Sl. No. 104 of Schedule of goods exempted *vide* Goa Government Notification No.38/1/2017- Fin(R&C) (12/2017-Rate) dated 30 June 2017

¹⁰⁸ Sl. No. 25 of Schedule of services exempted *vide* Goa Government Notification 38/1/2017-Fin(R&C) (12/2017-Rate) dated 30 June 2017.

¹⁰⁹ Application fee for releasing connection of electricity, Rental charges against metering equipment, Testing fee for meters/transformers, capacitors, *etc.*, Labour charges from customers for shifting of meters or service lines and Charges for duplicate bills.

¹¹⁰ Goa Government Circular No. 02/2018-19-GST dated 27 April 2018

his business and the said amount shall be credited to the electronic credit ledger of such person”.

Audit observed that the Department had charged meter rent of ₹ 58.60 crore from its consumers during July 2017 to March 2023. However, GST @ of 18 *per cent* amounting to ₹ 10.55 crore was not charged on meter rent despite meter rent being a taxable service. The GST collected on such meter rent would have enabled the Department to avail ITC on the GST paid at the time of procurement of meters. The Department had paid GST amounting to ₹ 10.63 crore on purchase of meters during the above period.

Thus, non-collection of GST of ₹ 10.55 crore on meter rent from consumers resulted in non-payment of GST of ₹ 10.55 crore and non-availing of ITC on meter purchase resulted in loss of ₹ 10.63 crore to the Department.

The observation was issued to the Secretary (Power), Government of Goa with a copy sent to the Commissioner of State Taxes (CST), Panaji in April 2023 as the matter pertained to GST. Reminders have been issued to the Secretary (Power) in June and October 2023, but reply was awaited (January 2025). However, CST Panaji replied (August 2023) that as per notification No.38/1/2017-Fin(R&C) (12/2017-Rate) dated 30 June 2017, the services provided by the State Government are exempted from GST barring few specified services and services provided by the Department to unregistered entity who is not liable to pay GST is also exempted from GST. Keeping in view, Goa Electricity Department is not liable to pay GST @ 18 *per cent* on services provided.

Reply of Commissioner of State Tax is not tenable due to the following reasons:

Goa Electricity Department is a deemed licensee for distribution of electricity in the State as per Section 14 of Electricity Act 2003. Goa Electricity Department, being a deemed licensee, has been paying annual license fee in compliance to regulation 68 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Conduct of Business) Regulations 2009. The annual license fee paid for the year 2022-23 was ₹ 3.16 crore.

In view of above-mentioned provisions, it is evident that the services of meter rent provided by the Goa Electricity Department is not a service provided by the Government, but the services provided in the capacity of a distribution licensee.

Also, in view of the clarification issued by Goa Government vide Circular No. 02/2018-2019-GST dated 27 April 2018, rental charges against

metering equipment (meter rent) are taxable services and GST on meter rent should have been charged which was not the case.

Finance Department

Goa State Infrastructure Development Corporation

3.6 Additional expenditure

Appointment of an ineligible consultant, deficient project planning, changes in project scope and cost after the contract award and failure to provide hindrance-free site to the contractor by GSIDC resulted in inordinate delay in completion of the work and additional expenditure of ₹ 44.39 lakh.

Rules 177 to 196 of General Financial Rules (GFR), 2017 stipulate the process of identification, shortlisting and selection of consultants and outsourcing of services. Rule 183 of GFR read with Para 5.2 and 6.2 of Manual for Procurement of Consultancy and Other Services, 2017 stipulate that for consultancy services, the procuring entity should select consultants based on their past experience of handling similar types of projects, strength of their manpower and the financial strength of the firm. Further, as per Section 15.1(2) of CPWD Works Manual, 2014, availability of hindrance-free site should be ensured before the approval of Notice Inviting Tender (NIT).

The Goa State Infrastructure Development Corporation (GSIDC) was incorporated (2001) as a ‘Special Purpose Vehicle’ for speedy implementation of all the infrastructural projects envisaged by the departments of Government of Goa. The Directorate of Health Services (DHS) submitted (August 2012) a proposal to GSIDC for construction/upgradation of Community Health Centre (CHC), Cacora. Further, GSIDC was requested (September 2012) to conduct inspection of hospital premises of CHC, Cacora to assess the scope of the work, as the repairs of the premises might not be sufficient. The GSIDC, instead of conducting an inspection for assessing the actual scope of the work, called Expression of Interest (EoI) from empaneled consultants¹¹¹ for the upgradation of CHC, Cacora at an estimated cost of ₹ eight crore and appointed (March 2013) a ‘D’¹¹² class consultant¹¹³. The scope of work for the consultancy services included preparation of detailed structural designs and drawings and detailed estimates based on adequate site data.

¹¹¹ Consultants are empaneled in GSIDC for building works in A, B, C and D classes *i.e.*, Class ‘A’ for works costing above ₹ 150 crore, Class ‘B’ for works costing above ₹ 50 crore and upto ₹ 150 crore, Class ‘C’ for works costing above ₹ 10 crore and upto ₹ 50 Crore, Class ‘D’ for works upto ₹ 10 Crore.

¹¹² Minimum average annualized financial turnover of ₹ 25.00 lakh for the various classes

¹¹³ M/s Saolapurkar and Associates

Accordingly, the GSIDC instructed (August 2013) the Consultant to carry out inspection of the site and prepare detailed drawings and estimates, taking into account the actual requirement of CHC, Cacora as per the request of the DHS. After carrying out the inspection of the site, the scope of work was enhanced from repair to construction of new hospital (including residential quarters) and modified drawings were submitted by the Consultant (November 2013) to GSIDC. As a result, the estimated cost of work increased to ₹ 29.71 crore from ₹ 8 crore. Subsequently, the GSIDC invited tender for the work (February 2014) at an estimated cost of ₹ 29.71 crore and awarded (September 2014) the work to the lowest bidder¹¹⁴ at a cost of ₹ 35.70 crore after negotiation¹¹⁵. While the stipulated date of commencement and completion of works was 05 November 2014 and 04 May 2016 respectively, the works were completed only in May 2020 at a cost of ₹ 41.11 crore (excluding GST).

Audit scrutiny of records (09 February 2023) related to the project revealed the following:

- The GSIDC, despite being aware that the scope of the work would not be limited to repair of the hospital, failed to carry out due diligence¹¹⁶ to ascertain whether new buildings would need to be constructed and accordingly, engagement of a qualified consultant ('C' class consultant) meeting the eligibility criteria was to be ensured. Instead, GSIDC appointed an ineligible consultant ('D' class), not qualified to take up projects exceeding ₹ 10 crore, for preparing detailed drawings and cost estimates for a project valued at ₹ 29.71 crore. This oversight resulted in inaccuracies in project estimation¹¹⁷ which were highlighted¹¹⁸ by the Technical Advisory Committee¹¹⁹ (TAC) of the GSIDC. The TAC also recommended imposing penalties amounting to 50 *per cent* of the consultancy fee for inaccurately estimated, underestimated, or omitted items of works on the Consultant.
- Audit scrutiny of minutes of the TAC meeting (July 2020) revealed that despite the requirement stipulated in the CPWD manual for the GSIDC to provide a hindrance-free site to the contractor, the obligation was not fulfilled. The contractor faced numerous hindrances¹²⁰ on the

¹¹⁴ M/s Venkata Rao Infra Projects Pvt. Ltd.

¹¹⁵ Bidder offered a rebate of 0.25% on the quoted amount (₹ 35.79 crore).

¹¹⁶ Site inspection and assessment of actual scope of work

¹¹⁷ Extra items for ₹ 0.49 crore, deviated items for ₹ 7.52 crore and substituted items of ₹ 1.17 crore

¹¹⁸ TAC meetings (January 2018, November 2018, November 2019, July 2020)

¹¹⁹ The TAC looks after the technical aspects of the projects and inspects for any violation of the terms and condition of the contract.

¹²⁰ Cutting of existing trees, shifting of existing line of water supply, electrical poles, vacating of staff quarters, delay in shifting utilities, vacating staff (353 days), delay due to working in phases, though it was not envisaged in contract agreement (840 days), delay in issue of revised foundation drawing of Part C of Phase II (117 Days), delay due to boundary dispute (429 days)

site which adversely affected the progress of the work. Consequently, though the work commenced on time, the work was completed in May 2020 after a delay of four years from the stipulated date of completion (May 2016). Since the aforesaid hindrances were attributable to GSIDC's failure to provide hindrance-free site to the contractor and the Consultant's faulty estimation of the work, the GSIDC had to grant (07 July 2020) an extension of 1,453 days to the contractor without levy of liquidated damages. Further, due to non-provision of some essential items of work such as basement parking, sloping structural roof in place of flat roof, temporary shifting of the hospital to the new building, *etc.*, in the original estimates by the Consultant, the scope of work got expanded by their inclusion at a later stage, which led to the cost of work increasing from ₹ 35.70 crore to ₹ 41.11 crore (excluding GST).

- As per the terms of the EoI, in the event of the work not being completed within the stipulated time, the Consultant will receive additional compensation¹²¹ for the extended consultancy period. Since the work was not completed within the stipulated time (04 May 2016), the GSIDC disbursed an extra amount of ₹ 44.38¹²² lakh to cover the extended period of 45 months and 2 days for the project consultancy. This expenditure could have been avoided through better project planning and execution of pre-tender activities.

On this being pointed out, the Managing Director (MD) (GSIDC) accepted (June 2023) the fact that the Consultant had been chosen for projects valued below ₹ 10 crore, based on the initial estimation by GSIDC. However, MD further stated that terminating the services of the Consultant mid-way after getting most of complexities sorted was not practically viable for the reason that it would only have added to further delays in addition to the time already lost. The MD, however, accepted that pre-tendering activities *i.e.*, soil investigation, providing hindrance-free sites, were not carried out and that the work was carried out in phases which was not initially planned and thus, were not included in the agreement resulting in further delays. The MD further stated that inordinate delay in completion of works, increase in project scope and cost is not attributable only to the Consultant but also to site conditions and need for parking area as well as protecting the building against rainwater leakages in near future.

The reply of GSIDC regarding the appointment of the Consultant was not acceptable, as it was their responsibility to appoint a qualified Consultant who could help deliver the project as per the requirements of the client department in a timely, economical and efficient manner. Continuing with

¹²¹ ₹ 83,477 per month

¹²² ₹ 37.61 lakh *plus 18 per cent GST*

the ineligible Consultant on the pretext of avoiding delays is not justified, considering the delay of nearly four years occurred in the project completion. Further, as per Section 15.1(2) of CPWD Works Manual 2014, the GSIDC should have approved Notice Inviting Tender(NIT) after ensuring hindrance-free site to ensure timely completion of the project.

Thus, lack of due diligence on the part of GSIDC in assessing the actual requirement of works led to the selection of a Consultant who did not possess the requisite qualification, which in turn caused faulty works estimation. Poor planning and project preparation led to significant changes in the scope of works subsequently. These factors, along with GSIDC's failure to provide hindrance-free site to the Contractor before floating the NIT resulted in inordinate delay in completion of the works, increase in the project scope and expenditure of ₹ 5.41 crore¹²³ over the tendered cost (₹ 35.70 crore) and additional expenditure of ₹ 44.39 lakh made to the Consultant.



Panaji
The 10 October 2025

(ETI SHUKLA)
Accountant General

Countersigned



New Delhi
The 16 October 2025

(K. SANJAY MURTHY)
Comptroller and Auditor General
of India

¹²³ ₹ 41.11 - ₹ 35.70 = ₹ 5.41 crore

APPENDICES

APPENDIX 1.1

(Referred to in paragraph 1.4.1)

Statement showing year-wise position of inspection reports and paragraphs pending settlement (As on June 2023)

Sl. No.	Name of the Department	Upto 2017-18		2018-19		2019-20		2020-21		2021-22		2022-23		2023-24		Total
		IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	
1	Agriculture	1	6	15	73	2	9	6	16	1	6	0	0	0	0	25
2	Animal Husbandry and Veterinary Services	2	5	3	12	1	2	1	1	1	7	0	0	0	0	8
3	Archives, Archaeology and Museum	2	4	1	2	0	0	0	0	0	0	0	0	0	0	3
4	Art and Culture	7	15	1	5	2	11	0	0	0	0	0	0	0	0	10
5	Bank	2	3	5	13	4	7	0	0	0	0	0	0	0	0	11
6	Commercial Taxes	3	4	0	0	0	0	1	1	0	0	0	0	0	0	5
7	Co-operation	7	38	0	0	2	15	1	4	1	9	0	0	0	0	11
8	Civil Supplies and Consumer Affairs	0	0	0	0	1	4	1	6	0	0	0	0	0	0	10
9	Civil Aviation	0	0	0	0	1	3	0	0	0	0	0	0	0	0	3
10	Craftsman Training	1	1	3	5	1	3	2	5	0	0	0	0	0	0	7
11	Education	27	64	8	49	7	46	5	24	2	9	1	8	0	0	50
12	Electoral Office	3	4	0	0	1	6	0	0	0	0	0	0	0	0	10
13	Excise	0	0	0	0	0	0	0	0	0	1	8	0	0	1	8
14	Finance	11	42	2	14	2	8	1	6	0	0	1	7	0	0	17
15	Factories and Boilers	0	0	0	0	1	2	0	0	0	0	0	0	0	0	2
16	Fisheries	2	3	0	0	1	3	1	10	1	7	0	0	0	0	23
17	Food And Drug Administration	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Forests	9	33	1	7	6	34	0	0	0	1	6	0	0	0	80
19	General Administration	3	9	0	0	0	1	2	0	0	0	0	0	0	4	11
20	Resident Commissioner	1	2	0	0	0	0	0	0	0	0	0	0	0	0	2
21	Goa Public Service Commission	1	1	0	0	0	0	0	0	0	0	0	0	0	0	1
22	Housing	1	2	1	3	0	0	0	0	0	0	0	0	0	0	5
23	Health	40	85	5	16	6	19	2	10	0	0	0	0	0	0	53
24	Higher Education	1	1	1	6	0	0	0	1	10	1	8	0	0	4	25
25	Home	10	20	4	10	2	10	3	8	1	4	0	1	12	21	64
26	Information and Technology	3	13	1	8	0	0	1	10	0	1	8	0	0	6	39
27	Information and Publicity	11	23	2	9	2	8	1	1	0	0	0	0	0	16	41

Sl. No.	Name of the Department	Upto 2017-18		2018-19		2019-20		2020-21		2021-22		2022-23		2023-24		Total	
		IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para		
28	Industries, Trade and Commerce	5	17	2	8	1	8	0	0	0	0	0	0	0	0	33	
29	Inland Water Transport	6	22	0	0	1	17	0	0	1	8	0	0	0	0	8	
30	Irrigation	22	69	0	0	8	51	4	48	1	11	0	0	0	0	47	
31	Labour	5	8	1	2	1	6	1	10	0	0	1	3	0	0	35	
32	Law	5	8	2	2	1	5	0	0	0	0	0	0	0	0	29	
33	Legislature	3	5	0	0	0	0	1	7	0	0	0	0	0	0	179	
34	Legal Metrology	0	0	0	0	1	11	0	0	0	0	0	0	0	0	4	
35	Official Language	1	1	0	0	0	0	0	0	0	0	0	0	0	0	11	
36	Panchayati Raj	35	100	11	58	6	39	10	56	0	0	0	0	0	0	15	
37	Planning and Statistics	1	2	0	0	1	7	0	0	0	0	0	0	0	0	12	
38	Printing and Stationary	1	5	0	0	0	0	0	0	0	0	0	0	0	0	1	
39	Public Works	58	171	8	44	16	86	18	126	5	34	4	32	2	5	498	
40	Revenue	7	29	1	3	0	0	0	0	1	4	0	0	0	0	36	
41	Science, Technology and Environment	1	9	1	1	0	0	1	4	0	0	0	0	0	0	14	
42	Social Welfare	6	17	6	21	2	4	1	2	1	7	1	9	0	0	60	
43	Sports and Youth Affairs	9	20	3	12	2	7	2	8	1	4	0	0	0	0	51	
44	Stamps and Registration	17	36	8	35	10	53	4	30	0	0	0	0	0	0	54	
45	Technical Education	6	8	0	0	1	3	3	13	1	4	0	0	0	0	28	
46	Transport	5	7	0	0	0	0	0	0	1	4	0	0	0	0	11	
47	Town and Country Planning	2	3	3	4	1	1	0	0	0	0	0	0	0	0	8	
48	Tourism	6	16	2	4	2	7	1	3	1	10	0	0	0	0	40	
49	Urban Development	85	441	10	103	11	99	3	45	5	52	3	41	0	0	781	
50	Women and Child Development	2	3	0	0	2	11	2	6	0	0	0	0	0	0	20	
Total		436	1375	111	529	109	605	78	462	26	190	15	130	3	17	778	3308

(Source: Details compiled from Audit record)

APPENDIX 1.2*(Referred to in paragraph 1.4.3)***Statement showing number of paragraphs/reviews in respect of which Government explanatory memoranda had not been received**

Sl. No.	Name of Department	2016-17	2017-18	2018-19	2019-20	2020-21	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Social Welfare	1	-	-	-	-	1
2	Water Resources Department	-	1	-	1	-	2
3	Public Works Department	-	-	1	1	-	2
4	Public Health Department	-	-	3	-	-	3
5	Education Department	-	-	-	1	-	1
6	Home Department	-	-	-	1	1	2
7	Panchayat Department	-	-	-	1	-	1
8	Housing Department	-	-	-	1	-	1
9	Civil Supplies and Consumer Affairs	-	-	-	-	1	1
10	Town and Country Planning	-	-	-	-	1	1
Total		1	1	4	6	3	15

(Source: Details compiled from Audit records)

APPENDIX 1.3
(Referred to in paragraph 1.5.9.2)
Details of facilities as per action plan in test-checked ULBs

(Quantity in TPD)

Name of ULBs	Projected Waste Quantity for year 2025		Existing facility			Proposed facility			Shortcomings
	Wet	Dry	Wet	Dry	Landfill	Wet	Dry	Landfill Capacity	
CCP	31	24	34.20	20	-	0	0	2.20	Actual existing capacity in CCP for wet waste was only 18.60 TPD (biomethanation plant of 5 TPD and 13.60 TPD composting) 15.60 TPD biomethanation plant was not available at the time.
Mapusa	17	13.24	13.50	13	-	12	6.50	1.20	In action plan the MRF shed of 8 TPD was shown as temporary, which was not correct.
Margao	41	27	35	25	-	26	15	2.72	The Council had one landfill site, but same was not shown in action plan. There was non-functional composting unit in Margao but same was shown in the existing facility.
Mormugao	38	26	18	10	2	28	17	1.28	During the joint site inspection, it was observed that the Council had no landfill site; there was no shed for windrow composting. Biomethanation plant was not working since May 2021.
Bicholim	4	2.50	5	5	-	5	5	-	No findings.

(Source: Details furnished by GSUDA)

APPENDIX 1.4
{Referred to in paragraph 1.5.13.1(a)}
Difference in Generation of Waste Data

(Quantity in TPD)

ULBs	Population as per census (2011)	Population projection by i-Dek (2017-18)	Estimated Generation as per Waste Characterization Report (2018)	Generation provided by ULBs for the year 2018-19	Difference	Generation in 2021-22
CCP	40017	40903	44.22	39.00	5.22	42.00
Bicholim	16986	18462	9.28	6.70	2.58	6.50
Canacona	12434	13210	7.60	5.00	2.60	2.50
Cuncolim	16625	17373	7.61	3.30	4.31	3.50
Curchorem-Cacora	22730	24627	8.95	22.00	-13.05	9.50
Mapusa	39989	43487	38.59	22.00	16.59	24.00
Margao	87650	95699	61.05	60.00	1.05	58.00
Mormugao	94393	103200	45.42	28.00	17.42	30.00
Pernem	5021	5387	3.65	0.60	3.05	0.60
Ponda	22664	25290	15.20	14.00	1.20	12.30
Quepem	14795	16741	9.23	4.00	5.23	4.00
Sankhali	13651	15061	7.58	7.00	0.58	7.00
Sanguem	6444	6696	4.68	1.91	2.77	1.91
Valpoi	8532	9285	4.84	4.50	0.34	4.50
TOTAL			267.90	218.01	49.89	206.31

(Source: Details furnished by GWMC, GSUDA and ULBs)

APPENDIX 1.5
(Referred to in paragraph 1.5.13.2)
Extent of segregation of solid waste

(in per cent)

ULBs	As Per Reply given to Audit					As per SBM data
	2017-18	2018-19	2019-20	2020-21	2021-22	
CCP**	95	99	99	99	99	70
Bicholim**	90	95	95	95	95	80
Canacona	100	100	100	100	100	70
Cuncolim	100	100	100	100	100	80
Curchorem-Cacora	34	100	100	100	100	70
Mapusa**	80	80	85	85	90	70
Margao**	80	85	85	90	90	60
Mormugao**	95	95	95	100	100	80
Pernem	40	40	40	60	90	70
Ponda	100	100	100	100	100	60
Quepem	80	90	90	90	100	50
Sankhali	85	85	90	95	95	40
Sanguem	100	100	100	100	100	70
Valpoi	85	85	90	95	95	50
Average	83.14	89.57	90.64	93.50	96.71	65.71

(Source: Data made available by the ULBs and GSUDA)

***Highlighted cells represent data of the test-checked ULBs.*

APPENDIX 1.6
(Referred to in paragraph 1.5.15.2)
Status of SWM plants taken up by GWMC for waste treatment
(As of August 2024)

Sl. No.	Facility	Waste type and region	Capacity (in TPD)	Status of construction	Name of agency operating the plant
1	Solid Waste management Facility, Saligao	Solid waste for Saligao Cluster	250+50	Completed (August 2016 and capacity enhanced from 100 TPD to 250 TPD in February 2021)	M/s Hindustan Waste Treatment Pvt. Ltd.
2	Solid Waste Management Facility, Cacora	Solid waste for Cacora cluster	100+25	Completed (October 2022)	M/s Vasudha Waste Treatment Pvt. Ltd.
3	Solid Waste Management Facility, Bainguinim	Solid waste for Bainguinim cluster	100	In tendering process	NA
4	Solid Waste Management Facility, Verna	Solid waste for regional Verna cluster	250	In process of obtaining Environment Clearance	NA
5	Common Biomedical Waste Treatment Facility, Kundaim	Biomedical waste at regional level	28	Operation started October 2021	M/s Biotic Waste Solution Pvt. Ltd.
6	Common Hazardous Waste Treatment Facility, Pissurlem	Industrial hazardous waste at regional level	25000 Tonnes per Annum	Completed (September 2019)	M/s Ponda Envocare Ltd.
7	Common e-waste Management Facility, Pissurlem	e-waste at regional level	5	Not started	CAM Industrial Services
8	Common C&D waste facility, Curchorem	Construction & demolition waste at regional level	500	To be tendered	NA

(Source: Details furnished by GWMC)

APPENDIX 1.7

{Referred to in paragraph 1.5.18.2(a)}

Details of inspection carried out by Goa State Pollution Control Board

Sl. No.	Year	Number of Inspections	No. of ULBs inspected	Number of Violations	Amount of penalty imposed (in ₹)
1	2017-18	11	3	11	275000
2	2018-19	0	0	0	0
3	2019-20	0	0	0	0
4	2020-21	14	14	14	140000
5	2021-22	14	14	14	2900000
Total		39	31	39	3315000

(Source: Details furnished by GSPCB)

APPENDIX 2.1
(Referred to in paragraph 2.1.4)
Arrears of revenue

(₹ in crore)

Sl. No.	Name of the Department	Amount outstanding as on 31 March 2023	Of the total outstanding, amount outstanding for more than five years	Action taken by the Department
1	Commercial Taxes Department	1817.32	657.83	<p>The Department intimated that 749 cases involving ₹ 27.50 crore were pending in Revenue Recovery Court (RRC). Further visits were constantly made by the officers of the Department for recovery of the remaining arrears and the dealers were persuaded to pay the dues followed by reminders issued.</p>
2	Electricity Department	621.52	81.49	<p>The Department had referred 9,921 cases involving ₹ 29.53 crore to RRCs.</p> <p>Disconnection notices were issued to consumers against whom electricity charges were outstanding. In cases where arrears were not cleared, connections were initially disconnected for six months, non-payment of arrears caused for further temporarily period resulted in permanent disconnection, after giving due notices.</p> <p>Notices were issued for payment of arrears to the heads of various departments against whom arrears were outstanding. Request was also made to Director of Accounts to recover the arrears from the defaulting departments through book adjustments, where they fail to settle the dues.</p> <p>A billing dispute redressal committee had been set up for settlement of disputed cases.</p> <p>The Department introduced One Time Settlement scheme from 01 December 2022 in order to enable prompt recovery of outstanding dues by waiver of Delay Payment Charges.</p>
3	Public Works Department	223.13	34.28	<p>Arrears of Rent ₹ 1.41 crore: The Department stated that one case involving ₹ 22.82 lakh was pending in RRC as on 31 March 2023. In the remaining cases complaint had been filed against the absconding defaulters.</p> <p>Arrears of Water Charges ₹ 221.72 crore: The Department stated that arrears involving ₹ 15.15 crore in 3,959 cases were pending before RRC as on 31 March 2023. Show cause notices had been issued and disconnection was under process.</p>
4	Water Resources Department	2069.45	84.24	<p>Water tax ₹ 2.05 crore: The Department stated that those who did not pay water taxes have been requested to pay on priority. The notice for arrears payment were being sent regularly and 143 cases involving ₹ 9.73 lakh were referred to RRC.</p> <p>Raw water charges ₹ 2,066.73 crore: Department stated that farmers were contacted personally for collecting revenue and reminder letter sent to PWD. Monthly bill were sent to the other consumers and reminders were issued if required.</p> <p>Hire charges of machinery ₹ 0.33 crore: Department stated that the cases were referred to the Government to waive-off the same.</p> <p>Rent from shops and halls ₹ 0.34 crore: The Department stated that notices have been served on defaulters for making payment.</p>
Total		4731.42	857.84	

(Source: Information furnished by concerned departments)

APPENDIX 2.2A
(Referred to in paragraph 2.2.4(iii))
Details of Limited Audit sample (Other than turnover mismatch)

Sl. No.	Dimension	Dimension Heading	GSTIN	Ward	Financial Year
1	1	Mismatch in availing of ITC between GSTR-2A and GSTR-3B	30xxxxxxxxxx1ZV	Pernem	2018-19
2	1		30xxxxxxxxxx1ZV	Pernem	2019-20
3	1		30xxxxxxxxxx1ZV	Pernem	2020-21
4	1		30xxxxxxxxxx1Z5	Mapusa	2018-19
5	1		30xxxxxxxxxx1Z5	Mapusa	2019-20
6	1		30xxxxxxxxxx1ZP	Pernem	2018-19
7	1		30xxxxxxxxxx1ZP	Pernem	2019-20
8	1		30xxxxxxxxxx1ZP	Pernem	2020-21
9	1		30xxxxxxxxxx1ZA	Curchorem	2019-20
10	1		30xxxxxxxxxx1Z2	Ponda	2019-20
11	1		30xxxxxxxxxx1Z2	Ponda	2020-21
12	1		30xxxxxxxxxx1ZJ	Vasco	2018-19
13	1		30xxxxxxxxxx1ZJ	Vasco	2019-20
14	1		30xxxxxxxxxx1ZW	Panaji	2018-19
15	1		30xxxxxxxxxx1ZW	Panaji	2020-21
16	1		30xxxxxxxxxx1ZU	Ponda	2018-19
17	1		30xxxxxxxxxx1ZG	Ponda	2018-19
18	1		30xxxxxxxxxx1ZZ	Margao	2018-19
19	1		30xxxxxxxxxx1ZZ	Margao	2020-21
20	1		30xxxxxxxxxx1ZH	Margao	2018-19
21	1		30xxxxxxxxxx1ZH	Margao	2019-20
22	1		30xxxxxxxxxx1ZD	Panaji	2018-19
23	1		30xxxxxxxxxx1ZD	Panaji	2019-20
24	1		30xxxxxxxxxx2ZY	Panaji	2018-19
25	1		30xxxxxxxxxx2ZY	Panaji	2019-20
26	1		30xxxxxxxxxx2ZY	Panaji	2020-21
27	1		30xxxxxxxxxx1Z4	Panaji	2018-19
28	1		30xxxxxxxxxx1ZP	Margao	2018-19
29	1		30xxxxxxxxxx1ZP	Margao	2019-20
30	1		30xxxxxxxxxx1ZP	Margao	2020-21
31	2	ITC availed without supplier remitting tax	30xxxxxxxxxx1ZV	Pernem	2018-19
32	2		30xxxxxxxxxx1ZE	Vasco	2018-19
33	2		30xxxxxxxxxx1ZE	Vasco	2019-20
34	2		30xxxxxxxxxx1ZE	Vasco	2020-21
35	2		30xxxxxxxxxx1ZI	Margao	2018-19
36	2		30xxxxxxxxxx1ZI	Margao	2019-20
37	2		30xxxxxxxxxx1ZI	Margao	2020-21
38	2		30xxxxxxxxxxP1Z	Margao	2018-19
39	2		30xxxxxxxxxxP1Z	Margao	2019-20
40	2		30xxxxxxxxxx1ZB	Panaji	2018-19

Sl. No.	Dimension	Dimension Heading	GSTIN	Ward	Financial Year
41	2	ITC availed on GSTR-3B filed after limitation period	30xxxxxxxxxx1ZB	Panaji	2019-20
42	2		30xxxxxxxxxx1ZB	Panaji	2020-21
43	2		30xxxxxxxxxx1Z2	Ponda	2018-19
44	2		30xxxxxxxxxx1Z2	Ponda	2019-20
45	2		30xxxxxxxxxx1Z2	Ponda	2020-21
46	2		30xxxxxxxxxx1ZA	Panaji	2018-19
47	2		30xxxxxxxxxx1ZA	Panaji	2019-20
48	2		30xxxxxxxxxx1ZA	Panaji	2020-21
49	2		30xxxxxxxxxx1Z6	Panaji	2019-20
50	2		30xxxxxxxxxx1Z6	Panaji	2020-21
51	2		30xxxxxxxxxx1ZD	Vasco	2018-19
52	2		30xxxxxxxxxx1ZD	Vasco	2019-20
53	2		30xxxxxxxxxx1ZD	Vasco	2020-21
54	2		30xxxxxxxxxx1Z4	Panaji	2018-19
55	2		30xxxxxxxxxx1Z4	Panaji	2019-20
56	2		30xxxxxxxxxx1Z4	Panaji	2020-21
57	3	Excess availment of ITC under ISD mechanism	30xxxxxxxxxx1ZL	Panaji	2019-20
58	3		30xxxxxxxxxx1ZL	Panaji	2020-21
59	3		30xxxxxxxxxx2ZS	Margao	2018-19
60	3		30xxxxxxxxxx2ZS	Margao	2019-20
61	3		30xxxxxxxxxx1Z3	Margao	2018-19
62	3		30xxxxxxxxxx1ZC	Panaji	2018-19
63	3		30xxxxxxxxxx1ZY	Panaji	2019-20
64	3		30xxxxxxxxxx1ZG	Mapusa	2018-19
65	3		30xxxxxxxxxx1ZG	Mapusa	2019-20
66	3		30xxxxxxxxxx1ZC	Mapusa	2018-19
67	3		30xxxxxxxxxx1Z2	Ponda	2018-19
68	3		30xxxxxxxxxx1ZP	Panaji	2018-19
69	3		30xxxxxxxxxx1Z3	Vasco	2018-19
70	3		30xxxxxxxxxx1Z3	Vasco	2019-20
71	3		30xxxxxxxxxx1Z3	Vasco	2020-21
72	4	Excess availment of ITC under ISD mechanism	30xxxxxxxxxx1ZV	Mapusa	2019-20
73	4		30xxxxxxxxxx1ZV	Mapusa	2020-21
74	4		30xxxxxxxxxx1ZH	Margao	2019-20
75	4		30xxxxxxxxxx1ZH	Margao	2020-21
76	4		30xxxxxxxxxx1ZW	Panaji	2020-21
77	4		30xxxxxxxxxx1ZB	Panaji	2019-20
78	4		30xxxxxxxxxx1ZB	Panaji	2020-21
79	4		30xxxxxxxxxx1ZA	Panaji	2018-19
80	4		30xxxxxxxxxx1ZA	Panaji	2020-21
81	4		30xxxxxxxxxx1ZG	Panaji	2020-21
82	4		30xxxxxxxxxx1ZN	Margao	2018-19
83	4		30xxxxxxxxxx1ZN	Margao	2019-20
84	4		30xxxxxxxxxx1ZN	Margao	2018-19

Sl. No.	Dimension	Dimension Heading	GSTIN	Ward	Financial Year
85	4	Mismatch in ITC under RCM	30xxxxxxxxxx1ZT	Panaji	2018-19
86	4		30xxxxxxxxxx1ZV	Panaji	2020-21
87	5		30xxxxxxxxxx1ZI	Panaji	2019-20
88	5		30xxxxxxxxxx1Z1	Ponda	2019-20
89	5		30xxxxxxxxxx1ZB	Ponda	2018-19
90	5		30xxxxxxxxxx1ZQ	Margao	2018-19
91	5		30xxxxxxxxxx1ZQ	Margao	2019-20
92	5		30xxxxxxxxxx1ZQ	Margao	2020-21
93	5		30xxxxxxxxxx1ZC	Margao	2018-19
94	5		30xxxxxxxxxx1ZC	Margao	2019-20
95	5		30xxxxxxxxxx1ZA	Panaji	2018-19
96	5		30xxxxxxxxxx1ZA	Panaji	2020-21
97	5		30xxxxxxxxxx1Z3	Margao	2018-19
98	5		30xxxxxxxxxx1Z3	Margao	2019-20
99	5		30xxxxxxxxxx1ZA	Panaji	2019-20
100	5		30xxxxxxxxxx1ZP	Panaji	2019-20
101	5		30xxxxxxxxxx1Z5	Margao	2018-19
102	5		30xxxxxxxxxx1Z5	Margao	2020-21
103	6	Positive figure in Table 12F of GSTR-9C (Unreconciled ITC)	30xxxxxxxxxx1ZM	Panaji	2019-20
104	6		30xxxxxxxxxx1ZM	Panaji	2020-21
105	6		30xxxxxxxxxx1ZJ	Margao	2020-21
106	6		30xxxxxxxxxx1ZO	Margao	2018-19
107	6		30xxxxxxxxxx1ZO	Margao	2019-20
108	6		30xxxxxxxxxx1ZO	Margao	2020-21
109	6		30xxxxxxxxxx1ZV	Vasco	2019-20
110	6		30xxxxxxxxxx1ZV	Vasco	2020-21
111	6		30xxxxxxxxxx1ZE	Mapusa	2019-20
112	7	Positive figure in Table 14T of GSTR-9C (Unreconciled ITC)	30xxxxxxxxxx1Z7	Panaji	2018-19
113	7		30xxxxxxxxxx1Z7	Panaji	2019-20
114	7		30xxxxxxxxxx1Z7	Panaji	2020-21
115	7		30xxxxxxxxxx1ZD	Panaji	2018-19
116	7		30xxxxxxxxxx1ZD	Panaji	2020-21
117	7		30xxxxxxxxxx1ZY	Vasco	2018-19
118	7		30xxxxxxxxxx1ZD	Vasco	2018-19
119	7		30xxxxxxxxxx1ZM	Panaji	2019-20
120	7		30xxxxxxxxxx1ZM	Panaji	2020-21
121	9	Mismatch in tax liability (GSTR-1, GSTR-3B and GSTR-9)	30xxxxxxxxxx1Z5	Margao	2018-19
122	9		30xxxxxxxxxx1ZR	Panaji	2019-20
123	9		30xxxxxxxxxx1ZL	Panaji	2019-20
124	9		30xxxxxxxxxx1ZL	Panaji	2020-21
125	9		30xxxxxxxxxx1ZV	Panaji	2019-20
126	9		30xxxxxxxxxx1ZV	Panaji	2020-21
127	9		30xxxxxxxxxx1Z5	Margao	2018-19
128	9		30xxxxxxxxxx1ZN	Pernem	2020-21

Sl. No.	Dimension	Dimension Heading	GSTIN	Ward	Financial Year
129	9	Suppression of tax liability based on E-Way bill verification	30xxxxxxxxxx1ZC	Mapusa	2020-21
130	9		30xxxxxxxxxx1Z8	Curchorem	2018-19
131	9		30xxxxxxxxxx1Z8	Curchorem	2020-21
132	9		30xxxxxxxxxx1Z8	Margao	2018-19
133	9		30xxxxxxxxxx1Z8	Margao	2019-20
134	9		30xxxxxxxxxx1Z8	Margao	2020-21
135	9		30xxxxxxxxxx1ZJ	Vasco	2018-19
136	9		30xxxxxxxxxx2ZN	Margao	2018-19
137	9		30xxxxxxxxxx2ZN	Margao	2019-20
138	9		30xxxxxxxxxx1Z1	Panaji	2019-20
139	9		30xxxxxxxxxx1ZD	Vasco	2020-21
140	9		30xxxxxxxxxx1Z3	Ponda	2019-20
141	9		30xxxxxxxxxx1Z3	Ponda	2020-21
142	9		30xxxxxxxxxx1ZG	Mapusa	2019-20
143	9		30xxxxxxxxxx1ZG	Mapusa	2020-21
144	9		30xxxxxxxxxx1ZD	Mapusa	2018-19
145	9		30xxxxxxxxxx1ZD	Mapusa	2019-20
146	9		30xxxxxxxxxx1ZD	Mapusa	2020-21
147	9		30xxxxxxxxxx1ZJ	Mapusa	2018-19
148	9		30xxxxxxxxxx1ZJ	Mapusa	2019-20
149	9		30xxxxxxxxxx1ZJ	Mapusa	2020-21
150	9		30xxxxxxxxxx1ZN	Panaji	2019-20
151	9		30xxxxxxxxxx1ZN	Panaji	2020-21
152	9		30xxxxxxxxxx1Z9	Mapusa	2018-19
153	9		30xxxxxxxxxx1Z9	Mapusa	2020-21
154	9		30xxxxxxxxxx1Z8	Panaji	2020-21
155	10	Suppression of tax liability based on E-Way bill verification	30xxxxxxxxxx1ZB	Margao	2018-19
156	10		30xxxxxxxxxx1ZB	Margao	2019-20
157	10		30xxxxxxxxxx1ZB	Panaji	2019-20
158	10		30xxxxxxxxxx1ZB	Panaji	2020-21
159	10		30xxxxxxxxxx1ZJ	Margao	2018-19
160	10		30xxxxxxxxxx1ZJ	Margao	2019-20
161	10		30xxxxxxxxxx1ZJ	Margao	2020-21
162	10		30xxxxxxxxxx1Z8	Margao	2020-21
163	10		30xxxxxxxxxx1ZT	Margao	2018-19
164	10		30xxxxxxxxxx1ZT	Margao	2019-20
165	10		30xxxxxxxxxx1ZT	Margao	2020-21
166	10		30xxxxxxxxxx2ZK	Ponda	2019-20
167	10		30xxxxxxxxxx2ZK	Ponda	2020-21
168	10		30xxxxxxxxxx1Z5	Mapusa	2019-20
169	10		30xxxxxxxxxx1Z5	Mapusa	2020-21
170	10		30xxxxxxxxxx1ZI	Ponda	2018-19
171	10		30xxxxxxxxxx1Z5	Margao	2018-19
172	10		30xxxxxxxxxx1Z5	Margao	2019-20

Sl. No.	Dimension	Dimension Heading	GSTIN	Ward	Financial Year
173	10	Negative figure in Table 9R of GSTR-9C (Unreconciled payments)	30xxxxxxxxxx1Z9	Margao	2019-20
174	11		30xxxxxxxxxx1ZW	Mapusa	2018-19
175	11		30xxxxxxxxxx1ZW	Mapusa	2019-20
176	11		30xxxxxxxxxx2ZV	Mapusa	2018-19
177	11		30xxxxxxxxxx2ZV	Mapusa	2019-20
178	11		30xxxxxxxxxx1Z4	Mapusa	2020-21
179	11		30xxxxxxxxxx1Z1	Panaji	2018-19
180	11		30xxxxxxxxxx1Z1	Panaji	2019-20
181	11		30xxxxxxxxxx1Z1	Panaji	2020-21
182	11		30xxxxxxxxxx1ZD	Vasco	2020-21
183	16	Ineligible composition levy due to incorrect turnover	30xxxxxxxxxx1ZZ	Panaji	2019-20
184	16		30xxxxxxxxxx1ZA	Ponda	2019-20
185	16		30xxxxxxxxxx1Z4	Panaji	2020-21
186	16		30xxxxxxxxxx1ZV	Panaji	2018-19
187	16		30xxxxxxxxxx1Z5	Panaji	2019-20
188	16		30xxxxxxxxxx1Z5	Panaji	2020-21
189	17	Composition Taxpayers also availing E-Commerce facility	30xxxxxxxxxx1ZN	Panaji	2020-21
190	17		30xxxxxxxxxx1ZE	Margao	2020-21
191	17		30xxxxxxxxxx1ZH	Panaji	2020-21
192	17		30xxxxxxxxxx1Z3	Panaji	2020-21
193	20	GSTR-3B was not filed but GSTR-1 is available	30xxxxxxxxxx1Z5	Margao	2018-19
194	20		30xxxxxxxxxx1ZD	Mapusa	2018-19
195	20		30xxxxxxxxxx1ZD	Mapusa	2019-20
196	20		30xxxxxxxxxx1ZD	Mapusa	2020-21
197	20		30xxxxxxxxxx1ZR	Panaji	2018-19
198	20		30xxxxxxxxxx1ZR	Panaji	2019-20
199	20		30xxxxxxxxxx1ZT	Mapusa	2018-19
200	20		30xxxxxxxxxx1ZT	Mapusa	2019-20
201	20		30xxxxxxxxxx1ZT	Mapusa	2020-21
202	20		30xxxxxxxxxx1ZD	Vasco	2018-19
203	20		30xxxxxxxxxx1ZD	Vasco	2019-20
204	20		30xxxxxxxxxx1ZG	Mapusa	2018-19
205	20		30xxxxxxxxxx1ZG	Mapusa	2019-20
206	20		30xxxxxxxxxx1ZG	Mapusa	2020-21
207	20		30xxxxxxxxxx1Z8	Vasco	2018-19
208	20		30xxxxxxxxxx1Z8	Vasco	2019-20
209	20		30xxxxxxxxxx1ZZ	Panaji	2018-19
210	20		30xxxxxxxxxx1ZZ	Panaji	2019-20
211	20		30xxxxxxxxxx1ZJ	Curchorem	2018-19
212	20		30xxxxxxxxxx1ZJ	Curchorem	2019-20
213	20		30xxxxxxxxxx1ZJ	Curchorem	2020-21
214	20		30xxxxxxxxxx1ZS	Margao	2018-19
215	20		30xxxxxxxxxx1ZS	Margao	2019-20
216	21	Short Payment of interest on delayed	30xxxxxxxxxx1ZL	Panaji	2018-19

Sl. No.	Dimension	Dimension Heading	GSTIN	Ward	Financial Year
217	21	payments	30xxxxxxxxxx1ZL	Panaji	2019-20
218	21		30xxxxxxxxxx1ZL	Panaji	2020-21
219	21		30xxxxxxxxxx1Z7	Mapusa	2018-19
220	21		30xxxxxxxxxx1Z7	Mapusa	2019-20
221	21		30xxxxxxxxxx1Z7	Mapusa	2020-21
222	21		30xxxxxxxxxx1Z3	Vasco	2018-19
223	21		30xxxxxxxxxx1Z3	Vasco	2019-20
224	21		30xxxxxxxxxx1Z3	Vasco	2020-21
225	21		30xxxxxxxxxx1ZL	Ponda	2018-19
226	21		30xxxxxxxxxx1ZL	Ponda	2019-20
227	21		30xxxxxxxxxx1ZL	Ponda	2020-21
228	21		30xxxxxxxxxx1Z4	Mapusa	2018-19
229	21		30xxxxxxxxxx1Z4	Mapusa	2019-20
230	21		30xxxxxxxxxx1Z4	Mapusa	2020-21
231	21		30xxxxxxxxxx2Z1	Vasco	2018-19
232	21		30xxxxxxxxxx2Z1	Vasco	2019-20
233	21		30xxxxxxxxxx2Z1	Vasco	2020-21
234	21		30xxxxxxxxxx1ZS	Vasco	2018-19
235	21		30xxxxxxxxxx1ZS	Vasco	2019-20
236	21		30xxxxxxxxxx1ZS	Vasco	2020-21
237	21		30xxxxxxxxxx1ZV	Panaji	2018-19
238	21		30xxxxxxxxxx1ZV	Panaji	2019-20
239	21		30xxxxxxxxxx1ZV	Panaji	2020-21
240	21		30xxxxxxxxxx1ZJ	Panaji	2018-19
241	21		30xxxxxxxxxx1ZJ	Panaji	2019-20
242	21		30xxxxxxxxxx1ZJ	Panaji	2020-21
243	21		30xxxxxxxxxx1ZV	Mapusa	2018-19
244	21		30xxxxxxxxxx1ZZ	Vasco	2018-19
245	21		30xxxxxxxxxx1ZZ	Vasco	2019-20
246	21		30xxxxxxxxxx1ZZ	Vasco	2020-21
247	21		30xxxxxxxxxx2ZC	Mapusa	2018-19
248	21		30xxxxxxxxxx2ZC	Mapusa	2019-20
249	21		30xxxxxxxxxx2ZC	Mapusa	2020-21
250	21		30xxxxxxxxxx1ZX	Panaji	2018-19
251	21		30xxxxxxxxxx1ZX	Panaji	2019-20
252	21		30xxxxxxxxxx1ZX	Panaji	2020-21
253	21		30xxxxxxxxxx1ZH	Panaji	2018-19
254	21		30xxxxxxxxxx1ZH	Panaji	2019-20
255	21		30xxxxxxxxxx1ZH	Panaji	2020-21
256	21		30xxxxxxxxxx1ZA	Margao	2018-19
257	21		30xxxxxxxxxx1ZA	Margao	2019-20
258	21		30xxxxxxxxxx2ZO	Vasco	2018-19
259	21		30xxxxxxxxxx2ZO	Vasco	2019-20
260	21		30xxxxxxxxxx2ZO	Vasco	2020-21

Sl. No.	Dimension	Dimension Heading	GSTIN	Ward	Financial Year
261	21		30xxxxxxxxxx1ZG	Bicholim	2018-19
262	21		30xxxxxxxxxx1ZG	Bicholim	2019-20
263	21		30xxxxxxxxxx1ZG	Bicholim	2020-21
264	21		30xxxxxxxxxx1ZS	Mapusa	2018-19
265	21		30xxxxxxxxxx1ZV	Mapusa	2018-19
266	21		30xxxxxxxxxx1ZV	Mapusa	2019-20
267	21		30xxxxxxxxxx1ZV	Mapusa	2020-21
268	21		30xxxxxxxxxx1ZI	Panaji	2018-19
269	21		30xxxxxxxxxx1ZI	Panaji	2019-20
270	21		30xxxxxxxxxx1ZI	Panaji	2020-21
271	21		30xxxxxxxxxx1ZA	Margao	2020-21

APPENDIX 2.2B
{Referred to in paragraph 2.2.4(iii)}
Details of Limited Audit sample (Turnover mismatch)

Sl. No.	Dimension	Dimension Heading	GSTIN	Ward	Financial Year
1	12	Under-declaration of taxable supplies as per GSTR-3B <i>vis-à-vis</i> net amount on which TDS/TCS is recovered	30xxxxxxxxxx1Z7	Vasco	2019-20
2	12		30xxxxxxxxxx1ZP	Panaji	2020-21
3	12		30xxxxxxxxxx1Z9	Margao	2020-21
4	12		30xxxxxxxxxx1ZR	Ponda	2019-20
5	12		30xxxxxxxxxx1ZK	Panaji	2020-21
6	13	Mismatch in unbilled revenue declared in Table 5 of GSTR-9C	30xxxxxxxxxx2ZB	Vasco	2020-21
7	13		30xxxxxxxxxx1Z5	Curchorem	2019-20
8	13		30xxxxxxxxxx1ZO	Ponda	2018-19
9	13		30xxxxxxxxxx1ZH	Margao	2018-19
10	13		30xxxxxxxxxx1ZW	Panaji	2018-19
11	14	Negative figure in Table 7G of GSTR-9C (Unreconciled taxable turnover)	30xxxxxxxxxx1ZX	Panaji	2020-21
12	14		30xxxxxxxxxx1ZE	Margao	2018-19
13	14		30xxxxxxxxxx1ZE	Margao	2019-20
14	14		30xxxxxxxxxx1ZL	Panaji	2020-21
15	14		30xxxxxxxxxx1ZW	Mapusa	2020-21
16	14		30xxxxxxxxxx1ZI	Pernem	2020-21

APPENDIX 2.3
(Referred to in paragraph 2.2.4(iii))
Sample for Detailed Audit

Sl. No.	GSTIN	Name of Ward
1	30xxxxxxxxxx4ZG	Panaji
2	30xxxxxxxxxx1ZY	Panaji
3	30xxxxxxxxxx1Z9	Panaji
4	30xxxxxxxxxx1ZK	Panaji
5	30xxxxxxxxxx1Z5	Panaji
6	30xxxxxxxxxx1ZS	Panaji
7	30xxxxxxxxxx1ZD	Panaji
8	30xxxxxxxxxx1Z2	Panaji
9	30xxxxxxxxxx1ZR	Margao
10	30xxxxxxxxxx1ZP	Margao
11	30xxxxxxxxxx1Z8	Margao
12	30xxxxxxxxxx1ZN	Ponda
13	30xxxxxxxxxx2Z1	Vasco
14	30xxxxxxxxxx1Z4	Vasco
15	30xxxxxxxxxx1ZB	Mapusa

APPENDIX 2.4
(Referred to in paragraph 2.2.6.1)
Results of verification of non-filers of GSTR-3B returns

Sl. No.	Name of Ward Office	Number of non-filers as per MIS for March 2021	Number of GSTR-3B returns defaulted	Expected SGST (₹ in crore)	Number of cases selected for detailed check	Action taken by the Department
1	Mapusa	771	21,000	3.88	20	No Action was taken
2	Bicholim	257	7,222	0.34	20	No Action was taken
3	Curchorem	85	2,399	1.12	20	No Action was taken
4	Pernem	72	1,899	0.06	20	No Action was taken
Total		1,185	32,520	5.40	80	

Appendix-2.5
(Referred to in paragraph 2.2.6.3)
Results of verification of cancellation of registrations

Sl. No.	Name of Ward Office	Number of taxpayers whose registration was cancelled on application during 2020-21	Number of taxpayers whose registration was cancelled Suo-moto during 2020-21	Total cases cancelled	Number of taxpayers who filed GSTR-10 within prescribed time limit of 90 days	Number of taxpayers who filed GSTR-10 beyond prescribed time limit of 90 days	Remaining cases where GSTR- 10 was not filed	Number of cases where best judgement assessment was carried out	Follow up action initiated by the department for recovery of pending dues	Number of cases selected for detailed check	Number of cases where records were produced for detailed check
1	Mapusa	502	459	961	109	59	793	0	No action was initiated	20	Nil
2	Curchorem	86	50	136	7	5	124	0	No action was initiated	20	Nil
3	Bicholim	92	132	224	17	2	205	0	No action was initiated	20	Nil
4	Pernem	47	55	102	10	5	87	0	No action was initiated	20	Nil
Total		727	696	1423	143	71	1209	0		80	

APPENDIX 2.6A
(Referred to in paragraph 2.2.7.3)
Case wise details of Limited Audit sample (Other than turnover mismatch)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
1	1	30xxxxxxxxxx1ZV	Permen	2018-19	5.80	The department replied (August 2024) that as per BO portal report on comparison of ITC for the year 2018-19 it was seen that ITC claimed (₹ 2,12,81,814) in GSTR-3B is less than the ITC available (₹ 22,15,86,306) in GSTR-2A.	Reply of the department for the year 2018-19 was submitted without supporting documents.	Reply furnished without appropriate documentary evidence
2	1	30xxxxxxxxxx1ZV	Permen	2019-20	10.94	The department replied (August 2024) for the year 2019-20, it was stated that the Table of comparison of ITC availed in GSTR-3B with ITC available in GSTR-2A for FY 2019-20 was attached and as per circular no. CCT/26-22/GSTBO/2024-25/1890 dated 14/08/2024, if any officer had proceeded/commenced any proceeding under the GST law, same would be continued by the same officer irrespective of transfer deployment. The case for FY 2019-20 was being assessed by ex-STO Permen ward.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
3	1	30xxxxxxxxxx1ZV	Permen	2020-21	42.16	2020-21: Further, proceeding would be initiated on sequential basis on completion of proceeding for the FY 2019-20.	Further progress in this regard was awaited.	Under Examination
4	1	30xxxxxxxxxx1Z5	Mapusa	2018-19	5.73	September 2024: 2018-19: Case was selected for Audit u/s 65, accordingly audit was conducted and further show cause notice u/s 73 was issued. According to show cause notice total unreconciled ITC was ₹ 11,25,80,649. Out of which taxpayer had given reconciliation with explanation of ₹ 7,20,41,548. Hence, balance unreconciled ITC works to ₹ 4,05,39,101 against which Order u/s 73 and demand in DRC-07 was raised. Copy of demand order was enclosed. Further, taxpayer preferred an appeal against the said order. Outcome of appeal was awaited.	Outcome of the appeal for the year 2018-19 may be intimated to Audit, alongwith the progress for the year 2019-20.	Demand Order (DRC-07) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
5	1	30xxxxxxxxx1Z5	Mapusa	2019-20	27.59	2019-20: Case was selected for Audit u/s 65, accordingly audit was conducted and Discrepancy notice was issued. However, taxpayer had not paid the amount. Hence, Final ADT 02 was issued. Since, no payment had been effected, show cause notice u/s 73 was issued on 30/05/2024. Taxpayer had paid small amount towards DRC-01 <i>vide</i> DRC-03 ARN:AD300524001524S dt. 30/05/2024 i.e. CGST tax ₹ 21,924, SGST tax ₹ 21,924 & Interest of CGST ₹ 16,110, SGST ₹ 16,110. This is payment of RCM as per ADT 02. Case proceedings were under process. Hence, outcome of the same would be intimated to audit, once order is issued. Copy of Discrepancy notice & Annexure & DRC-01 with enclosure & DRC-03 was enclosed herewith for your kind perusal.	Further progress may be intimated	SCN (DRC-01) issued
6	1	30xxxxxxxxx1ZP	Permen	2018-19	2.14	The department replied (August 2024) that the case was selected for scrutiny for the year 2018-19. During the proceedings taxpayer had admitted excess availedment of ITC of ₹ 2.16 crore, of the excess claim ₹ 1.45 had been reversed and balance ₹ 0.71 crore was subsequently reversed in 2019-20. Therefore, the proceedings was dropped <i>vide</i> order dated 25/10/2014. The taxpayer had paid ₹1,14,986 <i>vide</i> DRC-03 bearing No. AD030102200163C dated: 07/10/2022.	The taxpayer has reversed ITC of ₹ 29.74 crore for the years 2018-19 to 2020-21 as against excess ITC of ₹ 29.22 crore pointed out by Audit. Copy of the GSTR-3B for the month of February 2021 has also been attached wherein the ITC was reversed. In light of the above facts, the para was dropped.	Dropped (Action already taken)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
7	1	30xxxxxxxx1ZP	Permen	2019-20	12.48	The case was selected for audit w/s 65 for the year 2019-20. The audit was duly completed and Nil audit report had been issued. Copy of audit report dated 17/05/2024 is attached. Taxpayer had admitted excess availedment of ITC of ₹ 13.48 crore and reversed the same in the month of February 2021. Taxpayer had paid ₹ 1,63,120 <i>vide</i> DRC-03 bearing AD301022000164 dated 07/10/2022.	The taxpayer has reversed ITC of ₹ 29.74 crore for the years 2018-19 to 2020-21 as against excess ITC of ₹ 29.22 crore pointed out by Audit. Copy of the GSTR-3B for the month of February 2021 has also been attached wherein the ITC was reversed. In light of the above facts, the para was dropped.	Dropped (Action already taken)
8	1	30xxxxxxxx1ZP	Permen	2020-21	14.60	Further, proceeding would be initiated on sequential basis on completion of proceedings for the year 2020-21.	The taxpayer has reversed ITC of ₹ 29.74 crore for the years 2018-19 to 2020-21 as against excess ITC of ₹ 29.22 crore pointed out by Audit. Copy of the GSTR-3B for the month of February 2021 has also been attached wherein the ITC was reversed. In light of the above facts, the para was dropped.	Dropped (Action already taken)
9	1	30xxxxxxxx1ZA	Curchore m	2019-20	16.20	The department replied (June 2024) that the query was taken up with the taxpayer for the remaining mismatch of ₹ 6,75,774.31 and it was submitted by the taxpayer that ITC for February and March of 2018-19 was availed in GSTR-3B of FY 2019-20 in April 2019 to the extent of ₹ 8,76,659 although this ITC was already visible in GSTR-2A of 2018-19 being original transactions of 2018-19. But this ITC of ₹ 8,76,659 was not related to 2019-20. Invoice number	Para was dropped in view of the reply submitted by the STO.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
10	1	30xxxxxxxxx1Z2	Ponda	2019-20	3.26	wise reconciliation, showing transactions of February and March of 2018-19 entered in April 2019-20 was verified with GSTR-2A of 2018-19 which is enclosed. It is therefore established that there exists no difference between ITC as visible in GSTR-2A with ITC availed in GSTR-3B of 2019-20.	Reply furnished without appropriate documentary evidence	
11	1	30xxxxxxxxx1Z2	Ponda	2020-21	11.98	September 2024-2019-20: The taxpayer was issued a notice in FORM GST DRC-01A (ARN ZD30052401676S dated 17-05-2024) seeking explanations for discrepancies in claimed Input Tax Credit (ITC). The taxpayer replied through GST DRC-01A - Part B with supporting annexures. Upon review, the total ITC claimed in GSTR-3B amounted to ₹ 44,25,69,666 (IGST: ₹ 35,44,33,102, CGST: ₹ 4,40,68,277.50, SGST: ₹ 4,40,68,277.50), while the ITC auto-drafted in GSTR-2A totaled ₹ 54,42,37,193 (IGST: ₹ 38,98,36,524, CGST: ₹ 6,22,00,334, SGST: ₹ 6,22,00,334). The claimed ITC was found to be in line with the law, with no discrepancies, and the taxpayer's re-credit for ITC reversed due to non-payment within 180 days was valid. Verification of GSTR-3B, GSTR-2A, GSTR-9, and other documents confirmed that the ITC claimed was accurate. Supporting documents are attached.	Further progress was awaited.	Under Examination
12	1	30xxxxxxxxx1ZJ	Vasco	2018-19	12.15	The department replied (September 2024) that the taxpayer was assessed for the period 2018-19 and 2019-20. In the year 2018-19, the Input tax credit claimed was ₹ 68,19,97,948.00. The Input tax credit reflecting in GSTR-2A was ₹ 57,88,10,799.80. The taxpayer had opening Input tax credit of previous year amounting to ₹ 14,02,27,529.94. Input tax credit of ₹ 44,77,890.42 is reflecting in GSTR-2A of 2019-20. The CA certificate was also obtained and attached. On verification of the records, it is found that there is no excess availing of ITC, in fact there is excess input tax credit balance of ₹ 4,15,18,271.22.	The reply of the Department is accepted and the Para is dropped.	Dropped (other valid explanation)
13	1	30xxxxxxxxx1ZJ	Vasco	2019-20	0.88	In the year, 2019-20 - the Input tax credit claimed was ₹ 46,31,50,846.00. of which taxpayer has reversed ITC of 2019-20 of ₹ 1,05,494 <i>vide</i> DRC-03 bearing No. AD3005230000344 dated 02/05/2023. The Input tax credit	The reply of the Department is accepted and the Para is dropped.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status	
						reflecting in GSTR-2A of 2019-20 is ₹ 41,77,89,641.66. The taxpayer utilised the opening balance of ₹ 4,16,65,095.37 instead of ₹ 4,15,18,271.32. The difference in ITC of ₹ 1,46,823.21 was paid by the taxpayer with interest vide DRC-03 AD300324001417T dated 28/03/2024. Input tax credit of ₹ 49,96,944.00 was reversed in GSTR-3B of September 2020. Infact, Input tax credit of ₹ 50,44,964.00 of 2019-20 was reflecting in GSTR-2A of 2020-21. The photocopies of the DRC-03 are enclosed for perusal. Thus there is no excess availment of input tax credit. Hence audit Para may be dropped.	Reply for the year 2018-19 was accepted.	Dropped (other valid explanation)	
14	1	30xxxxxxxxx1ZW	Panaji	2018-19	11.22	The dept vde letter dt: 04/04/2024 stated that the total ITC claimed during the tax period April 2018 to March 2019 is lower by ₹ 12,22,46,769.72 as compared to the figure available in GSTR-2A. The difference between ITC availed in GSTR-3B and ITC available in GSTR-2A is due to the various reasons. The correct ITC is availed during the year 2018-19 there is no excess availment of ITC as compared to GSTR-2A. STO replied (25/06/2024) for 2018-19 stating that in response, the taxpayer explained: ITC claimed in GSTR-3B may not directly match GSTR-2A due to: ITC on invoices from earlier periods claimed later. ITC reversed and reclaimed after payment to vendors. A reconciliation table was provided showing the differences and reasons: ITC as per GSTR-2A: ₹ 31,62,93,664.29 ITC as per GSTR-3B: ₹ 42,43,45,618.83 Difference: ₹ 10,80,51,954.54. After adjustments, the reconciled ITC for comparison was ₹ 19,40,46,894.57, which was lower than the ITC in GSTR-2A by ₹ 12,22,46,76. The taxpayer requested the notice to be dropped as the ITC claimed was correct and the demand for tax and interest was unwarranted. September 2024: The reply is given to the CAG Audit on 04/04/2024. The copy of reply is enclosed on record. The order for dropping the proceedings is enclosed on record. Thus, the para is dropped.	Further progress in this regard was awaited.	ASMT-10 issued Action initiated	
15	1	30xxxxxxxxx1ZW	Panaji	2020-21	1.54	The case was marked for Audit for FY 2020-21. Audit para was forwarded to the concerned Assessing Authority for further necessary action in the matter. Hence, outcome would be intimated to Audit.			

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
16	1	30xxxxxxxx1ZU	Ponda	2018-19	10.59	September 2024: On verification of Audit observation, it is to state that, the taxpayer with GSTIN 30XXXXXXXXX1ZU, having legal name Nileshkumar and Trade Name Pushpa Enterprises Trading has been identified as fake taxpayer who has obtained registration by uploading forged documents. Further the taxpayer has availed Input tax credit without actual receipt of Goods, and also further Input tax credit has been passed without actual movement of Goods. Necessary visit was conducted at the principal place of business, where in it revealed that the taxpayer is non-existing and such further action was initiated under CGST Act, 2017 and registration was cancelled effective from the date of registration. Further FIR was registered with the jurisdictional Police, bearing No. 115/19 on 28/04/2019. The Case was investigated and Jurisdictional Police filed Final report No.01/2020 dated 12/01/2020 in the court of Hon'ble Judicial Magistrate First Class, Ponda praying that the case may be classified as "A-Summary" as the case remained un-detected due to want of accused. Further in response to the prayer for "A" summary, request for additional investigation was filed in the court of Hon'ble Judicial Magistrate First Class, Ponda. The request for additional investigation was accepted, and further order was issued to jurisdictional police, to investigate the case further. Further progress would be informed.	Reply was accepted. Para was dropped.	Dropped (Action already taken)
17	1	30xxxxxxxx1ZG	Ponda	2018-19	10.53	September 2024: On verification of Audit observation, it is to state that, the taxpayer with GSTIN 30XXXXXXXXX1ZG, having legal name Chandkumar and Trade Name Shri Balaji Corporation, has been identified as fake taxpayer who has obtained registration by uploading forged documents. Further the taxpayer has availed Input tax credit without actual receipt of Goods, and also further Input tax credit has been passed without actual movement of Goods. Necessary visit was conducted at the principal place of business, where in it revealed that the taxpayer is non-existing and such further action was initiated under CGST Act, 2017 and registration was cancelled effective from the date of registration. Further FIR was registered with the jurisdictional Police, bearing No. 115/19 on 28/04/2019. The Case was investigated and Jurisdictional Police filed	Reply was accepted. Para was dropped.	Dropped (Action already taken)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						Final report No.01/2020 dated 12/01/2020 in the court of Hon'ble Judicial Magistrate First Class, Ponda praying that the case may be classified as "A-Summary" as the case remained un-detected due to want of accused. Further in response to the prayer for "A" summary, request for additional investigation was filed in the court of Hon'ble Judicial Magistrate First Class, Ponda. The request for additional investigation was accepted, and further order was issued to jurisdictional police, to investigate the case further. Further progress would be informed.		
18	1	30xxxxxxxxx1ZZ	Margao	2018-19	6.36	The department replied (September 2024) that For FY 2018-19 it is submitted that ITC of ₹ 56978516 towards SEZ imports, ₹622642 towards ITC - RCM paid and ₹ 1965080 towards ISD credit received, which were not reflected in the GSTR-2A. And for wrongly availed ITC of ₹4525918 DRC-07 vide Ref no: ZD3004240020880 dt 25/04/2024 has been issued.	The figures of GSTR-3B {All other ITC (table 4A(5), Blocked credit {table 4(D) of GSTR-3B} and ITC availed during subsequent period (up to 20th October of subsequent financial year) as per table 8(C) of GSTR-9 were considered by Audit to work out the deviation value (₹ 6.36 crore for the year 2018-19). Which excludes ITC under RCM, ITC under ISD and ITC for import from SEZ. However, in the reply of the Department, components relevant to the audit observation were not considered. Hence, reply of the Department is not tenable.	Rebuttal

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
19	1	30xxxxxxxxx1ZZ	Margao	2020-21	3.49	The case records of the taxpayer is under verification for FY 2020-21.	Further progress in this regard was awaited.	Under Examination
20	1	30xxxxxxxxx1ZH	Margao	2018-19	8.75	The department replied (September 2024) that in case of financial year 2018-19, ASMT-10 <i>vide</i> reference No. ZD301123003211N dated 30/11/2023 was issued to the taxpayer. In reply to ASMT-10 taxpayer had made reply explaining the difference therefore ASMT-12 order was issued to the taxpayer. Reply of the taxpayer is placed on records.	The reply of the department is accepted and para can be dropped.	Dropped (other valid explanation)
21	1	30xxxxxxxxx1ZH	Margao	2019-20	0.68	In case of financial year 2019-20, ASMT-10 <i>vide</i> reference No. ZD301123003212L dated 30/12/2023 was issued to the taxpayer. In reply to ASMT-10 taxpayer had made reply explaining the difference therefore ASMT-12 order was issued to the taxpayer. Reply of the taxpayer is placed on records. In view of the above, Para is dropped.	The reply of the department is accepted and para can be dropped.	Dropped (other valid explanation)
22	1	30xxxxxxxxx1ZD	Panaji	2018-19	5.90	September 2024: 2018-19: The tax payer has filed the reply. The reply is enclosed on record. Thus the Para is dropped.	The reply was not found attached. The Department need to submit the reply after verification.	Reply furnished without appropriate documentary evidence
23	1	30xxxxxxxxx1ZD	Panaji	2019-20	1.99	DRC-01 was issued. The copy was DRC-01 was enclosed on record. The taxpayer had submitted the reply which was also enclosed.	Further progress in this regard was awaited.	SCN (DRC-01) issued
24	1	30xxxxxxxxx2ZY	Panaji	2018-19	4.66	The Department <i>vide</i> letter No.7503, 7504 dt: 06/03/24 explained the reason for the difference in ITC and also submitted reconciliation alongwith the support in documents.	As per reply received vide letter No.7504 dt: 06/03/24 related to the year 2018-19 and vide letter no 7503 dt: 06/03/24 related to the year 2019-20, the reply furnished was acceptable and accordingly the observation pertaining to these two year 2018-19 and 2019-20 was considered for closure.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
25	1	30xxxxxxxxx2ZY	Panaji	2019-20	1.10	The Department vide letter No.7503, 7504 dt: 06/03/24 explained the reason for the difference in ITC and also submitted reconciliation alongwith the support in documents.	As per reply received vide letter No.7504 dt: 06/03/24 related to the year 2018-19 and vide letter no 7503 dt: 06/03/24 related to the year 2019-20, the reply furnished was acceptable and accordingly the observation pertaining to these two year 2018-19 and 2019-20 was considered for closure.	Dropped (other valid explanation)
26	1	30xxxxxxxxx2ZY	Panaji	2020-21	0.22	Reply was given to audit on 24/05/2024, para may be dropped.	Reply was accepted.	Dropped (other valid explanation)
27	1	30xxxxxxxxx1Z4	Panaji	2018-19	5.65	September 2024: 2018-19: The order u/s 73 is issued to the tax payer the taxpayer is assessed <i>vide</i> order dated 23/04/2024 for total dues of ₹ 7686986 tax of ₹ 3678418, Interest of ₹ 3440726 and Penalty of ₹ 367842. Hence, please may be dropped	Supporting documents pertaining to the reply were not found in the file.	Reply furnished without appropriate documentary evidence
28	1	30xxxxxxxxx1ZP	Margao	2018-19	0.13	The department replied (September 2024) that ASMT-10 was issued for the year 2018-19. Taxpayer had paid the dues through DRC-03 <i>vide</i> ARN AD3012230004606 dated 06/12/2023 and ARN: AD301223001887H dated 24/12/2023. Hence, proceedings were dropped vide Form ASMT 12.	Reply for the year 2018-19 and 2019-20 is accepted.	Recovered
29	1	30xxxxxxxxx1ZP	Margao	2019-20	4.90	Case of the taxpayer for 2019-20 was marked to Proper Officer for Audit Assessment u/s 65 and reply furnished by the proper officer that tax payer has paid the dues through DRC-03 <i>vide</i> Debit entry no. DI3006200009933 dated 24/06/2020 and ARN AD3002240007750 dated 28/02/2024.	Reply for the year 2018-19 and 2019-20 is accepted.	Recovered
30	1	30xxxxxxxxx1ZP	Margao	2020-21	0.59	The case records of the taxpayer is under verification for FY 2020-21.	Further progress in this regard was awaited.	Under Examination

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
31	2	30xxxxxxxxxx1ZV	Permem	2018-19	12.76	The department replied (August 2024) that as per BO portal report on comparison of ITC for the year 2018-19 it was seen that ITC claimed (₹ 2,12,81,814) in GSTR-3B is less than the ITC available (₹ 22,15,86,306) in GSTR-2A.	The Department may furnish GSTR-2A for the three years. Para retained for want of additional documents.	Reply furnished without appropriate documentary evidence
32	2	30xxxxxxxxxx1ZE	Vasco	2018-19	5.42	The department replied (September 2024) that on verification of the records at the backend and the data obtained from the taxpayer, It was found that the taxpayer had claimed less ITC than the ITC available in GSTR-2A. The statement was attached for reference. Hence, para is dropped.	The Department may furnish GSTR-2A for the three years. Para retained for want of additional documents.	Reply furnished without appropriate documentary evidence
33	2	30xxxxxxxxxx1ZE	Vasco	2019-20	0.18	The department replied (September 2024) that on verification of the records at the backend and the data obtained from the taxpayer, it was found that the taxpayer had claimed less ITC than the ITC available in GSTR-2A. The statement was attached for reference. Hence Para is dropped.	The Department may furnish GSTR-2A for the three years. Para retained for want of additional documents.	Reply furnished without appropriate documentary evidence
34	2	30xxxxxxxxxx1ZE	Vasco	2020-21	0.14	The department replied (September 2024) that on verification of the records at the backend and the data obtained from the taxpayer, it was found that the taxpayer had claimed less ITC than the ITC available in GSTR-2A. The statement was attached for reference. Hence, para is dropped.	The Department may furnish GSTR-2A for the three years. Para retained for want of additional documents.	Reply furnished without appropriate documentary evidence
35	2	30xxxxxxxxxx1ZI	Margao	2018-19	3.14	The department replied (September 2024) that the case of the taxpayer for 2018-19 was marked to Proper Officer for Audit Assessment u/s 65 and reply of the same has been sought from the proper officer. The taxpayer filed reply that figures in Table 8A of Form GSTR-9 are auto-populated only for those form GSTR-1 which were furnished by the corresponding suppliers by the due date. Thus, ITC on supplies made during the financial year 2017-18, if reported beyond the said date by the corresponding supplier, will not get auto-populated in said table 8A. It may also be noted that FORM GSTR-1 furnished by suppliers even after the due date. In such cases there would be mismatch between the updated Form GSTR-2A and the Auto populated information in Table 8A. In addition to the above, the taxpayer also submitted that reliance on Table 8A to understand input tax credit availed by the person may not be correct since it does not take into account such input tax credit which though reflected GSTR-2A of the earlier financial year but was considered for availment purpose in the subsequent financial	2018-19 – GSTR-2A may be provided.	Reply furnished without appropriate documentary evidence

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
36	2	30xxxxxxxxx1Z1	Margao	2019-20	0.47	In respect of 2019-20, SCN along with DRC-01 dt. 30/05/2024 had been issued.	2019-20: Supporting documents, like DRC-01 not found attached with the reply.	SCN (DRC-01) issued
37	2	30xxxxxxxxx1Z1	Margao	2020-21	1.87	Audit enquiry for the financial year 2020-21 was marked to the proper officer for Audit assessment u/s 65.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
38	2	30xxxxxxxxxP1Z	Margao	2018-19	0.14	The department replied (August 2024) that ASMT-10 was issued to the taxpayer. No ITC was availed/utilised by the taxpayer for the year 2018-19 and 2019-20. In view of the above para is dropped.	Reply was accepted. Para was dropped.	Dropped (other valid explanation)
39	2	30xxxxxxxxxP1Z	Margao	2019-20	4.36	The department replied (August 2024) that ASMT-10 was issued to the taxpayer. No ITC was availed/utilised by the taxpayer for the year 2018-19 and 2019-20. In view of the above Para is dropped.	Reply was accepted. Para was dropped.	Dropped (other valid explanation)
40	2	30xxxxxxxxx1ZB	Panaji	2018-19	1.86	September 2024: The Taxpayer was assessed for the year 2018-19 u/s 73 of the GGST Act for IGST of ₹ 35,88,321, Interest of ₹ 35,23,240 and Penalty of ₹ 3,58,832. The taxpayer has paid the above amount alongwith the additional interests of ₹ 1,50,415.	Further progress in this regard alongwith the supporting documents was awaited.	Reply furnished without appropriate documentary evidence
41	2	30xxxxxxxxx1ZB	Panaji	2019-20	2.34	For the year 2019-20, reply was given on 26/04/2024 (copy enclosed) wherein explanation was provided and it was confirmed that the ITC had been correctly claimed by the taxpayer.	In view of the explanation given by the STO, para was dropped.	Dropped (other valid explanation)
42	2	30xxxxxxxxx1ZB	Panaji	2020-21	0.17	For the year 2020-21 case shall be verified and status will be submitted to audit.	Further progress in this regard was awaited.	Under Examination
43	2	30xxxxxxxxx1Z2	Ponda	2018-19	3.12	September 2024: 2018-19: The taxpayer was selected for Audit u/s 65. Audit was completed by the Proper Officer after verification of ITC as eligible u/s 16 of GGST Act, 2017. Further the taxpayer had filed the letter as compliance u/s 16(4) of GGST Act, 2017. Copy of letter is enclosed and it is found that the query raised was compiled by the taxpayer with regards to the utilization of ITC. Hence the ADT 02 is issued for NIL dues. Copy of the ASMT 12, documents	Reply was accepted and para was dropped.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						attached as to compliance of discrepancy related to ADT 02 and statement along with documents submitted during Audit u/s 65 were attached for reference. Hence para may please be dropped.		
44	2	30xxxxxxxxx1Z2	Ponda	2019-20	0.26	2019-20: The deviation as reported analyzed and verified. It is to state that the eligible input tax credit as gets credited in Electronic credit ledger on filing of table 4-A form GSTR-3B. Input tax credit on Import of Goods, (Table 4A.1), RCM credit (Table 4A.2) and ISD Credit (Table 4A.4), are not reflected in GSTR-2A of the taxpayer. Further, all returns filed in Form GSTR-3B for year 2019-20 were analyzed and compared with Table 8A of GSTR-9 and Input tax credit as available in GSTR-2A where in the Taxpayer has availed input tax credit lower as compared to the credit as reflected in Table 8A of GSTR-9 (detailed reconciliation enclosed).	In view of the explanation given by the STO, para was dropped.	Dropped (other valid explanation)
45	2	30xxxxxxxxx1Z2	Ponda	2020-21	0.14	The taxpayer was selected for scrutiny for which time limit to issue notice was 30/11/2024. The progress of the same would be intimated.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
46	2	30xxxxxxxxx1ZA	Panaji	2018-19	2.29	September 2024: The said discrepancies are not reflected in 8A. Thus, Para is dropped. The reply is submitted to the Auditor on 19/04/2024. The copy is enclosed on record. Thus, the Para is dropped.	2018-19: The para points towards the difference in ITC claimed as per GSTR-9(8A) and GSTR-2A on account of suppliers not paying tax for ITC claimed by receiver (IFB). However, the reply does not shed any light on this. Hence, para retained.	Rebuttal
47	2	30xxxxxxxxx1ZA	Panaji	2019-20	0.28	2019-20: The taxpayer has furnished reply and this office has submitted reply on 02/07/2024 which is enclosed on record. The taxpayer has paid interest of ₹ 7,09,191 <i>vide</i> DRC-03 dated 21/05/2024 Thus the para may be dropped.	Further progress in this regard was awaited.	Reply furnished without appropriate documentary evidence
48	2	30xxxxxxxxx1ZA	Panaji	2020-21	0.88	2020-21: The case shall be verified and status will be submitted to Audit.	Further progress in this regard was awaited.	Under Examination

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
49	2	30xxxxxxxxxx1Z6	Panaji	2019-20	0.00	September 2024: 2019-20: Copy of Order issued u/s 73 is enclosed. The taxpayer has paid the amount of CGST ₹ 930 and SGST ₹ 930 <i>vide</i> DRC-03 with ARN AD300824000534M dated 22/08/2024.	Reply is accepted.	Recovered
50	2	30xxxxxxxxxx1Z6	Panaji	2020-21	3.25	The case shall be verified and the progress shall be initiated to the audit	Further progress in this regard was awaited.	Under Examination
51	2	30xxxxxxxxxx1ZD	Vasco	2018-19	2.38	The department replied (September 2024) that the taxpayer was assessed for the year 2018-19 and 2019-20, the copy of the order under Section 73 alongwith DRC-07 was attached.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
52	2	30xxxxxxxxxx1ZD	Vasco	2019-20	0.16	The department replied (September 2024) that the taxpayer was assessed for the year 2018-19 and 2019-20, the copy of the order under Section 73 alongwith DRC-07 was attached.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
53	2	30xxxxxxxxxx1ZD	Vasco	2020-21	0.48	For the year 2020-21, verification was initiated. Hence Para may be dropped.	Further progress in this regard was awaited.	Under Examination
54	2	30xxxxxxxxxx1Z4	Panaji	2018-19	0.00	Reply <i>vide</i> letter dt: 08/04/24 for the year 2018-19 it was stated by the STO that there will always exist a difference in the figures appearing in GSTR-2A and Table 8A of GSTR-9, further as the GSTR-2A figure is more by ₹ 18,176 than the figures appearing in Table 8A, hence there was no question of tax implication involved. Hence para may be dropped.	While the STO has made a statement suggesting no tax implication due to the difference in figures, it is crucial that this discrepancy is adequately reconciled. The STO should ensure that any mismatch is thoroughly investigated and corrected in order to avoid future complications.	Rebuttal

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
55	2	30xxxxxxxxxx1Z4	Panaji	2019-20	2.96	2019-20: The reply (29/05/2024) indicated that after verification, it was found that there was a difference of ₹ 2,97,91,524 in Input Tax Credit (ITC) between GSTR-9 and GSTR-2A for the year 2018-19. This difference pertains to B2B Amendments for Procter and Gamble Home Products (Stock Transfers). The taxpayer filed GSTR-1 and GSTR-3B within the time limit, and the discrepancy in ITC was also reflected in the GSTR-2A for January 2020, which was filed timely. It suggests that the difference may have been due to a system or technical error and provided details of the GSTR-2A statement for reference.	Reply is accepted.	Dropped (other valid explanation)
56	2	30xxxxxxxxxx1Z4	Panaji	2020-21	0.02	2020-21: The case shall be verified and status will be submitted to Audit	Further progress in this regard was awaited.	Under Examination
57	3	30xxxxxxxxxx1ZL	Panaji	2019-20	3.07	September 2024: 2019-20: The taxpayer was assessed and copy of Order was enclosed.	Observation was dropped in view of the relaxation provided <i>vide</i> circular No: 30/2024-25/GST Dated: 01/11/2024	Dropped (other valid explanation)
58	3	30xxxxxxxxxx1ZL	Panaji	2020-21	2.01	2020-21: The said case shall be verified and the outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination
59	3	30xxxxxxxxxx2ZS	Margao	2018-19	1.67	The department replied (September 2024) that Show cause notice in form DRC-01 vide reference No.ZD300 240021967 & ZD3002240015447 for financial year 2018-19 and 2019-20 was issued to the taxpayer. The National Company Law tribunal Court V - Mumbai branch vide C.P. No 06/IBC/MB/2022 dated 14/11/2022 admitted the petition of Prakash Constrowell Ltd for corporate insolvency therefore further proceedings cannot be initiated against the taxpayer. The Commissioner of Commercial Taxes vide order dated 16/02/2024 dropped the audit proceedings for financial year 2018-19 as the taxpayer was before National Company Law Tribunal. Copy of show cause notice for financial year 2018-19 & 2019-20, NCLT order dated 14/11/2024 & Commissioner of Commercial Taxes order dated 16/02/2024 were enclosed. In view of the above Para was dropped.	Further progress in this regard was awaited.	SCN (DRC-01) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
60	3	30xxxxxxxxx2ZS	Margao	2019-20	1.87	The department replied (September 2024) that Show cause notice in form DRC-01 vide reference No.ZD3001240021967 & ZD3002240015447 for financial year 2018-19 and 2019-20 was issued to the taxpayer. The National Company Law tribunal Court V - Mumbai branch vide C.P. No 06/IBC/MB/2022 dated 14/11/2022 admitted the petition of Prakash Constrowell Ltd for corporate insolvency therefore further proceedings cannot be initiated against the taxpayer. The Commissioner of Commercial Taxes vide order dated 16/02/2024 dropped the audit proceedings for financial year 2018-19 as the taxpayer was before National Company Law Tribunal. Copy of show cause notice for financial year 2018-19 & 2019-20, NCLT order dated 14/11/2024 & Commissioner of Commercial Taxes order dated 16/02/2024 were enclosed. In view of the above para was dropped.	Further progress in this regard was awaited.	SCN (DRC-01) issued
61	3	30xxxxxxxxx1Z3	Margao	2018-19	2.86	ITC availed for the period March 2019 to the tune of ₹ 2,86,14,767 was held inadmissible as per the provisions of Section 16(4) of the GGST Act,2017 vide Assessment Order No. ZG3006211003526 / 2239 dated 04/06/2021 under 74 of Goa GST Act, 2017. Assessment cum demand order in GST DRC-07 for the FY 2018-19 was attached (exhibit 1). Hence the audit observation may be dropped.	Copy of DRC-07 was not found attached. The same may be furnished. Further progress in this regard was awaited.	Dropped (Action already taken)
62	3	30xxxxxxxxx1ZC	Panaji	2018-19	2.16	September 2024: 2018-19: The amendment is made to Section 16 that on any invoice or debit note for supply of goods or services or both pertaining to financial year 2017-18, 2018-19, 2019-20 and 2020-21, the registered person shall be entitled to avail ITC in any return u/s 39 which is filed upto thirteen day of November 2021 and it is observed that the taxpayer has filed his GSTR-3B within the limitation period. Thus, the para is dropped. The amendment copy is enclosed on record and the screenshot of the filing status of the taxpayer is enclosed on record.	The supporting documents pertaining to the reply were not found in the file.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
63	3	30xxxxxxxx1ZY	Panaji	2019-20	2.07	September 2024: The amendment is made to Section 16 that on any invoice or debit note for supply of goods or services or both pertaining to financial year 2017-18, 2018-19, 2019-20 and 2020-21. The registered person shall be entitled to ITC in any return u/s 39 which is filed upto thirteen day of November 2021 and it is observed that the taxpayer has filed his GSTR-3B within the limitation period. Thus, the para is dropped. The amendment copy is enclosed on record and the screenshot of the filing status of the tax payer is enclosed on record.	The supporting documents pertaining to the reply were not found in the file.	Dropped (other valid explanation)
64	3	30xxxxxxxx1ZG	Mapusa	2018-19	0.88	Sept 2024: Para was raised for ITC availed on GSTR-3Bs filed after limitation period for 2018-19 ₹ 87,86,279 and for 2019-20 ₹ 98,68,300. DGII has confirmed that they have already initiated investigation against the taxpayer for the period from July 2017 to March 2021. Further the discrepancies raised in ASMT-10 regarding ITC availed on GSTR-3B filed after limitation period during the year 2018-19 has been intimated to DGII, Porvorim. Copy of letter received from DGII and letter issued to DGII intimating dropped proceedings is attached herewith for reference. Further progress in this case will be intimated once the information is received from DGII.	Copies of the documents mentioned in the reply were not found in the file.	Dropped (other valid explanation)
65	3	30xxxxxxxx1ZG	Mapusa	2019-20	0.99	Sept 2024: Para was raised for ITC availed on GSTR-3Bs filed after limitation period for 2018-19 ₹ 87,86,279 and for 2019-20 ₹ 98,68,300. DGII has confirmed that they have already initiated investigation against the taxpayer for the period from July 2017 to March 2021. Further the discrepancies raised in ASMT-10 regarding ITC availed on GSTR-3B filed after limitation period during the year 2018-19 has been intimated to DGII, Porvorim. Copy of letter received from DGII and letter issued to DGII intimating dropped proceedings is attached herewith for reference. Further progress in this case will be intimated once the information is received from DGII.	Copies of the documents mentioned in the reply were not found in the file.	Dropped (other valid explanation)
66	3	30xxxxxxxx1ZC	Mapusa	2018-19	1.85	Sept 2024: 2018-19: The case was selected for Audit u/s 65 and thereafter SCN u/s 73 was issued. Taxpayer submitted his reply. GSTR-2A ITC was verified and found correct. ITC is eligible, Taxpayer has submitted relevant documents for technical error, correspondence with CGST department	Reply was accepted and the para was dropped.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
67	3	30xxxxxxxx1Z2	Ponda	2018-19	1.45	Explaining reasons for delay, screenshots of grievance raised through Emails and screenshots of errors encounter during filling. Upon verification of all these documents, it was ascertained that the delay was due to technical error on GST Portal. Taxpayer has taken reasonable efforts to file GSTR-3B within time permitted by GST Act, but was unable to file only due to technical error on GST portal. Hence, explanation given by the taxpayer was accepted and ITC was allowed amounting to ₹ 1,85,17,102 (CGST ₹ 92,58,551 and SGST ₹ 92,58,551). Balance amount of DRC 01 i.e. Penalty of CGST ₹ 25,000 & SGST ₹ 25,000 vide DRC-03 AD300324000670Y dt. 18/03/2024 & late fees of CGST ₹ 27,325 & SGST ₹ 27,325 vide DRC 03 D300424000927H dt.23/03/2024 is paid by taxpayer. Hence, dropped proceeding order was issued. Copy of DRC-01, dropped proceeding Order, DRC-03s & taxpayer's submissions are enclosed herewith for your kind perusal. Hence, para may please be dropped.	Further progress in this regard was awaited.	Dropped (other valid explanation)
68	3	30xxxxxxxx1ZP	Panaji	2018-19	1.26	September 2024: 2018-19: Order U/s 73 of the GST Act was issued to the taxpayer on 22/04/2024 wherein demand in DRC-07 was raised. Copy of Order was attached. Hence, para may be dropped.	Further progress in this regard was awaited.	Dropped (other valid explanation)
69	3	30xxxxxxxx1Z3	Vasco	2018-19	0.85	September 2024: 2018-19: Order u/s 73 for the recovery of the dues was issued to the taxpayer for tax of ₹ 1,25,71,282, Interest of ₹ 10182777, and penalty of ₹ 1,25,712. The order copy was enclosed.	Further progress in this regard was awaited.	Dropped (other valid explanation)
70	3	30xxxxxxxx1Z3	Vasco	2019-20	0.10	The department replied (September 2024) that the taxpayer was assessed by the Central Authority for the period from April 2018 to March 2021. Copy of the order alongwith DRC-07 was submitted. Hence Para is dropped.	Reply is accepted and the para can be dropped.	Dropped (other valid explanation)
71	3	30xxxxxxxx1Z3	Vasco	2020-21	0.29	The department replied (September 2024) that the taxpayer was assessed by the Central Authority for the period from April 2018 to March 2021. Copy of the order alongwith DRC-07 was submitted. Hence, para is dropped.	Reply was accepted and the para was dropped.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
72	4	30xxxxxxxx1ZV	Mapusa	2019-20	0.10	September 2024 (Mapusa): 2019-20: Case was selected for Audit u/s 65, accordingly audit was conducted and Discrepancy notice was issued. However, taxpayer had not paid the amount. Hence, Final ADT 02 was issued. Since, no payment had been effected, show cause notice u/s 73 was issued on 27/05/2024. Further, case was under verification and outcome would be intimated to Audit, once completed. Copy of DRC-01 along with annexure was enclosed.	Further progress in this regard may be intimated to Audit.	SCN (DRC-01) issued
73	4	30xxxxxxxx1ZV	Mapusa	2020-21	0.77	Scrutiny/verification of the same is under process. Once the case records of the taxpayer are scrutinized and verified, outcome along with action taken report will be intimated to audit in due course of time.	Further progress in this regard may be intimated to Audit	ASMT-10 issued/Action initiated
74	4	30xxxxxxxx1ZH	Margao	2019-20	0.67	The department replied (September 2024) that in case of financial year 2019-20, ASMT-10 vide reference No. ZD3012230006281 dated 06/12/2023 was issued to the taxpayer. In reply to ASMT-10 taxpayer had made reply explaining the difference therefore ASMT-12 order was issued to the taxpayer. Reply of the taxpayer is placed on records.	Copy of ISD invoices pertaining to the year 2018-19 for which ISD credit had been claimed in 2019-20 may be submitted.	Reply furnished without appropriate documentary evidence
75	4	30xxxxxxxx1ZH	Margao	2020-21	0.08	In case of financial year 2020-21, ASMT-10 vide reference No. ZD3012230019226 dated 13/12/2023 was issued to the taxpayer. In reply to ASMT-10 taxpayer had made reply explaining the difference. Reply of the taxpayer is placed on records. In view of the above, para is dropped.	Copy of ISD invoices pertaining to the year 2019-20 for which ISD credit had been claimed in 2020-21 may be submitted.	Reply furnished without appropriate documentary evidence
76	4	30xxxxxxxx1ZW	Panaji	2020-21	0.61	September 2024: 2020-21: Case was marked for Audit u/s 65 of the GGST Act. Audit Para was forwarded to the concerned Assessing Authority for further necessary action in the matter.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
77	4	30xxxxxxxx1ZB	Panaji	2019-20	0.31	The dept. vide letter No 7601 dt: 14/03/2024, stated that reconciliation showing the difference in ISD ITC claimed during the FY 2019-20 and the ISD ITC transferred via GSTR-6 of FY is enclosed which shows that the taxpayer has correctly claimed the ITC. The STO vide letter dt: 23/04/2024 stated that in response to Audit enquiry reference #92 (AENQ-363639) and vide letter PAN/CTO/AG-AUDIT/2023-24/7601 dated 14/03/2024, requested details/documents were provided: a) A CA certificate confirming no excess ITC availment for FY 2019-20.	Reply was accepted.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						b) Copies of ISD invoices used for ITC availed during FY 2019-20. c) GSTR-3B returns for specific months from May 2019 to March 2020. d) Monthly GSTR-6 returns for FY 2019-20. September 2024: For 2019-20 year, documents as requested by the Auditors is submitted to them <i>vide</i> letter dated 23/04/2024. Thus, the paras may be dropped.		
78	4	30xxxxxxxx1ZB	Panaji	2020-21	0.22	2020-21: The case shall be verified and status will be submitted to Audit.	Further progress in this regard was awaited.	Under Examination
79	4	30xxxxxxxx1ZA	Panaji	2018-19	0.43	September 2024: 2018-19: There was the difference due to ISD Credit (₹ 72,64,754) of FY 2017-18 availed in FY 2018-19 and credit (₹ 30,00,000) of FY 2018-19 is claimed in GST Return of FY 2019-20. The reply is submitted on 02/07/2024. The copy is enclosed on record. Hence, para is dropped.	Reply was accepted	Dropped (other valid explanation)
80	4	30xxxxxxxx1ZA	Panaji	2020-21	0.07	2020-21: The case shall be verified and status will be submitted to Audit	Further progress in this regard was awaited.	Under Examination
81	4	30xxxxxxxx1ZG	Panaji	2020-21	0.29	Reply furnished <i>vide</i> 6362 dt: 22/12/23. The case was assigned to the scrutiny officer for verification and the proceeding will be initiated in time bound manner. The outcome of discrepancy raised shall be communicated to the Audit team.	Further progress in this regard was awaited.	Under Examination
82	4	30xxxxxxxx1ZN	Margao	2018-19	0.05	Sept 2024 (Mapusa): 2018-19: ISD credit of ₹ 4,88,104 was claimed less in GSTR-3B for the month of March 2018. The same was claimed in GSTR-3B of April 2018. Hence same was allowed. Difference in tax liability that resulted in short payment of tax is found paid by the taxpayer <i>vide</i> DRC-03. Further, dropped proceeding order u/s 73 was issued to taxpayer on acceptance of reconciliation filed as regards availment of ITC under ISD. Copy of DRC 01 & annexure, taxpayer's reply alongwith exhibits & annexure and copy of dropped proceeding order along with annexure was enclosed. Hence, para may be dropped.	Exhibit 4 and Exhibit 7 attached to reply are not legible, fresh copy of the same may be submitted.	SCN (DRC-01) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
83	4	30xxxxxxxxxx1ZN	Margao	2019-20	0.18	2019-20: ASMT-10 had been issued on 13/05/2023 and opportunity was given to file the reply along with the clarification. Reply furnished was not satisfactory, hence the proceedings u/s 73 was initiated and DRC-01A i.e. intimation of tax ascertained as being payable under Section 73(5) was issued to the taxpayer and taxpayer was given one more opportunity to file the reply in Part B of DRC-01A. Further DRC-01 was issued to the taxpayer on 28/05/2024. Taxpayer has furnished reply. Case proceedings were under process. Hence, outcome of the same will be intimated to audit once order is issued. Copy of ASMT-10 & annexure, DRC-01 & Annexures & reply copy along with enclosures was enclosed herewith for your kind perusal.	Further progress in this regard was awaited.	SCN (DRC-01) issued
84	4	30xxxxxxxxxx1ZN	Margao	2018-19	0.22	The department replied that ASMT-10 dated: 30/11/2023 was issued to the taxpayer in respect of the excess ISD credit availed. The taxpayer filed his reply stating that the ISD credit of ₹ 22,25,728 was in respect of invoices of 2017-18 availed in 2018-19. As such there is no excess ISD credit availed for 2018-19. Reply to ASMT-10 was enclosed.	Supporting documents such as copy of ISD invoices pertaining to the year 2017-18 on which ITC was claimed in 2018-19 may be submitted.	Reply furnished without appropriate documentary evidence
85	4	30xxxxxxxxxx1ZT	Panaji	2018-19	0.22	In this regard, we would like to inform you that we have availed IGST credit of ₹ 59,31,798.50 as per Annual return GSTR-9 and GSTR-3B return against the 12 ISD Invoices and will be reflecting in our GSTR-2A report. Please refer below-mentioned detail reconciliation. ISD credit available in GSTR-2A for 2018-19 (₹ 32,76,811) Add: ISD credit of 2017-18 claimed in 2018-19 (₹ 36,91,202) Less: ISD credit of 2018-19 claimed in 2019-20 (₹ 10,36,216) ISD claimed in Annual Return 2018-19 and GSTR-3B Return (₹ 59,31,798). We are enclosing herewith below-mentioned list of documents which proves that we have claimed of ISD GST Credit is correct and marked as Annexure-E. 1] Detail working sheet of above-mentioned summary reconciliation. 2] Copies of ISD Invoices of ₹ 59,31,798.50 during the FY 2018-19.	Reply of the department was accepted.	Dropped (other valid explanation)

Also, kindly note that as per GSTR-9 Table 7H reversal of GST ITC of ₹ 4,32,840 and as per GSTR-3B Table 4B(2) reversal of GST ITC of ₹ 2,83,036 is not related to ISD ITC. We have reversed this GST ITC against our regular credit

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						and not part of ISD credit. Hence, same will be part of the reconciliation. Therefore, the question of recovery of ISD credit reversal in above para of the notice issued under Section 61 of CGST Act 2017 doesn't arise since we have correctly availed the ISD GST credit. Consequently, in view of the above it is prayed that the demand of above-mentioned queries may be set aside along with the penalty and the interest.		
86	4	30xxxxxxxxx1ZV	Panaji	2020-21	0.22	September 2024: The reply is given to the Auditors on 29/01/2024. The reply copy is enclosed on record. As per reply there is no excess of ISD and para is dropped.	Further progress in this regard was awaited.	Under Examination
87	5	30xxxxxxxxx1Z1	Panaji	2019-20	11.86	September 2024: The ITC amount relating to input was wrongly shown under Table 6C (RCM) instead of Table 6B in GSTR-9. Hence, Para is dropped.	Reply of the department accepted.	Dropped (other valid explanation)
88	5	30xxxxxxxxx1Z1	Ponda	2019-20	4.76	September 2024: 2019-20: The deviation is due to the fact that the amount as stated in GSTR-9, table 6F (₹ 4,84,98,732) was erroneously shown under import of services instead of import of goods under table 6E. The taxpayer was informed and the taxpayer had filed statement of IGST Credit availed on Import of Goods along with Bill of Entry number (Statement enclosed). Further, it was stated that the above error was also clarified in GSTR-9C (Copy enclosed). Hence, the audit para is dropped.	Reply accepted. Para is dropped.	Dropped (Data Entry Error)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
89	5	30xxxxxxxx1ZB	Ponda	2018-19	3.93	September 2024: 2018-19: The taxpayer stated in reply that the amount of ₹ 1,77,670.00 was disclosed in Table 3.1D of GSTR-3B (RCM payment) and an amount of ₹ 174920.00 in Table 4A(3) of GSTR-3B RCM-ITC. The difference of ₹ 2,750 is a part of reversal amount of ₹ 1,77,670.00. The amount of ₹ 27,50.00 was erroneously not considered and shown in the inward supply. The tax liability had correctly been discharged under the RCM. Further as regards to the amount of ₹ 3,94,35,480 disclosed in Table 6F of GSTR-9 (Import of services) , it is stated that the amount disclosed under the import of services in GSTR-9, are actually the Import of Goods. The same is erroneously reported as import of services and there is no short payment of tax disclosure. Thus, from the above it is surprised that there is no revenue loss to the department as the same was done erroneously. Hence, the contention may be accepted. The Proper Office has passed the order for dropping the proceedings as per the provisions of the Act and in line with the documents furnished by the taxpayer.	Reply is accepted and the para can be dropped.	Dropped (Data Entry Error)
90	5	30xxxxxxxx1ZQ	Margao	2018-19	0.92	In view of the above the para may please be dropped.	Supporting documents pertaining to the reply were not found in the file. Also this observation pertains to ITC under RCM however, reply gives justification about ITC other than RCM.	Reply furnished without appropriate documentary evidence
91	5	30xxxxxxxx1ZQ	Margao	2019-20	1.01	For 2019-20, the taxpayer wrongly mentioned the ITC in 6D column of GSTR-9 instead of 6B column. The total ITC available as per GSTR-2A excluding RCM as per statement attach is ₹ 94,44,918 and ITC as per GSTR-3B amounting to ₹ 92,27,171 which is generated as per system.	Supporting documents pertaining to the reply were not found in the file. Also this observation pertains to ITC under RCM however, reply gives justification about ITC other than RCM.	Reply furnished without appropriate documentary evidence

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
92	5	30xxxxxxxxx1ZQ	Margao	2020-21	1.00	For 2020-21, the taxpayer has declared RCM liability in GSTR-3B amounting to ₹ 6,903 and ITC claimed amounting to ₹ 6,903 and also paid amount through cash amounting to ₹ 6,903. The case is selected for scrutiny and scrutiny is in process.	Supporting documents pertaining to the reply were not found in the file. Also this observation pertains to ITC under RCM however, reply gives justification about ITC other than RCM.	Reply furnished without appropriate documentary evidence
93	5	30xxxxxxxxx1ZC	Margao	2018-19	0.98	The department replied (September 2024) that ASMT 10 was issued (12/10/2023) to the taxpayer for 2018-19. The RCM-ITC reported in GSTR-3B & thereby in GSTR-9 and its reversal thereafter of ITC to the extent of ₹ 11,40,489.00 was due to the tax payer mistake in feeding in GSTR-3B data in Table 4A (3)- Inward supplies liable to reverse charge and the same was reversed.	Supporting documents pertaining to the reply were not legible, fresh copy of documents may be submitted.	Reply furnished without appropriate documentary evidence
94	5	30xxxxxxxxx1ZC	Margao	2019-20	1.16	For 2019-20, the ITC claimed in GSTR- 3B is as per bills and availability in GSTR-2A though assessee is in excess availability of ITC in GSTR-2A same was utilised during the year 2019-20. However, the assessee has filed all his GSTR-3B returns correctly in time but due to some typographical error & oversight assessee mentioned eligible ITC figure in PART III, Sr. no. D (Inward supplies received from registered persons liable to reverse charge). However, there is no other intentions and claims towards the same.	Supporting documents pertaining to the reply were not legible, fresh copy of documents may be submitted.	Reply furnished without appropriate documentary evidence
95	5	30xxxxxxxxx1ZA	Panaji	2018-19	0.04	September 2024: The supporting documents along with the reconciliation is attached by the taxpayer. The reply is given to the Auditors on 02/07/2024. The copy of reply is enclosed on record. Thus, para is dropped.	Reply was accepted and para was dropped.	Dropped (other valid explanation)
96	5	30xxxxxxxxx1ZA	Panaji	2020-21	1.98	2020-21: The case shall be verified and status will be submitted to Audit.	Further progress in this regard was awaited.	Dropped (other valid explanation)
97	5	30xxxxxxxxx1Z3	Margao	2018-19	0.00	The department replied (August 2024) that ASMT-10 dated 10/11/2023 was issued to the taxpayer. The taxpayer had paid the amount of ₹ 3,600 each under CGST and SGST for the year 2018-19.	Supporting documents pertaining to the reply were not found in the file.	Reply furnished without appropriate documentary evidence

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
98	5	30xxxxxxxxxx1Z3	Margao	2019-20	1.71	For the year 2019-20, the taxpayer stated that by oversight and unintentionally, the column in 6D was filled instead of 6B of GSTR-9. In view of the above, para is dropped.	Supporting documents pertaining to the reply were not found in the file.	Reply furnished without appropriate documentary evidence
99	5	30xxxxxxxxxx1ZA	Panaji	2019-20	1.61	September 2024: 2019-20: The reply is given to the Auditors on 08/08/2024. The copy is enclosed on record. Thus, Para is dropped.	Reply was accepted and the para was dropped.	Dropped (other valid explanation)
100	5	30xxxxxxxxxx1ZP	Panaji	2019-20	1.56	September 2024: 2019-20: The Order u/s 73 is issued to the taxpayer. The copy is enclosed on record.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
101	5	30xxxxxxxxxx1Z5	Margao	2018-19	1.31	September 2024 (Mapusa): 2018-19: The case was selected for Audit u/s 65, accordingly audit was conducted and discrepancy notice was issued. However, taxpayer has not paid the amount. Hence, Final ADT 02 was issued. Since, no payment has been effected, show cause notice u/s 73 was issued on 27/12/2023. Further, no reply was received, hence, order u/s 73 along with demand in DRC-07 for ₹ 13,05,57,514 (RCM) was raised on 30/04/2024. Copy of DRC 01, order u/s 73 along with annexure (DRC-07) was enclosed. Hence para may be dropped.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
102	5	30xxxxxxxxxx1Z5	Margao	2020-21	0.19	2020-21: Scrutiny/verification of the same was under process. Once the case records of the taxpayer are scrutinized and verified, outcome along with action taken report would be intimated.	Further progress in this regard was awaited.	ASMT-10 issued Action initiated
103	6	30xxxxxxxxxx1ZM	Panaji	2019-20	1.07	September 2024: 2019-20: The case is assigned to a Senior Intelligence Officer for investigation on the said issue, The copy of summons and annexures to summons DRC 01A and letter of the taxpayer is enclosed on record hence para is dropped. The dept. in its earlier reply (02/04/24) had stated that summons had been issued for the period 2017-18 to 2021-22 to the taxpayer u/s 70 of the CGST Act by Directorate General GST Intelligence (DGII), Goa Regional Unit, Porvorim, North Goa. Also, as Centre and State authorities cannot conduct parallel proceedings for the same tax period as it would result in duplication of assessment proceedings.	Section 6 of the GGST act emphasizes that both authorities (State and Centre) cannot issue orders or undertake actions on the same matter unless specific guidelines are laid out. This division of responsibility helps taxpayers avoid facing inquiries or	Rebuttal

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
104	6	30xxxxxxxxxx1ZM	Panaji	2020-21	0.00	September 2024: 2019-20: The case is assigned to a Senior Intelligence Officer for investigation on the said issue. The copy of summons and annexures to summons DRC 01A and letter of the taxpayer is enclosed on record hence para is dropped. The dept. in its earlier reply (02/04/24) had stated that summons had been issued for the period 2017-18 to 2021-22 to the taxpayer u/s 70 of the CGST Act by Directorate General GST Intelligence (DGGI), Goa Regional Unit, Porvorim, North Goa. Also, as Centre and State authorities cannot conduct parallel proceedings for the same tax period as it would result in duplication of assessment	Section 6 of the GGST act emphasizes that both authorities (State and Centre) cannot issue orders or undertake actions on the same matter unless specific guidelines are laid out. This division of responsibility helps	Rebuttal

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						proceedings and in view of the same the department has proposed to drop the proceedings-initiated u/s 61 for the FY 2020-21 in order to avoid parallel proceedings.	taxpayers avoid facing inquiries or audits from both Central and State authorities on the same issues simultaneously. This means on matters different than that being pursued by the Centre, the State can carry out its own scrutiny of the taxpayer. Since the issue mentioned in the Audit para is different than what the Central GST unit has summoned the taxpayer for (short payment of GST) , the Department may pursue the present matter with the taxpayer. And further, progress in this regard may be intimated to Audit. Also, no supporting document were submitted for this dimension (L2F).	Dropped (other valid explanation)
105	6	30xxxxxxxxx[ZJ]	Margao	2020-21	1.03	The department replied (August 2024) that ASMT-10 dated: 05/12/2023 was issued to the taxpayer. In reply to ASMT-10 taxpayer had made proper reply explaining the difference. The reply of the taxpayer was placed on records. In view of the above para is dropped.	Reply was accepted. Para was dropped.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
106	6	30xxxxxxxx1ZO	Margao	2018-19	0.72	The department replied (September 2024) that ASMT-10 issued on 30/11/2023 for the year 2018-19. In reply, the taxpayer submitted that, as per the reporting requirements specified in terms of para (g) of press release dated 04 June 2019, we had reported the ITC only on the bills of entries of FY 2018-19 in Table 6E of GSTR-9 filed for FY 2018-19. Accordingly, the amount reported in Table 6E of GSTR-9 of FY 2018-19 excludes an amount of IGST amounting to ₹ 3,99,869 on bills of entry 5046089 dated FY 2017-18 credit for the same has been availed in GSTR-3B for the period FY 2018-19. Similarly, Table 6E of GSTR-9 of FY 2018-19 includes an amount of IGST on imports from SEZ of ₹ 76,31,502 on bills of entries dated FY 2018-19, however, the credit for the same has been availed in GSTR-3B for the period FY 2019-20. As such the reply was accepted. In view of the above para for the year 2018-19 may kindly be dropped. Copy of the reply submitted by the taxpayer is enclosed in Annexure XXVI.	Supporting documents relevant to the audit query were not submitted	Reply furnished without appropriate documentary evidence
107	6	30xxxxxxxx1ZO	Margao	2019-20	0.15	SCN along with GST DRC-01 was issued on 30/05/2024 for the FY 2019-20.	Copy of DRC-01 may be submitted	SCN (DRC-01) issued
108	6	30xxxxxxxx1ZO	Margao	2020-21	0.07	Audit enquiry of the taxpayer for the financial year 2020-21 is marked to Proper Officer.	Supporting documents relevant to the audit query were not submitted	Under Examination
109	6	30xxxxxxxx1ZV	Vasco	2019-20	0.98	The department replied (September 2024) that for the year 2019-2020, the difference of ₹ 9,80,775.69 is due the input tax credit accounted in the book of accounts of F.Y. 2018-19 but are actually availed in F.Y. 2019-20. The taxpayer has provided detail reconciliation of the annual return with financial statements which are verified and found to be correct. Hence Parra may be dropped.	Reply was accepted and the para was dropped.	Dropped (Other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
110	6	30xxxxxxxxxx1ZV	Vasco	2020-21	0.73	The department replied (September 2024) that for the year 2018-19, the difference in the Annual return and Financial statement of ₹ 7.60 is due to rounding off of the amount to the nearest rupee. For the year 2019-20, the difference of ₹ 9,80,775.69 is due the input tax credit accounted in the book of accounts of F.Y. 2018-19 but are actually availed in F.Y. 2019-20. With respect to Input tax credit pertaining to 2020-21, the Difference amount of ₹ 72,94,244 is paid by the taxpayer in June 2021 <i>vide</i> DRC-03 bearing No. AD300621000059U dated 10/06/2021. Copy of the DRC-03 attached. The taxpayer has provided detail reconciliation of the annual return with financial statements which are verified and found to be correct. Hence, para may be dropped.	Reply was accepted and the para was dropped.	Dropped (Action already taken)
111	6	30xxxxxxxxxx1ZE	Mapusa	2019-20	0.56	September 2019-20: ASMT-10 has been issued <i>vide</i> Reference No.: ZD3005240005228. dated 09/05/2024. Further taxpayer has replied that the amount of cess ₹ 55,94,808 was reversed in GSTR-3B of March 2020 and paid balance tax payable IGST ₹ 5,875 alongwith interest of ₹ 4,398 <i>vide</i> DRC 03 ARN:AD300524001368K dt 27/05/2024. Facts are verified & disclosed in Annexure 'A' & "B" attached. Also, March 2020 GSTR-3B copy is submitted in same reply. Hence, dropped proceeding order in ASMT 12 issued <i>vide</i> Reference No.: ZD300524002950Z dt 29/05/2024. Copy ASMT-10 & Annexure, reply dt. 17/05/2024 & annexure, reply dt. 28/05/2024 & annexures & Dropped proceeding order are enclosed herewith for your kind perusal. Hence, para may kindly be dropped.	Reply was accepted and the para was dropped.	Dropped (other valid explanation)
112	7	30xxxxxxxxxx1Z7	Panaji	2018-19	5.29	The STO stated <i>via</i> email 25/06/2024 that in response to the audit query, the taxpayer had submitted that the "unreconciled ITC" to the tune of ₹ 5,28,91,494 on account of inter-state stock transfer under table 14 of GSTR-9C. In this connection, the taxpayer has submitted that they have committed clerical error by not showing the said inter-state transfer in "Purchase" under Row "A" in table 14, for the reason that the stock transfer is not purchase under accounting standards and due to this it reflects as the unreconciled ITC in Row "T" in Table 14. Remark is specifically provided for the unreconciled ITC in remarks column shown in Table 15 as "Interstate Stock Transfer".	Department reply is accepted and para is dropped	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						September 2024: 2018-19: Reply submitted to the Audit on 08/08/2024. The copy is enclosed on record. The taxpayer has re-assessed inter-state state transfer from their Tamil Nadu Unit which has been correctly taxed @ 18%.		
113	7	30xxxxxxxx1Z7	Panaji	2019-20	5.43	2019-20: Reply submitted to the Audit 08/08/2024. The copy is enclosed on record. (reply submitted is same as submitted on 25/06/2024, however KDs for 2019-20 were not found in the file)	Supporting documents may be submitted	Reply furnished without appropriate documentary evidence
114	7	30xxxxxxxx1Z7	Panaji	2020-21	5.55	2020-21: Case shall be verified	Further progress in this regard was awaited.	Under Examination
115	7	30xxxxxxxx1ZD	Panaji	2018-19	2.38	September 2024: 2018-19: The case is verified and reply is given to the Audit on 27/08/2024. The taxpayer has reversed the ITC of ₹ 2,02,64,167 through DRC 03 which is enclosed in the separate letter dated 27/08/2024 along with the file attached thereto. Thus, the para is dropped.	2018-19: The supporting documents pertaining to the reply were not found in the file.	Reply furnished without appropriate documentary evidence
116	7	30xxxxxxxx1ZD	Panaji	2020-21	0.29	September 2024: 2020-21: The case shall be verified and the outcome shall be intimated to Audit.	Further progress in this regard was awaited.	Under Examination
117	7	30xxxxxxxx1ZY	Vasco	2018-19	1.27	The department replied (September 2024) that the taxpayer has reversed ITC of ₹ 1,63,042 <i>vide</i> DRC-03 bearing No. ARN30022400014A dated 01/02/2024. Copy of the DRC-03 attached. The difference identified of ₹ 1,25,33,893 is towards the previous year input tax credit balance availed in 2018-19 of ₹ 4,25,66,086 and the input tax credit booked in 2019-2020 availed in subsequent year ₹ 3,00,32,193. Thus, there is no mismatch and hence para may be dropped.	Reply was accepted.	Dropped (Other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
118	7	30xxxxxxxx1ZD	Vasco	2018-19	1.21	The department replied (September 2024) that the taxpayer had wrongly taken IGST value of BOEs, for ₹ 26,27,772, ₹ 1,45,98,733 was taken and for ₹ 9,88,847, ₹ 10,00,506 was taken, the taxpayer has reversed the excess amount by raising DRC-03 ₹1,19,70,961 having ARN AD300819000226G dated 17/10/2019 and DRC-03, ARN AD 301220000381D dated 28/12/2020. Copies of the DRC-03 attached. For some duplicate entries the taxpayer has reversed Input Tax credit of ₹ 33,414 through GSTR-3B of August 2019. The Input tax credit of ₹ 81,213 and ₹ 5,183 of 2018-19 is accounted in books of accounts in the year 2019-2020. Hence Para may be dropped.	Reply was accepted and the para was dropped.	Dropped (Action already taken)
119	7	30xxxxxxxx1ZM	Panaji	2019-20	1.15	September 2024: 2019-20: The case is assigned to a Senior Intelligence Officer for investigation on the said issue, The copy of summons, DRC-01A and letter of the taxpayer is enclosed on record. Hence para is dropped for 2020-21.	Section 6 of the GGST act emphasizes that both authorities (State and Centre) cannot issue orders or undertake actions on the same matter unless specific guidelines are laid out. This division of responsibility helps taxpayers avoid inquiries or audits from both Central and State authorities on the same issues simultaneously. This means on matters different than that being pursued by the Centre, the State can carry out its own scrutiny of the taxpayer. Since the issue mentioned in the Audit para is different	Rebuttal

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						than what the Central GST unit has summoned the taxpayer for (short payment of GST), the Department may pursue the present matter with the taxpayer. Also, DRC-01A was related to 2020-21, however, no supporting documents were submitted in respect of 2019-20. Further progress in this regard was awaited.	Reply was accepted.	Dropped (other valid explanation)
120	7	30xxxxxxxxxx1ZM	Panaji	2020-21	0.03	2020-21: The department <i>vide</i> letter no 7000 dt: 06/02/2024 stated that ITC pending to be claimed during the FY 2019-20 was claimed in 2020-21, which was shown in the GSTR-3B return for the month of September 2020 in Table 4 A(5) of FY 2020-21.		

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
121	9	30xxxxxxxxx1Z5	Margao	2018-19	9.35	The department replied (August 2024) that National Company Law Tribunal (NCLT) Mumbai vide its order CP 619/IBC/NCLT/MAH/2018 dated 14/12/2018 had initiated Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code 2016 against the Nicomet Industries Limited. As per the order of the NCLT a moratorium has been declared under Para 14.1a of the order stating that the Bench hereby prohibits a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority. The moratorium was applicable since 14 December 2018 till completion of the insolvency resolution process or unit bench approves the resolution plan under subsection (1) of Section 31 of the IBC or passes an order for liquidation of corporate debtors under Section 33 of IBC, as the case may be. Thereafter on 16/12/2020, NCLT Mumbai passed an order that Nicomet Industries Limited would be liquidated. Accordingly, the claim of department dues of Tax amounting to ₹ 70,10,12,499, Interest amounting to ₹ 10,84,89,792 and Penalty amounting to ₹ 8,67,38,326 i.e. Total amounting to ₹ 89,62,40,617 was filed with liquidator.	Further progress in this regard was awaited.	Demand (Claim was filed) order issued.
122	9	30xxxxxxxxx1ZR	Panaji	2019-20	7.48	September 2024: The order u/s 73 for recovery of dues was issued.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
123	9	30xxxxxxxxx1ZL	Panaji	2019-20	7.48	With reference to undischarged liability for the year 2019-20 the taxpayer has disclosed liability of ₹ 29,14,14,143 (including RCM liability of ₹ 5,38,275 in his GSTR-3B returns and the same amount was paid (₹ 5,56,46,683 through ITC and ₹ 23,52,29,185 through cash) and declared in table 6.1 of GSTR-3B, hence there is no undischarged liability.	Reply of the department accepted.	Dropped (other valid explanation)
124	9	30xxxxxxxxx1ZL	Panaji	2020-21	0.00	For 2020-21, the taxpayer has disclosed liability of ₹ 13,29,70,030 (including RCM liability of ₹ 3,600 in his GSTR 3B returns. And the same amount was paid (₹ 2,56,84,243 through ITC and ₹ 10,72,85,787 through cash) and declared in Table 6.1 of GSTR-3B, hence there is no undischarged liability.	Reply of the department accepted.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
125	9	30xxxxxxxxxx1ZV	Panaji	2019-20	6.32	September 2024: 2019-20: Order U/s 73 issued. The copy of reply is enclosed on record. Thus, para is dropped.	Reply of the taxpayer for the year 2019-20 was not found attached. Further progress in this regard was awaited.	Reply furnished without appropriate documentary evidence
126	9	30xxxxxxxxxx1ZV	Panaji	2020-21	0.97	September 2024: 2020-21: Case shall be verified.	Further progress in this regard was awaited.	Under Examination
127	9	30xxxxxxxxxx1Z5	Margao	2018-19	4.13	The Department replied (August 3024) that the case was selected for audit u/s 65 for 2018-19. The taxpayer had produced a reconciliation statement for 2018-19 and stated that there was typing error while filing the GSTR-1 return for the quarter ending March 2019. Also, it was observed from the summary of GSTR-1 that the taxpayer had shown the figure in Table 7A(1)-B2C-Intrastate- taxable supply to unregistered person. The above reply was accepted and hence the para may be closed.	Copy of GSTR-1 and GSTR-3B for the relevant year may be provided to Audit.	Reply furnished without appropriate documentary evidence
128	9	30xxxxxxxxxx1ZN	Pernem	2020-21	3.43	The department replied (August 2024) that as per audit query, figure reflecting at 4N of GSTR-9 was taken as Nil, whereas the tax component at 4N in GSTR-9 was ₹ 80,99,999.64 (CGST+SGST). Tax liability comparison of GSTR-3B and GSTR-1 is attached.	The reply explains the discrepancy of ₹ 0.81 crore whereas the undischarged tax liability pointed out by Audit is ₹ 3.43 crore. The explanation for the remaining amount may also be provided.	Rebuttal
129	9	30xxxxxxxxxx1ZC	Mapusa	2020-21	3.19	Sept 2024: The tax liability as stated in GSTR-1 and as stated in GSTR-9 tables is duly paid by the taxpayer in GSTR-3B returns filed during the year. Further the same was also verified with debit entries in Electronic Credit Ledgers and Electronic Cash Ledgers. From the above details, it is to state that the tax liability as declared in GSTR-1 has duly been paid in GSTR-3B filed during the year. In view of above facts, the audit Para is dropped.	Supporting documents pertaining to the reply were not found in the file.	Reply furnished without appropriate documentary evidence
130	9	30xxxxxxxxxx1Z8	Curchorem	2018-19	0.14	The department replied (June 2024) that the taxpayer had submitted that the difference of ₹ 4,11,652 was due to some invoices were wrongly uploaded in GSTR-1 return. While the correct liability was disclosed and paid in GSTR-9. Taxpayer	Reply is accepted and para can be dropped	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						had furnished party wise B to B and total sales and liability as per GSTR-9. Also party wise ledger entries, entries uploaded in GSTR-1 return, invoice numbers wrongly entered and reconciliation is also provided. The taxpayer had paid the amount of tax (₹ 10,79,545) alongwith the amount of interest and late fee. Accordingly, para raised by auditor for undischarged liability of ₹ 13,55,081 has been complied taking into consideration the explanation for the differential tax of ₹ 4,11,652 and tax payment of ₹ 10,79545 made through DRC-03.		
131	9	30xxxxxxxxxx1Z8	Curchorem	2020-21	2.73	The department replied (June 2024) that notice in form ASMT-10 was issued for the year 2020-21 and further progress would be intimated to audit.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
132	9	30xxxxxxxxxx1Z8	Margao	2018-19	2.23	The department replied (August 2024) that order along with DRC-07 dtd 26/04/2024 was issued for ₹ 37,52,460 for the year 2018-19.	Further progress in this regard may be intimated to Audit	Demand order (DRC-07) issued
133	9	30xxxxxxxxxx1Z8	Margao	2019-20	0.23	The department replied (August 2024) that SCN (DRC-01) was issued on 30/05/2024 for the year 2019-20.	Further progress in this regard was awaited.	SCN (DRC-01) issued
134	9	30xxxxxxxxxx1Z8	Margao	2020-21	0.06	The department replied (August 2024) that Audit enquiry for the financial year 2020-21 was marked to the proper officer for audit u/s 65.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
135	9	30xxxxxxxxxx1ZJ	Vasco	2018-19	2.33	The department replied (September 2024) that in GSTR-1 certain accounting adjustments were omitted which the taxpayer had rectified in GSTR-9 and the correct value disclosed. The difference in the amount had arisen due to change in the law leading to change in the costing manner. The same is reconciled in GSTR-9C and the detailed explanation is provided. Further, it may be noted that the taxpayer had paid more in GSTR-3B than the tax liability arising in GSTR-9. Thus, there is no loss of revenue. Hence, para is dropped.	Reply was accepted and the para can be dropped.	Dropped (other valid explanation)
136	9	30xxxxxxxxxx2ZN	Margao	2018-19	1.45	The Department replied (August 2024) that order along with DRC-07 dtd 24/04/2024 was issued for ₹ 3,10,46,256 for the year 2018-19. Copy of order issued for 2018-19 was enclosed.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
137	9	30xxxxxxxxxx2ZN	Margao	2019-20	0.82	The Department replied (August 2024) that SCN in GST DRC-01 was issued on 27/05/2024 for the year 2019-20. Copy of order issued for 2018-19 is enclosed.	Further progress in this regard was awaited.	SCN (DRC-01) issued
138	9	30xxxxxxxxxx1Z1	Panaji	2019-20	2.26	September 2024: DRC-01 was issued.	Further progress in this regard was awaited.	SCN (DRC-01) issued
139	9	30xxxxxxxxxx1ZD	Vasco	2020-21	2.24	The department replied (September 2024) that the verification is in process.	Further progress in this regard was awaited.	Under Examination
140	9	30xxxxxxxxxx1Z3	Ponda	2019-20	0.14	Sept 2024: The case was verified and the taxpayer was issued SCN in DRC-01. Copy of SCN was attached for reference. The time limit to issue Order and DRC-07 was not lapsed.	Further progress in this regard was awaited.	SCN (DRC-01) issued
141	9	30xxxxxxxxxx1Z3	Ponda	2020-21	1.94	Sept 2024: The case was verified and the taxpayer was issued SCN in DRC-01. Copy of SCN was attached for reference. The time limit to issue Order and DRC-07 was not yet lapsed.	Further progress in this regard was awaited.	SCN (DRC-01) issued
142	9	30xxxxxxxxxx1ZG	Mapusa	2019-20	2.05	September 2024: The taxpayer had submitted reconciliation of data as per returns filed & that observed by audit, shows that there was undischarged tax liability of ₹ 1,510. Hence, returns of the taxpayer were scrutinized and ASMT-10 has been issued for balance discrepancies <i>vide</i> Reference No.: ZD3005240012101 dated 15/05/2024. Taxpayer has paid differential amount of Tax ₹ 755 (CGST) and ₹ 755 (SGST), Interest ₹ 3,515 (CGST) and ₹ 2,394 (SGST) and late fees of ₹ 35,900 (CGST) and ₹ 35,900 (SGST) on 24/05/2024. Copy ASMT 10, reconciliation statement and DRC-03 ARN: AD300524001249M dt. 24/05/2024 is enclosed herewith for your kind perusal. Hence, para may kindly be dropped.	GSTR-9 may be submitted for verification.	Reply furnished without appropriate documentary evidence
143	9	30xxxxxxxxxx1ZG	Mapusa	2020-21	0.00	September 2024: The taxpayer had submitted reconciliation of data as per returns filed & that observed by audit. Which shows there are excess payments as per GSTR-3B. Copy of reconciliation statement is enclosed herewith for your kind perusal. Hence, para may kindly be dropped.	Supporting documents for the reply not found in the file. GSTR-9 may also be submitted.	Reply furnished without appropriate documentary evidence

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
144	9	30xxxxxxxxxx1ZD	Mapusa	2018-19	0.60	September 2024: 2018-19 & 2019-20 Para was raised for undischarged tax liability ₹ 60,07,022.50. A show cause notice was issued to the taxpayer u/s 73, 122 of the GST Act on 28/2/2023 combine for the years 2018-19 & 2019-20. On the basis of documents available with the department and information furnished by taxpayer, Order and demand in DRC-07 was created combine ₹ 2,12,36,786 <i>vide</i> Reference No.: ZD300424002104E dt. 25/04/2024. Copy of Order & Demand in DRC-07 is enclosed herewith for your kind perusal. Hence para may kindly be dropped.	Supporting documents were not found in the file	Demand order (DRC-07) issued
145	9	30xxxxxxxxxx1ZD	Mapusa	2019-20	0.66	September 2024: 2018-19 & 2019-20 Para was raised for undischarged tax liability ₹ 60,07,022.50. A show cause notice was issued to the taxpayer u/s 73, 122 of the GST Act on 28/02/2023 combined for the years 2018-19 & 2019-20. On the basis of documents available with the department and information furnished by taxpayer, Order and demand in DRC-07 was created combine ₹ 2,12,36,786 <i>vide</i> Reference No.: ZD300424002104E dt. 25/04/2024. Copy of Order & Demand in DRC-07 is enclosed herewith for your kind perusal. Hence para may kindly be dropped.	Further progress in this regard was awaited	Demand order (DRC-07) issued
146	9	30xxxxxxxxxx1ZD	Mapusa	2020-21	0.75	September 2024: Case was marked for verification u/s 67 under enforcement. Hence, assessment/ verification of the same is under process. Once the case records of the taxpayer are verified, outcome along with action taken report will be intimated to audit.	Further progress in this regard was awaited	ASMT-10 issued Action initiated
147	9	30xxxxxxxxxx1ZI	Mapusa	2018-19	0.00	September 2024: 2018-19: Para was raised for undischarged tax liability ₹ 35,603.00. Returns of the taxpayer were scrutinized and ASMT-10 was raised. As per proper officer there was undischarged liability of ₹ 5,315. However, reply was not satisfactory. Hence, DRC 01 is issued <i>vide</i> Taxpayer replied in DRC-06 <i>vide</i> ARN ZD300224001274A dt.26/02/2024 and paid full amount of ₹ 5,315 <i>vide</i> DRC-03 ARN:AD3002240006981 dt. 26/02/2024. Hence, dropped proceeding order u/s 73 issued <i>vide</i> Reference No.: ZD300324000263C dt.05/03/2024. Hence, para may kindly be dropped.	Reply is accepted	Recovered

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
148	9	30xxxxxxxxx1ZJ	Mapusa	2019-20	0.00	September 2024: 2019-20: Returns of the taxpayer were scrutinized and ASMT-10 was issued vide Reference No. ZD300224001529Z on 27/02/2024. However, satisfactory reply was not submitted by the taxpayer. Hence, DRC-01A u/s 73 was issued vide Reference No.-ZD300524000400G dated 08/05/2024, taxpayer replied to DRC-1A and submitted letter of explanation, amendment invoices. However, reply was not found to be satisfactory hence, DRC-01 was issued Reference No. ZD300524002420C dt.23/05/2024. Further, taxpayer sought some time for further clarification. If no further satisfactory reply is received from the taxpayer order u/s 73 would be issued and demand would be raised. Copies of the same were enclosed.	Further progress in this regard was awaited.	SCN (DRC-01) issued
149	9	30xxxxxxxxx1ZJ	Mapusa	2020-21	1.83	September 2024: 2020-21: Scrutiny/verification of the same is under process. Once the case records of the taxpayer are scrutinised and verified, outcome along with action taken report would be intimated to audit.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
150	9	30xxxxxxxxx1ZN	Panaji	2019-20	0.05	September 2024: 2019-20: The liability for the month of February and March 2020 amounting to ₹ 5,87,948 was disclosed in the month of April 2020 and the same was paid in the GSTR-3B return.	GSTR-3B of April 2020 may be submitted.	Reply furnished without appropriate documentary evidence
151	9	30xxxxxxxxx1ZN	Panaji	2020-21	1.71	September 2024: 2020-21: Case shall be verified.	Further progress in this regard was awaited.	Under Examination
152	9	30xxxxxxxxx1Z9	Mapusa	2018-19	0.01	September 2024: 2018-19: Para was raised for undischarged tax liability ₹ 84,991.00. Data retrieved from New Back Office and returns were scrutinized. As per this data Net tax liability as per GSTR-1 amounts to ₹ 1,47,62,807.70 and Tax liability as per GSTR-3B is ₹ 1,47,89,183.80. Whereas Tax liability in GSTR-9 amounts to ₹ 1,47,62,807.70. Since tax paid as per GSTR-3B is on higher side as compared to GSTR-1 and GSTR-9, there is no undischarged tax liability. Returns of the taxpayer are scrutinised and other required queries raised and are paid by the taxpayer. Copy of GSTR-3B and GSTR-1 summary is enclosed herewith. Hence, para may please be dropped.	Copy of GSTR-9, GSTR-3B and GSTR-1 were not furnished for both 2018-19 and 2020-21.	Reply furnished without appropriate documentary evidence
153	9	30xxxxxxxxx1Z9	Mapusa	2020-21	1.73	September 2024: 2020-21: Para was raised for undischarged tax liability ₹ 1,73,29,555.00. Data retrieved from New Back	Copy of GSTR-9, GSTR-3B and	Reply furnished without

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						Office and returns were scrutinized. As per this data Net tax liability as per GSTR-3B is ₹ 1,50,46,118 and Net liability disclosed in GSTR-1 is ₹ 1,49,26,574. Hence, there is excess liability declared in GSTR-3B of ₹ 1,19,544. Copy of GSTR-3B and GSTR-1 summary is enclosed herewith for your perusal. Further since there was no excess declared, no discrepancy or demand was not raised. Hence, the para may kindly be dropped.	GSTR-1 were furnished for both 2018-19 and 2020-21.	not appropriate documentary evidence
154	9	30xxxxxxxx1Z8	Panaji	2020-21	1.74	The STO replied (26/09/2023) that the Taxpayer had discharged full tax liability in his GSTR-3B returns (which was greater than GSTR-1 and GSTR-9) and supporting documents were enclosed. Hence, para is dropped.	Reply of department was accepted.	Dropped (other valid explanation)
155	10	30xxxxxxxx1ZB	Margao	2018-19	774.66	The department replied (September 2024) that ASMT 10 was issued by the then STO. Further DRC 01A and DRC 01 was also found issued. Thereafter the case was marked to the proper officer on 12/04/2024. Shri Santosh Patil, A.R. attended and replied in the portal that actual supply for invoice No. 15 dated 16/11/2018 was Battery Scrap with IOM.T. under HSN 8548. Taxable value being ₹ 8,00,000 IGST ₹ 1,44,000. Total taxable value being ₹ 9,44,000 was inadvertently due to oversize decimal point was not noticed and e-way bill got generated for ₹ 94,40,000. Further, Invoice No. 12 dtd. 06/09/2018 taxable value ₹ 6,56,000 IGST ₹ 1,18,080. Total value ₹ 7,74,080 which was reflected twice in e-way bill portal. It was due to technical error on portal and IGST was shown as ₹ 7,74,61,66,080. Taxpayer has submitted copy of invoices, statements, declaration from the parties <i>etc.</i> Taxpayer has paid ₹ 12,287 interest <i>vide</i> DRC-03. After verification of all the documents, ASMT-12 has been issued. Audit para may please be dropped.	Reply of Department could not be verified as supporting documents were not found attached with the reply.	Reply furnished without appropriate documentary evidence
156	10	30xxxxxxxx1ZB	Margao	2019-20	0.00	The department replied (September 2024) that in case of 2019-20 the taxpayer has paid full amount as per audit para of ₹ 49,468 <i>vide</i> DRC-03 dated 19/08/2024. (soft copy enclosed) Annexure III	₹ 49,468 recovered for the year 2019-20.	Recovered
157	10	30xxxxxxxx1ZB	Panaji	2019-20	24.68	September 2024: (1) Said cases shall be assigned to the Scrutiny officer and the proceedings will be initiated in time bound manner. (2) The department <i>vide</i> letter No 7604 dt: 14/03/2024, have enclosed that reconciliation showing the difference in GST as declared in E way bill versus GST paid <i>vide</i> GSTR-3B during the FY 2019-20 alongwith the	Reconciliation was provided for the difference of ₹ 22,49,21,908 however, total difference as per audit	Rebuttal

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						annexure and stating that the taxpayer has correctly paid the GST <i>vide</i> GSTR-3B returns. There is no suppression of taxable value. (3) The STO <i>vide</i> letter dt: 23/04/2024 stated that copy of EOU certificate, Details of job work undertaken and copies of LUT for FY 2019-20 has been obtained and the same attached to the letter.	observation was ₹ 24,67,85,216. Reconciliation for the remaining amount of ₹ 2,18,63,308 was not furnished to audit.	
158	10	30xxxxxxxxx1ZB	Panaji	2020-21	150.35	September 2024: 2020-21: Case shall be verified.	Further progress in this regard was awaited.	Under Examination
159	10	30xxxxxxxxx1ZJ	Margao	2018-19	66.90	The department replied (September 2024) that the case of the taxpayer was selected for audit for the financial year 2018-19. The above subject matter was considered at the time of finalisation of audit. The reply submitted by the taxpayer is placed on records.	The submitted by the Department is without supporting documents. Hence, para is retained for want of more documents.	Reply furnished without appropriate documentary evidence
160	10	30xxxxxxxxx1ZJ	Margao	2019-20	42.04	The department replied (September 2024) that in case of financial year 2019-20, ASMT-10 <i>vide</i> reference No. ZD301223000341J dated 05/12/2023 was issued to the taxpayer. In reply to ASMT-10 taxpayer had made reply explaining the difference therefore ASMT-12 order was issued to the taxpayer.	Copy of ASMT-11 and ASMT-12 was not found attached with the reply.	Reply furnished without appropriate documentary evidence
161	10	30xxxxxxxxx1ZJ	Margao	2020-21	50.68	The department replied (September 2024) that in case of financial year 2020-21, ASMT-10 <i>vide</i> reference No. D301223000344D dated 05/12/2023 was issued to the taxpayer. In reply to ASMT-10 taxpayer had made reply explaining the difference. Reply of the taxpayer is placed on records. In view of the above, Para is dropped.	Copy of ASMT-11 and ASMT-12 was not found attached with the reply.	Reply furnished without appropriate documentary evidence
162	10	30xxxxxxxxx1Z8	Margao	2020-21	32.35	The Department replied (August 2024) that ASMT-10 dated 10/11/2023 was issued to the taxpayer. In reply it was stated that the difference in tax liability with GSTR-3B with E-way bill is due to wrong generation of e-way bill no. 101267640430 dated: 09/11/2020 where the tax invoice no. (1248038093) was erroneously reported as the taxable value of the invoice. In view of the above Para is dropped.	The response of the Department was accepted, para was dropped.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
163	10	30xxxxxxxxx1ZT	Margao	2018-19	0.18	The department replied (August 2024) that details were verified on GST back office system and on E-way bill officer login portal, which revealed that there was a difference as per Audit observations and as per E-way bill officer login portal. For financial year 2018-19 there was no difference between GSTR-3B tax liability and E-way bill tax liability. ASMT-10 for the financial year 2018-19 is not issued as outward taxable supplies and output tax declared in GSTR-3B is greater than those reflected in E-way bill portal.	Reply was accepted.	Dropped (Other valid explanation)
164	10	30xxxxxxxxx1ZT	Margao	2019-20	16.00	The department replied (August 2024) that as per audit observation there was a difference between GSTR-3B tax liability and E-way bill tax liability for the financial year 2018-19, 2019-20 and 2020-21 amounting to ₹ 17,73,964, ₹ 15,99,69,236 and ₹ 14,86,17,962 respectively. Details were verified on GST back office system and on E-way bill officer login portal. At the time of verification there was a difference as per Audit observations and as per E-way bill officer login portal. For financial year 2018-19 there was no difference between GSTR-3B tax liability and E-way bill tax liability. For financial year 2019-20 difference is ₹ 5,89,48,276 and for 2020-21 is ₹ 4,69,15,781. Hence Taxpayer has been issued ASMT-10 for the financial year 2019-20 and 2020-21 as per the records available on GST back office system and E-way bill officer login portal. The taxpayer had replied in ASMT-11 dated 08/12/2023 with detailed report and CA certificated for the year 2019-20 and 2020-21 which was accepted and proceedings were dropped on 11/12/2023 by issuing form ASMT-12.	The Department has not provided justification for the complete amount of the tax liability and supporting documents pertaining to job works of the taxpayer were also not found in the file. Hence the paras for 2019-20 and 2020-21 are retained for want of documentary evidence and clarification.	Reply furnished without appropriate documentary evidence

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
165	10	30xxxxxxxx1ZT	Margao	2020-21	14.86	The department replied (August 2024) that as per audit observation there was a difference between GSTR-3B tax liability and E-way bill tax liability for the financial year 2018-19, 2019-20 and 2020-21 amounting to ₹ 17,73,964, ₹15,99,69,236 and ₹148617962 respectively. Details were verified on GST back office system and on E-way bill officer login portal. At the time of verification there was a difference as per Audit observations and as per E-way bill officer login portal. For financial year 2018-19 there was no difference between GSTR-3B tax liability and E-way bill tax liability. For financial year 2019-20 difference is ₹ 5,89,48,276 and for 2020-21 is ₹ 4,69,15,781. Hence Taxpayer has been issued ASMT-10 for the financial year 2019-2020 and 2020-21 as per the records available on GST back office system and E-way bill officer login portal. The taxpayer had replied in ASMT-11 dated 08/12/2023 with detailed report and CA certificated for the year 2019-20 and 2020-21 which was accepted and proceedings were dropped on 11/12/2023 by issuing form ASMT-12.	The Department has provided justification for the complete amount of the tax liability and supporting documents pertaining to job works of the tax payer were also not found in the file. Hence the paras for 2019-20 and 2020-21 are retained for want of documentary evidence and clarification.	Reply furnished without appropriate documentary evidence
166	10	30xxxxxxxx2ZK	Ponda	2019-20	19.66	September 2024: 2019-20: On verification it is observed that the GSTR-3B tax payable on other supplies as stated above is matching with the back end portal, however the E-Way bill tax liability as verified on E-way Bill portal (https://mis.ewaybillgst.gov.in) is not matching with the amount tax liability as stated in the audit para. Also enclosed screen print data as obtained from the E-Way bill portal is attached for the reference. Further the inconsistency was informed to the taxpayer, where in the taxpayer had filed reply as enclosed. In view of above the Para was dropped.	The response of the department claims that the tax liability as per the e-way bill portal data was ₹ 40.49 crore of 2019-20. These liabilities are less than that ₹ 45.33 crore for 2019-20 declared in GSTR-3B by the taxpayer. The extract from the e-way bill portal was also provided as evidence. Hence, the para was dropped.	Dropped (other valid explanation)
167	10	30xxxxxxxx2ZK	Ponda	2020-21	0.41	September 2024: On verification it was observed that the GSTR-3B tax payable on other supplies was matching with the backend portal, however the E-Way bill tax liability as verified on E-way Bill portal (https://mis.ewaybillgst.gov.in)	The response of the department claims that the tax liability as per the e-way bill	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						was not matching with the tax liability as stated in the audit para. Also enclosed screen print data as obtained from the E-Way bill portal was attached for reference. Further the inconsistency was informed to the taxpayer, where in the taxpayer has filed reply as enclosed. In view of above the Para is dropped.	portal data was ₹ 9.01 crore for 2020-21. These liabilities are less than that (₹ 16.98 crore for 2020-21) declared in GSTR-3B by the taxpayer. The extract from the e-way bill portal was also provided as evidence. Hence, the para was dropped.	Demand Order (DRC-07) issued
168	10	30xxxxxxxxxx1Z5	Mapusa	2019-20	3.50	September 2024: 2019-20: The case was selected for Audit u/s 65, accordingly audit was conducted and discrepancy notice was issued. However, taxpayer had not paid the amount. Hence, final ADT 02 was issued. Since, no payment had been effected, show cause notice u/s 73 was issued on 30/05/2024. Taxpayer had paid partial amount towards DRC-01, vide DRC-03 ARN:AD300524001524S dt. 30/05/2024. Case proceedings were under process. Hence, outcome of the same would be intimated to audit once order is issued. Copy of discrepancy notice, DRC-01 and DRC-03 was enclosed.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
169	10	30xxxxxxxxxx1Z5	Mapusa	2020-21	5.02	September 2024: 2020-21: Scrutiny/verification of the same was under process. Once the case records of the taxpayer are scrutinised and verified, outcome along with action taken report would be intimated to audit.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
170	10	30xxxxxxxxxx1Z1	Ponda	2018-19	8.01	Sept 2024: 2018-19: The taxpayer was verified and Order was issued u/s 73 of the GGST Act, 017, having Ref No. ZD3004240023371 dated 29/04/2024 with DRC-07 for amount of ₹ 53,90,090.00. Copy of Order and DRC-07 is attached for reference. Hence the para may please be dropped.	The DRC-07 indicates that the proper officer had erroneously considered the tax liability (₹ 8,01,37,800 as per e-way bills) to be the turnover and worked out the tax liability to be ₹ 40,06,890 (@ 5 per cent) while issuing DRC-07. The same may be verified	Demand Order (DRC-07) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status		
171	10	30xxxxxxxxxx175	Margao	2018-19	7.71	<p>The department replied (August 2024) that National Company Law Tribunal (NCLT) Mumbai vide its order CP 619/IBC/NCLT/MAH/2018 dated 14/12/2018 has initiated Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code 2016 against the Nicomet Industries Limited. As per the order of the NCLT a moratorium had been declared under Para 14.1.a of the order stating that the Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority. The moratorium is applicable since 14 December 2018 till completion of the insolvency resolution process or unit bench approves the resolution plan under subsection (1) of Section 31 of the IBC or passes an order for liquidation of corporate debtors under Section 33 of IBC, as the case may be. Thereafter on 16/12/2020, NCLT Mumbai passed an order that Nicomet Industries Limited shall be liquidated. Accordingly the claim of department dues of Tax amounting to ₹ 70,10,12,499, Interest amounting to ₹ 10,84,89,792 and Penalty amounting to ₹ 8,67,38,326 i.e. Total amounting to ₹ 89,62,40,617 was filed with liquidator.</p>	and outcome may be intimated to Audit.	Further progress in this regard was awaited.	(Claim was filed) order issued.	Demand

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
172	10	30xxxxxxxxxx1Z5	Margao	2019-20	0.27	The department replied (August 2024) that National Company Law Tribunal (NCLT) Mumbai vide its order CP 619/IBC/NCLT/MAH/2018 dated 14/12/2018 has initiated Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code 2016 against the Nicomet Industries Limited. As per the order of the NCLT a moratorium had been declared under Para 14.1a of the order stating that the Bench hereby prohibits a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority. The moratorium is applicable since 14th December 2018 till completion of the insolvency resolution process or unit bench approves the resolution plan under subsection (1) of Section 31 of the IBC or passes an order for liquidation of corporate debtors under Section 33 of IBC, as the case may be. Thereafter on 16/12/2020, NCLT Mumbai passed an order that Nicomet Industries Limited shall be liquidated. Accordingly the claim of department dues of Tax amounting to ₹ 70,10,12,499, Interest amounting to ₹ 10,84,89,792 and Penalty amounting to ₹ 8,67,38,326 i.e. Total amounting to ₹ 89,62,40,617 was filed with liquidator.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
173	10	30xxxxxxxxxx1Z9	Margao	2019-20	7.72	The department replied (September 2024) that outward taxable supplies and output tax declared in GSTR-3B was lower than those reflected in E-way bill portal. Deficiencies were intimated to the taxpayer by issuing ASMT-10 on 19/10/2023 and taxpayer had filed their reply in ASMT-11 on 24/01/2024 and considering the reply with supporting documents/details attached to reply, proceeding were dropped by issuing ASMT-12 on 19/02/2024. The reply of the taxpayer is filed on record. The reply of the taxpayer is accepted, hence, para is dropped.	The reply was accepted and the Para was dropped.	Dropped (other valid explanation)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
174	11	30xxxxxxxx1ZW	Mapusa	2018-19	2.06	September 2024: ASMT 10 was issued by the concerned officer however there was no reply filed by the Taxpayer. Hence, DRC-01A was issued for which reply was filed by the Taxpayer, however the reply was not accepted. Further, DRC-01 was issued for which reply was filed and reconciliation Certified by C.A. was also submitted. Dropped proceeding order was issued subsequently. Copy of ASMT-10, DRC-01A, DRC-01, Taxpayer's reply and Dropped proceeding order is enclosed herewith. Hence, para may please be dropped.	GSTR-9C may be furnished to Audit.	Reply furnished without appropriate documentary evidence
175	11	30xxxxxxxx1ZW	Mapusa	2019-20	2.00	September 2024: The ASMT-10 was issued for which no reply had been filed. Further, DRC-01A u/s 73 was issued for which the taxpayer did not file reply. Hence, SCN in DRC-01 was issued. The case was in progresses and outcome would be intimated once reply received. Copy of ASMT-10 & DRC-01A & DRC-01 along with annexures was enclosed	Further progress in this regard was awaited along with the copy of GSTR-9C.	SCN (DRC-01) issued
176	11	30xxxxxxxx2ZV	Mapusa	2018-19	2.04	September 2024: 2018-19: Para was raised for Mismatch in tax paid between books of accounts and Annual Return (Table 9R of Form 9C) ₹ 2,04,17,376. ASMT 10 was issued by the concerned officer however the reply was not filed by the taxpayer. Hence, DRC-01A was issued for which reply was filed by the Taxpayer, however the reply was not accepted. Further, DRC-01 was issued for which reply was filed and reconciliation certified by C.A was also submitted. Drop proceedings order was issued subsequently. Copy of ASMT-10, DRC-01A, DRC-01, taxpayer's reply and dropped proceeding order is enclosed herewith. Hence, para may please be dropped.	GSTR-9C may be furnished to Audit.	Reply furnished without appropriate documentary evidence
177	11	30xxxxxxxx2ZV	Mapusa	2019-20	1.08	September 2024: 2019-20: The ASMT-10 was issued for which no reply had been filed. Further, DRC-01A u/s 73 was issued for which the taxpayer did not file reply. Hence, SCN in DRC-01 was issued. The case was in progress and outcome would be intimated once reply received. Copy of ASMT-10 & DRC-01A & DRC-01 along with annexures was enclosed.	Further progress in this regard was awaited along with the copy of GSTR-9C.	SCN (DRC-01) issued
178	11	30xxxxxxxx1Z4	Mapusa	2020-21	2.54	September 2024: 2020-21: Scrutiny/verification of the same was under process. Once the case records of the taxpayer are scrutinised and verified, outcome along with action taken report would be intimated to audit in due course.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
179	11	30xxxxxxxx1Z1	Panaji	2018-19	0.00	September 2024: 2018-19: The difference of ₹ 15,248 is due to excess paid for the year 2017-18 which is adjusted during the year 2018-19. The detailed calculation is submitted on 01/07/2018. Thus, para may be dropped.	Reply was accepted, para was dropped	Dropped (other valid explanation)
180	11	30xxxxxxxx1Z1	Panaji	2019-20	2.27	September 2024: 2019-20: DRC-01 was raised .	Further progress in this regard was awaited.	SCN (DRC-01) issued
181	11	30xxxxxxxx1Z1	Panaji	2020-21	0.01	September 2024: 2020-21: The case shall be verified and the outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination
182	11	30xxxxxxxx1ZD	Vasco	2020-21	2.22	The department replied (September 2024) that scrutiny under Section 61 was initiated. Verification was in process.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
183	16	30xxxxxxxx1ZZ	Panaji	2019-20	0.00	In response to the audit enquiry the State Tax Officer (STO) replied (November 2023) that the taxpayer was issued discrepancies in ASMT-10 for which he has replied that while filing returns in CMP-08 for the Quarter-II (1 October to 31 December, 2019) the amount for outward supply was wrongly entered as ₹ 2,27,30,990 instead of ₹ 22,73,099 however, the tax was correctly paid for value of ₹ 22,73,099 as CGST ₹ 11,366 and SGST ₹ 11,366. The taxpayer has also submitted income tax returns file for the year 2019-20 (Copy enclosed) in support of his claim which tallies with the quarter wise outward supply as per the book submitted by the taxpayer. The total turnover of the taxpayer is ₹ 82,34,715. The taxpayer is continuing with the facility of composition levy from July 2017 upto date (2023-24) which can be verified from the taxpayer's details obtained from the portal. Hence, the taxpayer is eligible for composition scheme and it is therefore requested to drop the Audit para of the taxpayer.	Reply was accepted	Dropped (Data Entry Error)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
184	16	30xxxxxxxxxx1ZA	Ponda	2019-20	0.00	September 2024: 2019-20: Upon scrutiny, it was noticed that there is difference in turnover declared in returns filed and tax liability paid @ 1 per cent (0.5 per cent CGST & 0.5 per cent SGST). The taxpayer is a practicing Physician and runs Childrens Hospital and is having Pharmacy for which the taxpayer is registered. Taxpayer has maintained separate profit and loss Account for Clinic and hospital services which is exempted services under Sl. No.77 of List of services at 'Nil' rate of tax. From above, it is clear that while filing returns, taxpayer has declared combined turnover pertaining to services provided in Hospital, Clinic/ OPD Services along with Pharmacy sale i.e. sale of medicines. Taxpayer has submitted reconciliation statement and final Account copies for the year and same is found in agreement with returns filed. Hence, no further, action is taken. Copy of Final Account along with Reconciliation statement is attached herewith the reply. Hence, para may please be dropped.	Reply was accepted and the para was dropped.	Dropped (Other valid explanation)
185	16	30xxxxxxxxxx1Z4	Panaji	2020-21	0.00	September 2024: The case shall be verified and outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination
186	16	30xxxxxxxxxx1ZV	Panaji	2018-19	0.00	September 2024: The case shall be verified and outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination
187	16	30xxxxxxxxxx1Z5	Panaji	2019-20	0.00	September 2024: The case shall be verified and outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination
188	16	30xxxxxxxxxx1Z5	Panaji	2020-21	0.00	September 2024: The case shall be verified and outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination
189	17	30xxxxxxxxxx1ZN	Panaji	2020-21	0.00	Said cases shall be assigned to the Scrutiny officer and the proceedings will be initiated in time bound manner.	Further progress in this regard was awaited.	Under Examination
190	17	30xxxxxxxxxx1ZE	Margao	2020-21	0.00	The department replied that ASMT-10 as per Section 61 of Goa GST Act, 2017 was issued on 13/10/2023.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
191	17	30xxxxxxxxxx1ZH	Panaji	2020-21	0.00	Said cases shall be assigned to the Scrutiny officer and the proceedings will be initiated in time bound manner.	Further progress in this regard was awaited.	Under Examination

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
192	17	30xxxxxxxxxx1Z3	Panaji	2020-21	0.00	Said cases shall be assigned to the Scrutiny officer and the proceedings will be initiated in time bound manner.	Further progress in this regard was awaited.	Under Examination
193	20	30xxxxxxxxxx1Z5	Margao	2018-19	9.37	The department replied (September 2024) that National Company Law Tribunal (NCLT) Mumbai <i>vide</i> its order CP 619/IBC/NCLT/MAH/2018 dated 14/12/2018 has initiated Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 against the Nicomet Industries Limited. As per the order of the NCLT a moratorium has been declared under Para 14.1-a of the order stating that the Bench hereby prohibits a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority. The moratorium is applicable since 14 December 2018 till completion of the insolvency resolution process or unit bench approves the resolution plan under subsection (1) of Section 31 of the IBC or passes an order for liquidation of corporate debtors under Section 33 of IBC, as the case may be. Thereafter on 16/12/2020, NCLT Mumbai passed an order that Nicomet Industries Limited shall be liquidated. Accordingly the claim of department dues of Tax amounting to ₹ 70,10,12,499, Interest amounting to ₹ 8,67,38,326 i.e. ₹ 10,84,89,792 and Penalty amounting to ₹ 89,62,40,617 was filed with liquidator.	Further progress in this regard was awaited.	Demand (Claim was filed) order issued.
194	20	30xxxxxxxxxx1ZD	Mapusa	2018-19	0.39	September 2024: 2018-19: Returns of the taxpayer were scrutinised & ASMT-10 was issued on 21/11/2023. Taxpayer had filed reply which was not satisfactory. However, paid ₹ 8,00,023 <i>vide</i> DRC-03, 16/04/2024. Copy of ASMT-10, Scrutiny report & DRC-03 was enclosed herewith. Further, a SCN was issued to you u/s 73 and 122 of the GGST Act on 28/2/2023 combined for the years 2018-19 & 2019-20. On the basis of documents available with the department and information furnished by taxpayer, order for demand in DRC-07 was created (25/04/2024). Copy of Order & Demand in DRC-07 was enclosed. Hence para may kindly be dropped.	Further progress in this regard may be intimated to Audit.	Demand Order (DRC-07) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
195	20	30xxxxxxxxx1ZD	Mapusa	2019-20	0.75	2019-20: A SCN was issued u/s 73 and 122 of the GGST Act on 28/02/2023 combined for the years 2018-19 & 2019-20. On the basis of documents available with the department and information furnished by taxpayer, Order and demand in DRC-07 was created (25/04/2024). Copy of Order & Demand in DRC-07 was enclosed. Hence para may kindly be dropped.	Further progress in this regard may be intimated to Audit.	Demand Order (DRC-07) issued
196	20	30xxxxxxxxx1ZD	Mapusa	2020-21	0.32	2020-21: Case was marked for verification u/s 67 under enforcement. Hence, assessment/ verification of the same was under process. Once the case records of the taxpayer are verified, outcome along with action taken report would be intimated to audit.	Further progress in this regard may be intimated to Audit.	ASMT-10 issued/Action initiated
197	20	30xxxxxxxxx1ZR	Panaji	2018-19	0.63	September 2024-2018-19: GSTR-3B filed on 29/11/2023 for January 2019, February 2019 and March 2019. 2019-20: GSTR-3B filed on 29/11/2023 for April to June 2019 and on 05/12/2023 for July to Oct 2019; for November 2019 on 08/12/2023; for December 2019 to March 2020 on 16/12/2023.	Copy of GSTR-1 and 3B for the relevant period may be provided to Audit.	Reply furnished without appropriate documentary evidence
198	20	30xxxxxxxxx1ZR	Panaji	2019-20	0.58	September 2024-2020-21: GSTR-3B filed for April and May 2020 on 16/12/2023, for June to Dec 2020 on 21/12/2023. ASMT 10 issued for the month of January 2021, February 2021 and March 2021 on 08/07/2024.	Copy of GSTR-1 and 3B for the relevant period may be provided to Audit.	Reply furnished without appropriate documentary evidence
199	20	30xxxxxxxxx1ZT	Mapusa	2018-19	0.34	September 2024: ASMT-10 had been issued <i>vide</i> Reference No.: ZD3011230016571 dt. 21/11/2023. Taxpayer had not replied hence, SCN in DRC-01 was issued on 19/01/2024. Further no reply was received hence, order u/s 73 along with demand in DRC-07 was issued on 18/04/2024. Copy of ASMT 10, DRC-01, order, annexure (DRC-07) was enclosed.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
200	20	30xxxxxxxxx1ZT	Mapusa	2019-20	0.34	September 2024: ASMT-10 had been issued <i>vide</i> Reference No.: ZD300524000537X dt. 09/05/2024. Further, issuing of DRC-01 u/s 74 was under process. Further, outcome would be intimated to Audit. Copy of ASMT-10 & Scrutiny report was enclosed.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
201	20	30xxxxxxxxx1ZT	Mapusa	2020-21	0.06	September 2024: Scrutiny/verification of the same was under process. Once the case records of the taxpayer are scrutinized and verified, outcome along with action taken report would be intimated to audit.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
202	20	30xxxxxxxx1ZD	Vasco	2018-19	0.19	The department replied (September 2024) that the taxpayer was assessed for the year 2018-19. Copy of the order under Section 73 alongwith DRC-07 was attached.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
203	20	30xxxxxxxx1ZD	Vasco	2019-20	0.50	The department replied (September 2024) that for the year 2019-20, the taxpayer being non-filer, would be assessed under Section 62 and the order will be intimated to the audit team.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
204	20	30xxxxxxxx1ZG	Mapusa	2018-19	0.44	September 2024: Issuing of DRC-01 u/s 74 was under process. Further, outcome would be intimated to Audit.	Further progress in this regard may be intimated to Audit.	ASMT-10 issued/Action initiated
205	20	30xxxxxxxx1ZG	Mapusa	2019-20	0.09	September 2024: ASMT-10 had been issued <i>vide</i> Reference No.: ZD3005240005335 dt. 09/05/2024. Copy of ASMT-10 along with Scrutiny report was enclosed. Further, issuing of DRC-01 u/s 74 was under process. Further, outcome would be intimated to Audit in due course of time.	Further progress in this regard may be intimated to Audit.	ASMT-10 issued/Action initiated
206	20	30xxxxxxxx1ZG	Mapusa	2020-21	0.02	September 2024: Scrutiny verification of the same was under process. Once the case records of the taxpayer are scrutinised and verified, outcome along with action taken report would be intimated to audit.	Further progress in this regard may be intimated to Audit.	ASMT-10 issued/Action initiated
207	20	30xxxxxxxx1Z8	Vasco	2018-19	0.08	The department replied (September 2024) that the taxpayer was assessed for the year 2018-19. Copy of the order under Section 73 alongwith DRC-07 was attached.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
208	20	30xxxxxxxx1Z8	Vasco	2019-20	0.44	The department replied (September 2024) that for the year 2019-20, the taxpayer being non-filer, will be assessed under Section 62 and the order will be intimated to the audit team. Hence, audit para was dropped.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
209	20	30xxxxxxxx1ZZ	Panaji	2018-19	0.10	September 2024: 2018-19 Case shall be verified and outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination
210	20	30xxxxxxxx1ZZ	Panaji	2019-20	0.39	September 2024: 2019-20: Case shall be verified and outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
211	20	30xxxxxxxx1ZJ	Curchorem	2018-19	0.08	The department replied (June 2024) that notice in form GST ASMT 10 was issued (27/10/2023), the taxpayer paid partial amount (₹ 50,647-IGST and ₹ 1,25,000-SGST and ₹ 1,25,000-CGST through form DRC-03 dated 18/12/2023, however, the taxpayer failed to file response to notice (ASMT 10) and discharge full liability, hence DRC-01A notice was issued (21/12/2023) under Section 73 for an amount of ₹ 4,73040 (CGST+SGST) alongwith interest and late fee. Taxpayer did not file reply to DRC-01 hence, order (DRC-07) under Section 73 was issued (31/01/2024) with a penalty of ₹ 23,652 and late fee amounting to ₹ 17,525. Since Action had been taken by the assessing authority by issuing order, para was recommended for closure.	Status of recovery of the remaining amount for the year 2018-19 may be intimated.	Demand Order (DRC-07) issued
212	20	30xxxxxxxx1ZJ	Curchorem	2019-20	0.28	Similarly, for the year 2019-20, an order u/s 73 was issued (22/04/2024) for an amount of ₹ 28,32,037 alongwith the applicable interest and penalty.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
213	20	30xxxxxxxx1ZJ	Curchorem	2020-21	0.07	Further scrutiny of 2020-21 would also be taken up on priority basis and progress would be intimated to audit in due course of time.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
214	20	30xxxxxxxx1ZS	Margao	2018-19	0.20	The department replied (August 2024) that order alongwith DRC-07 dttd. 24/04/2024 was issued for 2018-19 for ₹ 40,72,794.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
215	20	30xxxxxxxx1ZS	Margao	2019-20	0.23	The department replied (August 2024) that for 2019-20, DRC-01 was issued under Section 74 on 05/07/2024 amounting to ₹ 23,99,862.	Copy of DRC-01 for the year 2019-20 was not submitted. Further progress in this regard was awaited.	SCN (DRC-01) issued
216	21	30xxxxxxxx1ZL	Panaji	2018-19	0.47	September 2024: 2018-19: Demand under Section 73 of GGST Act was issued.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
217	21	30xxxxxxxx1ZL	Panaji	2019-20	4.66	September 2024: 2019-20: DRC-01 was issued. Copy to the same was enclosed.	Further progress in this regard was awaited.	SCN (DRC-01) issued
218	21	30xxxxxxxx1ZL	Panaji	2020-21	1.92	September 2024: 2020-21: The case shall be verified and outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
219	21	30xxxxxxxxx1Z7	Mapusa	2018-19	0.50	Sept 2024: 2018-19: ASMT-10 was issued. Reply submitted by the taxpayer was not satisfactory, hence, proceedings u/s 73 were initiated and Order u/s 73 was issued and demand in DRC-07 was issued for tax ₹ 6,43,052.00 Interest ₹ 44,66,414.00 and penalty ₹ 64,304 (Total demand ₹ 51,73,770). Copy of Order along with Annexure is enclosed herewith.	Further progress in this regard may be intimated to Audit	Demand Order (DRC-07) issued
220	21	30xxxxxxxxx1Z7	Mapusa	2019-20	0.42	Sept 2024: 2018-19: 2019-20: ASMT-10 had been issued vide Reference No.: ZD300524000599N, dated 10/05/2024. Further SCN in DRC-01 was also issued. Copy of ASMT-10, Scrutiny report, interest sheet, DRC-01 & Annexure was enclosed.	Further progress in this regard may be intimated to Audit	SCN (DRC-01) issued
221	21	30xxxxxxxxx1Z7	Mapusa	2020-21	0.00	Sept 2024: 2020-21: Scrutiny/verification of the same is under process. Once the case records of the taxpayer are scrutinised and verified, outcome along with action taken report would be intimated to audit.	Further progress in this regard may be intimated to Audit	ASMT-10 issued/Action initiated
222	21	30xxxxxxxxx1Z3	Vasco	2018-19	0.49	The department replied (September 2024) that the taxpayer was assessed by the Central Authority for the period from April 2018 to March 2021. Copy of the order alongwith DRC-07 was submitted. Hence Para is dropped.	Reply was accepted and the para was dropped.	Dropped (other valid explanation)
223	21	30xxxxxxxxx1Z3	Vasco	2019-20	0.10	The department replied (September 2024) that the taxpayer was assessed by the Central Authority for the period from April 2018 to March 2021. Copy of the order alongwith DRC-07 was submitted. Hence, para is dropped.	Reply was accepted and the para was dropped.	Dropped (other valid explanation)
224	21	30xxxxxxxxx1Z3	Vasco	2020-21	0.10	The department replied (September 2024) that the taxpayer was assessed by the Central Authority for the period from April 2018 to March 2021. Copy of the order alongwith DRC-07 was submitted. Hence, para is dropped.	Reply was accepted and the para was dropped.	Dropped (other valid explanation)
225	21	30xxxxxxxxx1ZL	Ponda	2018-19	0.30	September 2024: 2018-19: The case was verified and order was issued u/s 73 of the GGST Act, 2017 having Ref No. ZD3004240018124 dated 23/04/2024 with DRC-07 for amount of ₹ 29,71,760.00 for the year 2018-19. Copy of Order and DRC-07 was attached for reference.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
226	21	30xxxxxxxxxx1ZL	Ponda	2019-20	0.20	September 2024: 2019-20: The taxpayer was verified for the year 2019-20 and SCN was issued in DRC-01 having Ref No. ZD3005240016209 dated 17/05/2024 for an amount of ₹ 19,75,800.00. Further the order u/s 73 of the Act was issued having Ref No. ZD300824002298N dated 26/08/2024 with DRC-07 for an amount of ₹ 19,75,800.00. Copy of Order (DRC-07) and DRC-01 was attached for reference.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
227	21	30xxxxxxxxxx1ZL	Ponda	2020-21	0.17	September 2024: 2020-21: Verification of the same is in progress and will be intimated very soon.	Further progress in this regard was awaited.	Under Examination
228	21	30xxxxxxxxxx1Z4	Mapusa	2018-19	0.17	September 2024: 2018-19: Show Cause Notice under Section 73 of GGST Act, 2017 for the period 2018-19 amounting to ₹ 16.93 Lakhs towards interest had been issued on 27/12/2023. The taxpayer had made part payment of interest amounting to ₹ 6.93 lakh in response to the SCN. Further the taxpayer paid ₹ 5,00,000 <i>vide</i> DRC 03 ARN: AD30022400395U and ₹ 3,89,320 on 31/03/2024 <i>vide</i> DRC-03 AD3003240016004. Hence, dropped proceeding order was issued on 12/04/2024. Copy of DRC-01, Copies of DRC-03 and dropped proceeding order alongwith annexure was enclosed herewith. Hence, para may please be dropped.	An amount of ₹ 1,11,000 (₹ 16,93,000- ₹ 15,82,000) was pending to be recovered.	SCN (DRC-01) issued
229	21	30xxxxxxxxxx1Z4	Mapusa	2019-20	0.13	September 2024: 2019-20: Issuing of DRC-01 u/s 74 was under process. Further, outcome would be intimated to Audit.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
230	21	30xxxxxxxxxx1Z4	Mapusa	2020-21	0.16	September 2024: 2020-21: Scrutiny/verification of the same was under process. Once the case records of the taxpayer are scrutinised and verified, outcome along with action taken report would be intimated to audit in due course of time.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
231	21	30xxxxxxxxxx2Z1	Vasco	2018-19	0.12	The department replied (September 2024) that for the year 2018-19, the interest of ₹ 12,42,078 is recovered. DRC-03 dated 16/02/2024 is enclosed.	Further progress in this regard was awaited.	Recovered
232	21	30xxxxxxxxxx2Z1	Vasco	2019-20	0.18	The department replied (September 2024) that for the year 2019-20, the interest is waived as per Section 128A of the GGST Act, 2017.	The reply is not acceptable as waiver of interest under Section 128A is available only if demand is raised under Section 73 of GGST Act 2017 and	Rebuttal

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						thereafter, request for waiving off of interest is submitted by the taxpayer in form SPL-01, which is subject to verification by the tax officer. Since the procedure for waiving off interest was not followed, the undischarged liability of interest stood recoverable from the taxpayer.		
233	21	30xxxxxxxxxx2Z1	Vasco	2020-21	0.12	The department replied (September 2024) that for 2020-21, the returns would be scrutinised and the interest once recovered would be intimated to the audit.	Further progress in this regard was awaited.	Under Examination
234	21	30xxxxxxxxxx1ZS	Vasco	2018-19	0.13	The department replied (September 2024) that for the year 2018-19, the taxpayer had paid interest <i>vide</i> DRC-03 dated 17/01/2024.	Reply is accepted.	Recovered
235	21	30xxxxxxxxxx1ZS	Vasco	2019-20	0.20	The department replied (September 2024) that for the year 2019-20, SCN in DRC-01 was issued. Copy of SCN-DRC-01 was attached.	Further progress in this regard was awaited.	SCN (DRC-01) issued
236	21	30xxxxxxxxxx1ZS	Vasco	2020-21	0.07	The department replied (September 2024) that for the year 2020-21, verification is in process.	Further progress in this regard was awaited.	Under Examination
237	21	30xxxxxxxxxx1ZV	Panaji	2018-19	0.04	September 2024: Taxpayer has paid the interest u/s 50 on the late payment of tax in GSTR-3B amounting to ₹ 3,61,751 (copy of DRC-03 dated 10/11/2023 enclosed). Further, there is delay of 23 days and not 25 days in the return filing of April 2018 month. The due date for filing GSTR-3B return for April 2018 was extended upto 22/05/2018 <i>vide</i> Notification No. 23/2018-Central Tax dated 18-05-2018 (copy enclosed). Thus, the para may be dropped.	Reply is accepted.	Recovered
238	21	30xxxxxxxxxx1ZV	Panaji	2019-20	0.28	September 2024: 2019-20: DRC-01 was issued. The copy was enclosed on record.	Further progress in this regard was awaited.	SCN (DRC-01) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
239	21	30xxxxxxxxxx1ZV	Panaji	2020-21	0.06	September 2024: 2020-21: The case shall be verified and the outcome shall be intimated to the Audit.	Further progress in this regard was awaited.	Under Examination
240	21	30xxxxxxxxxx1ZJ	Panaji	2018-19	0.13	2018-19: Interest paid through DRC-03.	Reply is accepted.	Recovered
241	21	30xxxxxxxxxx1ZJ	Panaji	2019-20	0.12	2019-20: Recovery order under Section 73 was issued.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
242	21	30xxxxxxxxxx1ZJ	Panaji	2020-21	0.13	2020-21: Interest paid through DRC-03.	Reply is accepted.	Recovered
243	21	30xxxxxxxxxx1ZV	Mapusa	2018-19	0.38	Sept 2024: 2018-19: Case was selected for Audit u/s 65, accordingly audit was conducted and further show cause notice u/s 73 was issued. Order u/s 73 and demand in DRC-07 was raised for tax ₹ 2,37,640 interest ₹ 20,85,608 penalty ₹ 50,000 and late fees ₹ 4,75,000 (Total demand ₹ 28,48,248). Demand order was enclosed. Hence, para may kindly be dropped.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
244	21	30xxxxxxxxxx1ZZ	Vasco	2018-19	0.10	The department replied (September 2024) that the taxpayer was under Margao jurisdiction. For the year 2018-19 and 2019-20, the taxpayer was assessed and the copy of the order alongwith DRC-07 was attached.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
245	21	30xxxxxxxxxx1ZZ	Vasco	2019-20	0.14	The department replied (September 2024) that the taxpayer was under Margao jurisdiction. For the year 2018-19 and 2019-20, the taxpayer was assessed and the copy of the order alongwith DRC-07 was attached.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
246	21	30xxxxxxxxxx1ZZ	Vasco	2020-21	0.10	The department replied (September 2024) that for the year 2020-21, the verification is in process.	Further progress in this regard was awaited.	Under Examination
247	21	30xxxxxxxxxx2ZC	Mapusa	2018-19	0.05	Sept 2024: 2018-19: DRC-01 was issued (19/01/2024) u/s 73 of the GGST Act. The taxpayer had paid the full amount through DRC-03 dated: 13/02/2024. Hence, para may kindly be dropped	Reply is accepted.	Recovered
248	21	30xxxxxxxxxx2ZC	Mapusa	2019-20	0.17	Sept 2024: 2019-20: ASMT-10 had been issued <i>vide</i> Reference No.: ZD30032400114G dated 20/03/2024. Copy of ASMT-10 & Scrutiny report was enclosed herewith for your kind perusal. Further, issuing of DRC-01 u/s 74 was under process. Further, outcome will be intimated to Audit in due course of time.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
249	21	30xxxxxxxx2ZC	Mapusa	2020-21	0.07	Sept 2024: 2020-21: Scrutiny/verification of the same was under process. Once the case records of the taxpayer are scrutinized and verified, outcome along with action taken report would be intimated to audit.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
250	21	30xxxxxxxx1ZX	Panaji	2018-19	0.16	September 2024: Order under Section 73 was issued.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
251	21	30xxxxxxxx1ZX	Panaji	2019-20	0.03	September 2024: Order under Section 73 was issued.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
252	21	30xxxxxxxx1ZX	Panaji	2020-21	0.09	September 2024: Case shall be verified.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
253	21	30xxxxxxxx1ZH	Panaji	2018-19	0.07	September 2024: Taxpayer has paid the interest. The copy of DRC-03 is enclosed on record. Thus, the para is dropped.	Reply is accepted.	Recovered
254	21	30xxxxxxxx1ZH	Panaji	2019-20	0.13	September 2024: 2019-20: Order U/s 73 was issued for the recovery of the dues.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
255	21	30xxxxxxxx1ZH	Panaji	2020-21	0.08	September 2024: 2020-21: The case shall be verified and outcome shall be intimated to Audit.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
256	21	30xxxxxxxx1ZA	Margao	2018-19	0.05	The department replied (August 2024) that ASMT-10 was issued on 06/11/2023 for short payment of interest for 2018-19, IGST at ₹ 4,76,237, CGST at ₹ 14,540 and SGST at ₹ 14,540. The taxpayer had paid the same <i>vide</i> DRC-03 dated 28/11/2023.	Reply is accepted.	Recovered
257	21	30xxxxxxxx1ZA	Margao	2019-20	0.10	The department replied (August 2024) that the interest for 2019-20 had been paid <i>vide</i> DRC-03 dated: 29/03/2024 of ₹ 8,85,525 under IGST, ₹ 36,073 under CGST and ₹ 36,073 under SGST. Copy of DRC-03 for 2018-19 and 2019-20 was enclosed.	Reply is accepted.	Recovered
258	21	30xxxxxxxx2ZO	Vasco	2018-19	0.13	The department replied (September 2024) that the taxpayer was assessed for the year 2018-19 and demand was raised for ₹ 13,31,123 <i>vide</i> DRC-07. Copy of the order alongwith DRC-07 was submitted.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
259	21	30xxxxxxxx2ZO	Vasco	2019-20	0.10	The department replied (September 2024) that for the year 2019-20, SCN in DRC-01 was issued, copy of the SCN was attached.	Further progress in this regard was awaited.	SCN (DRC-01) issued

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
260	21	30xxxxxxxxx2Z0	Vasco	2020-21	0.01	The department replied (September 2024) that for the year 2020-21, the verification is in process.	Further progress in this regard was awaited.	Under Examination
261	21	30xxxxxxxx1ZG	Bicholim	2018-19	0.06	The department replied (August 2024) that the payment reminders were sent for recovery of interest on delayed payment for which the taxpayer had replied and also produced details of part interest payment discharged by him (copy of taxpayer's reply enclosed). Thereafter, it is to note that the Government has declared waiver of interest or penalty or both relating to demand raised under Section 73 for certain periods i.e. 2017-18, 2018-19 and 2019-20 (Copy of Gazette was enclosed) <i>vide</i> insertion of new Section 128A. Out of total amount of interest payable (₹ 18,83,366.67) an amount of ₹ 5,62,785.00 (<i>vide</i> DRC-03 enclosed) had been paid by the taxpayer and ₹ 13,20,581.67 was outstanding. As there is a waiver of interest <i>vide</i> Section 128A for the year 2018-19 and 2019-20, it is requested to drop the observation for the said years.	The reply is not acceptable as waiver of interest under Section 128A is available only if demand is raised under Section 73 of GGST Act 2017 and thereafter, request for waiving off of interest is submitted by the taxpayer in form SPL-01, which is subject to verification by the tax officer. Since the procedure for waiving off interest was not followed, the undischarged liability of interest stood recoverable from the taxpayer.	Rebuttal
262	21	30xxxxxxxx1ZG	Bicholim	2019-20	0.13	The department replied (August 2024) that the payment reminders were sent for recovery of interest on delayed payment for which the taxpayer had replied and also produced details of part interest payment discharged by him (copy of taxpayer's reply enclosed). Thereafter, it is to note that the Government has declared waiver of interest or penalty or both relating to demand raised under Section 73 for certain periods i.e. 2017-18, 2018-19 and 2019-20 (Copy of Gazette was enclosed) <i>vide</i> insertion of new Section 128A. Out of total amount of interest payable (₹ 18,83,366.67) an amount of ₹ 5,62,785.00 (<i>vide</i> DRC-03 enclosed) had been paid by the taxpayer and ₹ 13,20,581.67 was outstanding. As there is a waiver of interest <i>vide</i> Section 128A for the year 2018-19 and 2019-20, it is requested to drop the observation for the said years.	The reply is not acceptable as waiver of interest under Section 128A is available only if demand is raised under Section 73 of GGST Act 2017 and thereafter, request for waiving off of interest is submitted by the taxpayer in form SPL-01, which is subject to verification by the tax officer. Since the	Rebuttal

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
						procedure for waiving off interest was not followed, the undischarged liability of interest stood recoverable from the taxpayer.		
263	21	30xxxxxxxxxx1ZG	Bicholim	2020-21	0.04	The department replied (August 2024) that proceedings for the year 2020-21 has been initiated against the taxpayer.	Further progress in this regard was awaited.	ASMT-10 issued/Action initiated
264	21	30xxxxxxxxxx1ZS	Mapusa	2018-19	0.23	Sept 2024: 2018-19: Case was selected for Audit u/s 65. Hence, discrepancies were raised but not replied. Hence, Final ADT 02 was also issued. Since, no reply received, proceedings u/s 73 were initiated and SCN in DRC-01 was issued. Further no reply received hence, Order u/s 73 along with demand in DRC 07 was raised for tax ₹ 2,30,37,114, interest ₹ 2,18,16,619, penalty ₹ 46,57,422 & late fees ₹ 10,000 (Total Demand ₹ 4,95,21,155) Copy of DRC-01, Order u/s 73 & DRC-07 is enclosed herewith for your reference.	Further progress in this regard was awaited.	Demand Order (DRC-07) issued
265	21	30xxxxxxxxxx1ZV	Mapusa	2018-19	0.04	Sept 2024: 2018-19: ASMT-10 had been issued. Taxpayer replied <i>vide</i> ARN: ZD3012230031296 dt. 19/12/2023 stating he had voluntarily paid interest amount due as per his records <i>vide</i> ARN: AD300923002098G dt. 26/09/2023 ₹ 3,85,210. Same is enclosed herewith. Hence, para may kindly be dropped.	Reply of the department accepted.	Recovered
266	21	30xxxxxxxxxx1ZV	Mapusa	2019-20	0.09	Sept 2024: 2019-20: ASMT-10 had been issued <i>vide</i> Reference No.: ZD300524000517Z on 09/05/2024. Taxpayer voluntarily paid ₹ 8,55,629 <i>vide</i> DRC-03 ARN: 300923002099E dt.26/09/2023. Same is enclosed herewith. Hence, para may kindly be dropped.	Reply of the department accepted.	Recovered
267	21	30xxxxxxxxxx1ZV	Mapusa	2020-21	0.10	Sept 2024: 2020-21: Taxpayer voluntarily paid ₹ 9,74,668.03 <i>vide</i> DRC-03 AD300923002108N dt. 26/09/2023. Same is enclosed herewith. Hence, para may kindly be dropped.	Reply of the department accepted.	Recovered
268	21	30xxxxxxxxxx1ZI	Panaji	2018-19	0.12	September 2024: The Department replied that the dues were paid through DRC-03.	DRC-03 may be furnished to Audit.	Reply furnished without appropriate documentary evidence

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (₹ in crore)	Reply of the STO/Department	Audit Response	Status
269	21	30xxxxxxxxx1ZI	Panaji	2019-20	0.07	September 2024: The Department replied that the dues paid through DRC-03.	DRC-03 may be furnished to Audit.	Reply furnished without appropriate documentary evidence
270	21	30xxxxxxxxx1ZI	Panaji	2020-21	0.03	September 2024: The Department replied that case shall be verified and status will be submitted to Audit.	Further progress in this regard awaited.	Under Examination
271	21	30xxxxxxxxx1ZA	Margao	2020-21	0.11	No reply was furnished (September 2024).	Case may be verified and suitable action may be initiated.	Reply was awaited
Total					1722.58			

APPENDIX 2.6B

(Referred to in paragraph 2.2.7.3)

Case wise details of Limited Audit sample (Turnover mismatch)

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (in ₹ crore)	Reply of the STO/Department	Status	Audit Response
1	12	30xxxxxxxx1Z7	Vasco	2019-20	111.68	The department replied (September 2024) that the taxpayer is a works contractor and the TDS deducted in the year 2019-20 pertains to 2018-19 and 2019-20. The turnover is properly disclosed in the concern period by the taxpayer and tax is accordingly paid. Yearwise details of the turnover alongwith TDS deducted is verified. Copy of the details enclosed for perusal. Hence, there is no suppression of turnover by the taxpayer and the audit para may be closed.	Reply furnished without appropriate documentary evidence	Reply submitted without GSTR-3Bs of months concerned, copy of RA bills and copy of invoices.
2	12	30xxxxxxxx1ZP	Panaji	2020-21	23.97	September 2024: Case was selected for Audit Assessment u/s 65 of the GST Act.	Action initiated	Further progress may be intimated
3	12	30xxxxxxxx1Z9	Margao	2020-21	10.62	The department replied (August 2024) that the audit enquiry of the taxpayer for the year 2020-21 is marked to the proper officer for audit u/s 65.	Action initiated	Further progress may be intimated.
4	12	30xxxxxxxx1ZR	Ponda	2019-20	6.08	Sept 2024: 2019-20: The Dy. Directorate DGGL, Pune has already initiated proceedings against the said taxpayer and Show cause cum-Demand notice under the provisions of the Section 73 of the CGST/SGST Act, 2017 has been already found issued raising total demand of ₹ 2,87,28,052.00 (excluding interest) <i>vide</i> SCN NO. DGGL/INT/INTL/777/2021-RU-Goa dated 07/09/2023/363 having DIN 202309DW2000082398D for the period from 01/07/2017 to 31/03/2021. Further, the taxpayer has filed Appeal Before the Appellate Authority for the period on 17/04/2024 which is under progress. (copy of Acknowledgement for submission of Appeal along with order passed is attached for	Reply furnished without appropriate documentary evidence	Copy of appeal and Order was not found attached with the reply.

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (in ₹ crore)	Reply of the STO/Department	Status	Audit Response	
5	12	30xxxxxxxx1ZK	Panaji	2020-21	5.69	Date: 26/08/2024: The Taxable value is ₹ 14,77,21,618.00 on which TDS is deducted pertains to the years 2019-20 and 2020-21. The Turnover for which is already reported in 2019-20 summary of GSTR-3B of 2019-20 is attached, the taxpayer is receiving the payments of his works executed upon submission of invoices which are normally delayed due to reasons such as non-availability of funds etc. and the deductor that is Goa Electricity department deducts the TDS at the time of making of payment to the Taxpayer. From the above submission it is clarified that there is no short declaration of taxable value for the financial year 2020-21. In view of the above the Para is dropped.	Dropped (other explanation)	valid	Reply is accepted and the para can be dropped.
6	13	30xxxxxxxx2ZB	Vasco	2020-21	17.43	The department replied (September 2024) that the actual closing unbilled revenue for the state of Goa as per the financial record of the taxpayer is ₹ 1,50,95,566 and for the state of Karnataka is ₹ 17,42,75,676. However, due to inadvertent error, both the values were included in Table 5(H) of GSTR-9C which is corrected in the subsequent year <i>i.e.</i> 2020-21. The taxpayer had given reconciliation in GSTR-9C of 2020-21. Copy of GSTR-9C is enclosed for your perusal. Since there is no suppression of taxable value. The audit para is dropped.	Dropped (other explanation)	valid	Reply of the department is accepted and the Para is dropped.

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (in ₹ crore)	Reply of the STO/Department	Status	Audit Response
7	13	30xxxxxxxxx1Z5	Curchorem	2019-20	7.92	<p>The department replied (June 2024) that Turnover for FY 2019-20 was correctly disclosed in GSTR-3B, GSTR-1, GSTR-9, GSTR-9C at ₹ 80,90,34,020.00. Copies of 3B summary report, GSTR-1 summary report, GSTR-9, GSTR-9C for FY 2019-20 are enclosed herewith which are appropriately showing turnover and liability payment. Unbilled Revenue at the beginning of the year was inadvertently punched as ₹ 8,00,000 in GSTR-9C instead of ₹ 8,00,00,000. Further GST was paid on actual turnover at ₹ 80,90,34,020.00. The same has been acknowledged by the company in its reply (copy enclosed). GSTR-9C for FY 2018-19 is enclosed herewith correctly showing Unbilled Revenue at the end of the year at ₹ 8,00,00,000. Hence, the para may please be dropped.</p>	Dropped (Data Entry Error)	The reply of the department is accepted and para can be dropped.
8	13	30xxxxxxxxx1Z0	Ponda	2018-19	5.44	<p>Sept 2024: 2018-19: The taxpayer was issued notice and Intimation in DRC-01A which was replied by the taxpayer. The reply was found satisfactory and the proceedings were dropped. The copy of reply furnished by the taxpayer, DRC01A and the Drop Proceedings order and detailed report are attached for reference. In view of the above the para may please be dropped.</p>	Reply furnished without appropriate documentary evidence	GSTR-3B of the erstwhile proprietor, wherein the tax payment for the unbilled revenue was done, may be furnished to Audit Para retained for want of more documents.
9	13	30xxxxxxxxx1ZH	Margao	2018-19	1.34	<p>The STO stated that there was an unintentional error in GSTR-9C for the year 2018-19 specifically related to entry of unbilled revenue (₹ 286,97,214) at the end of the year instead of unbilled revenue at the beginning of the year. The correct figure for opening unbilled ₹ (-) 2,86,97,214 instead of ₹ (-) 1,33,70,759. Further, reply received <i>vide</i> letter no 6113 dt: 12/12/2023 stating that the taxpayer was issued ASMT-10 on 01/11/2023 for</p>	Dropped (Data Entry Error)	Reply is accepted.

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (in ₹ crore)	Reply of the STO/Department	Status	Audit Response
						discrepancies to file their reply by 01/12/2023. The taxpayer has submitted clarification to the point raised. As per dept reply <i>vide</i> letter no 7397 dt: 28/02/2024, the taxpayer has inadvertently shown the amount of unbilled revenue for the financial year 2017-18 and 2018-19. There is reporting error while filing GSTR-9C for the FY 2017-18 and 2018-19 which has been reported properly in the FY 2019-20. The disclosure of unbilled revenue and deferred revenue is only the balance sheet item, and this does not impact the tax payment under GST as the taxes are paid by the company on billing which are raised by the company under GST law. The dept <i>vide</i> letter dt: 19/04/2024 stated that the figures provided pertains to Goa State only. Also stated that the closing balance of 2017-18 was less as one transaction amounting to ₹ 14,34,154 was not included and the same was included in opening balance of 2018-19. However, the resultant opening balance was inadvertently entered in place of closing balance for the year 2018-19 and closing balance of the year was shown under opening balance. (During the year 2017-18 the unbilled revenue at the end of the year was taken under 5O instead of table 5H). The correct closing balance for the year 2018-19 has been carried forward as opening balance for the year 2019-20, thereby correction has been made.		The STO (29/04/2024) has attached the letter of the taxpayer which provides the screenshot of the ledger containing deferred revenue and states that he has verified and there is no
10	13	30xxxxxxxx1ZW	Panaji	2018-19	0.16	1) In response to the audit enquiry the State Tax Officer (STO)/Taxpayer stated that, in GSTR-9C no facility has been provided to disclose the opening and closing balances of deferred revenue so for this reason we have clubbed the opening and closing balance and disclosed the same in GSTR-9C in column 5B	Dropped (other valid explanation)	

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (in ₹ crore)	Reply of the STO/Department	Status	Audit Response
						<p>for the year 2018-19. In addition, it also states that only disclosure relating to opening unbilled revenue and opening deferred revenue has been modified in FY 2018-19 GSTR-9C form when compared to Closing unbilled revenue and deferred revenue of FY 2017-18 Form GSTR-9C. Since it is only a disclosure issue, the same shall not be subject to any tax implication. As per Notification 74/2018- Central Tax dated 31 December 2018, any difference between the turnover reported in the Annual Return (GSTR-9) and turnover reported in the audited Annual Financial Statement due to reasons not listed above shall be declared hereunder Table 50 of GSTR-9C. (2) As per departments reply <i>vide</i> no 7364 dt: 26/02/2024 it is stated that the company has inadvertently reported AMC and others deferred revenue closing balance for FY 2017-18 amounting to ₹ 16,40,287 to opening balance of unbilled revenue for FY 2018-19. There is no tax implication arising out of the same, there is no short payment of tax.</p> <p>(3) The STO <i>vide</i> letter dt: 16/04/2024 had clarified that the TO of GSTR-9C pertains to Goa only and does not include the TO of other states.</p> <p>(4) The STO <i>vide</i> letter dt: 29/04/2024 stated that in the opening balance of FY 2018-19 the taxpayer has included the deferred revenue closing balance figures of FY 2017-18 which pertained to AMC and other ₹ (-) 22,43,662.54 and ₹ (-) 6,03,375.19 respectively. By subtracting and adding the deferred revenue of FY 2017-18 to the unbilled revenue (5H- 2,56,992) at the end of the FY 2017-18, the opening balance of unbilled revenue for the FY 2018-19 under</p>		discrepancy. Considering the reply furnished which is acceptable. The para may be considered for closure.

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (in ₹ crore)	Reply of the STO/Department	Status	Audit Response
11	14	30xxxxxxxx1ZX	Panaji	2020-21	438.70	September 2024: The case shall be verified and outcome shall be intimated to the Audit.	Under Examination	Further progress may be intimated.
12	14	30xxxxxxxx1ZE	Margao	2018-19	202.94	The department replied (September 2024) that ASMT-10 <i>vide</i> reference No. ZD301223000090M dated 01/12/2023 was issued to the taxpayer. In reply to your para, an explanation is obtained from the taxpayer stating that the turnover shown in GSTR-9C for financial year 2018-19 and 2019-20 includes turnover of all branches. There was no business in Goa state from 2018-19 and 2019-20. Nil GSTR-9 for 2018-19 and 2019-20 for Goa branch is filed. Business in Goa State has been started from 17/11/2020.	Reply furnished without appropriate documentary evidence	Reply is not accepted as submission was done without proper supporting documents.
13	14	30xxxxxxxx1ZE	Margao	2019-20	151.50	The department replied (September 2024) that ASMT 10 <i>vide</i> reference No. ZD301223000090M dated 01/12/2023 was issued to the taxpayer. In reply regards to your para, an explanation is obtained from the taxpayer stating that the turnover shown in GSTR-9C for financial year 2018-19 and 2019-20 includes turnover of all branches.	Reply furnished without appropriate documentary evidence	Reply is not accepted as submission was done without proper supporting documents.

Sl. No.	Dimension	GSTIN	Ward	Financial Year	Deviation Value (in ₹ crore)	Reply of the STO/Department	Status	Audit Response
						There was no business in Goa state from 2018-19 and 2019-20. Nil GSTR-9 for 2018-19 and 2019-20 for Goa branch is filed. Business in Goa State has been started from 17/11/2020.		
14	14	30xxxxxxxx1ZL	Panaji	2020-21	238.36	September 2024: The case shall be verified and outcome shall be intimated to the Audit.	Under Examination	Further progress may be intimated.
15	14	30xxxxxxxx1ZW	Mapusa	2020-21	117.32	Sept 2024: Taxpayer belongs to Margao Ward office and Audit Enquiry Reference was forwarded to STO Margao Ward <i>vide</i> letter No. BGST/Aud/2023-24/9159 dt. 20/11/2023 under intimation to Audit office. Verification is under process.	Under Examination	Further progress may be intimated
16	14	30xxxxxxxx1ZI	Pernem	2020-21	38.83	October 2024: Verification of taxpayers record for the year 2020-21 is under progress and will be taken up on priority basis. Outcome will be intimated to Audit.	Under Examination	Further progress may be intimated
Total					1377.98			

APPENDIX 2.7
(Referred to in paragraph 2.2.8.1)
Non-production of records

Sl. No.	GSTIN	Name of Ward	Records not produced	Period for which records not produced
1	30xxxxxxxxxx1ZS (Bharati Telemedia Pvt Ltd)	Panaji	Outward supplies Invoices along with debit note and credit note.	August 2018, February 2019, June 2019, November 2019, January 21 and February 21
			Inward supplies Invoices along with debit note and credit note.	April 2018, May 2018, June 2019, January 2020, June 2020 and September 2020
			Contract agreement, monthly production accounts, statement of payments made through DRC 03, details of capital goods sold, fixed asset register and details and working sheet of ITC reversal done, ITC from ISD.	2018-19 to 2020-21
			Details of Other Income and Other Expenses, Trial Balance, trade payables and trade receivables, details of sensitive goods, Related party transaction and Directors' report.	2018-19 to 2020-21
			HSN wise summary of outward supplies and details of goods sent for job work and their receipts alongwith challans.	2018-19 to 2020-21
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilized, details of imports, stock statement, physical stock verification statement and statement of advances received and adjusted.	2018-19 to 2020-21
2	30xxxxxxxxxx1ZD(CMM Tradelink Pvt Ltd)	Panaji	Outward supplies Invoices along with debit note and credit note.	August 2018, September 2018 September 2019, March 2020 July 2020, and March 2021
			Inward supplies Invoices along with debit note and credit note.	June 2018, January 2019 July 2019, January 2020 May 2020 and August 2020
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilized, details of imports, stock statement, physical stock verification statement and statement of advances received and adjusted.	2018-19 to 2020-21
			Contract agreement, monthly production accounts, statement of payments made through DRC 03, details of capital goods sold, fixed asset register and details and working sheet of ITC reversal done, ITC from ISD.	2018-19 to 2020-21
			Details of Other Income and Other Expenses, Trial Balance, trade payables and trade receivables, details of sensitive goods, Related party transaction and Directors' report.	2018-19 to 2020-21
			Outward supplies Invoices along with debit note and credit note.	April and July 2018, August and October 2019, July and

Sl. No.	GSTIN	Name of Ward	Records not produced	Period for which records not produced
			Inward supplies Invoices along with debit note and credit note.	August 2020 April and May 2018, July 2019 and February 2020, December 2020 and February 2021
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilised, details of imports, stock statement, physical stock verification statement and statement of advances received and adjusted. Copy of auditor's report for the given period. Original RC and amended RCs.	2018-19 to 2020-21
			Contract agreement, monthly production accounts, statement of payments made through DRC 03, details of capital goods sold, fixed asset register and details and working sheet of ITC reversal done, ITC from ISD.	2018-19 to 2020-21
			Details of Other Income and Other Expenses, Trial Balance, Trade payables and trade receivables, Details of sensitive goods, Related party transaction and Directors' report.	2018-19 to 2020-21
			Details of Exempt, Non-GST, Zero rated and SEZ supplies made, endorsement by SEZ officer, HSN wise summary of outward supplies and details of goods sent for job work and their receipts alongwith challans.	2018-19 to 2020-21
			Export goods manifest, FIRCs/BRCS, LUT and RFD 11 for export under Bond, Shipping bills of export.	2018-19 to 2020-21
4	30xxxxxxxxx1ZY (BSNL)	Panaji	Break up of other expenses, other income and miscellaneous income schedule mentioned in the financial statement. The Directors Report and Notes to account and schedules to the financial statement.	2018-19 to 2020-21
			Statement of exempted supplies, details of advances received and details of additional place of business. Details of trade payables and receivables during the period.	2018-19 to 2020-21
			Details of Input, input services purchased and consumed during the period and details of common input used during the years for common and exempted supplies. HSN wise summary of taxable supplies (for the month of Feb 2019, Jan 2020 and March 2021).	2018-19 to 2020-21
			Outward supplies Invoices along with debit note and credit note. Payment/receipt vouchers for selected months.	April and June 2018, Sept and November 2019 and April and October 2020
			Inward supplies Invoices along with debit note and credit note. Payment/receipt vouchers for selected months.	April and Nov 2018, June and December 2019, April and November 2020
			Statement of payments made through DRC 03 and PMT 06.	2018-19 to 2020-21
			Sundry creditors, Sundry Debtors and Discount ledger account. Fixed Asset	2018-19 to 2020-21

Sl. No.	GSTIN	Name of Ward	Records not produced	Period for which records not produced
			Register: Capitalization statement of Capital goods, with invoice details, showing taxable value and tax separately.	
			Details of capital goods sold during the year, with invoice details, showing taxable value and tax separately.	2018-19 to 2020-21
5	30xxxxxxxxxx1Z9 (Vedanta Ltd)	Panaji	Outward supplies Invoices along with debit note and credit note.	April 2018, July 2018, May 2019, December 2019, October 2020 and December 2020
			Inward supplies Invoices along with debit note and credit note.	April 2018, May 2018, December 2019, February 2020, July 2020 and February 2021
			Shipping bills of export.	April 2018, March 2019, November 2019, March 2020, February 2021 and March 2021
			Export goods manifest, FIRCs/BRCS, LUT and RFD 11 for export under Bond.	2018-19 to 2020-21
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilized, details of imports, stock statement, physical stock verification statement and statement of advances received and adjusted.	2018-19 to 2020-21
			Contract agreement, monthly production accounts, statement of payments made through DRC 03, details of capital goods sold, fixed asset register and details and working sheet of ITC reversal done.	2018-19 to 2020-21
			Details of Other Income and Other Expenses, Trial Balance, Trade payables and Trade receivables, details of sensitive goods, Related party transaction and Directors' report.	2018-19 to 2020-21
			Details of Exempt, Non-GST, Zero rated and SEZ supplies made, endorsement by SEZ officer, HSN wise summary of outward supplies and details of goods sent for job work and their receipts alongwith challans.	2018-19 to 2020-21
6	30xxxxxxxxxx1Z2 (Sesa Mining Company Ltd)	Panaji	Outward supplies Invoices along with debit note and credit note.	September 2018, March 2019, April 2019, January 2020, May 2020 and December 2020
			Inward supplies Invoices along with debit note and credit note.	April 2018, February 2019, July 2019, February 2020, May 2020 and July 2020
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilized, details of imports, stock statement, physical stock verification statement and statement of advances received and adjusted.	2018-19 to 2020-21

Sl. No.	GSTIN	Name of Ward	Records not produced	Period for which records not produced
			Contract agreement, monthly production accounts, statement of payments made through DRC 03, details of capital goods sold, fixed asset register and details and working sheet of ITC reversal done.	2018-19 to 2020-21
			Details of Other Income and Other Expenses, Trial Balance, trade payables and trade receivables, details of sensitive goods, Related party transaction and Directors' report.	2018-19 to 2020-21
			Details of Exempt, Non-GST HSN wise summary of outward supplies and details of goods sent for job work and their receipts alongwith challans.	2018-19 to 2020-21
7	30xxxxxxxxxx4ZG (Bank of Baroda)	Panaji	Outward supplies Invoices along with debit note and credit note.	September 2018, March 2019, September 2019, March 2020, September 2020 and March 2021
			Inward supplies Invoices along with debit note and credit note.	August 2018, September 2018, September 2019, December 2019, September 2020 and December 2020
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilised, details of imports, stock statement, physical stock verification statement and statement of advances received and adjusted.	2018-19 to 2020-21
			Details of capital goods sold, fixed asset register and details and working sheet of ITC reversal done.	2018-19 to 2020-21
			Details of Other Income and Other Expenses, Trial Balance, trade payables and trade receivables, Related party transaction and Directors' report.	2018-19 to 2020-21
			Details of Exempt supplies HSN wise summary of outward supplies.	2018-19 to 2020-21
8	30xxxxxxxxxx1Z5 (Rygo Homes Pvt Ltd)	Panaji	Trade payables and trade receivables, refund files (if any), Related party transaction .	2018-19 to 2020-21
			Bills of Supplies, Receipt and Payment Vouchers, Agreement and Purchase Orders, Product Vouchers, debit and credit notes, sales/income ledger, other income and other expense ledger, Advance ledger account, Discount payable ledger, Re-imbursement ledger.	2018-19 to 2020-21
			Trial Balance, Auditor's Report (Tax Audit Report such as 3 CEB and 3 CD IT Reports), Notes to account and Director's Report, physical stock verification statement.	2018-19 to 2020-21
			Outward supplies Invoices.	May 2018 and July 2019
			Inward supplies Invoices.	February 2020 and March 2020
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, details of imports, stock statement and statement of advances	2018-19 to 2020-21

Sl. No.	GSTIN	Name of Ward	Records not produced	Period for which records not produced
			received and adjusted.	
			Details of capital goods sold, fixed asset register and details and working sheet of ITC reversal done, statement of payments made through DRC 03.	2018-19 to 2020-21
9	30xxxxxxxxxB1ZN (Colgate Palmolive India Ltd)	Ponda	Copies of Invoices, Shipping bills, Bills of export, Export General Manifest (EGM) for zero rated supplies.	March 2019 and July 2020
			RFD-11 for zero-rated supplies under a Bond /LUT, Copies of Foreign Inward Remittance Certificate (FIRC)/Bank Realisation Certificate (BRC) for export.	2018-19 to 2020-21
			Outward supplies Invoices along with debit note and credit note.	May 2018 and July 2020
			Inward supplies Invoices along with debit note and credit note.	August 2020 and November 2020
			Bills of Supplies, Receipt and Payment Vouchers, Agreement and Purchase Orders, Product Vouchers, debit and credit notes, sales/income ledger, other income and other expense ledger, Advance ledger account, Discount payable ledger, invoices of the Agent, Re-imbursement ledger, supplier's ledger.	2018-19 to 2020-21
			Details of outward Tax Liability shown in the next year's return, relating to invoices of the previous year, statement of advances received, paid and adjusted, refund files (if any), Merger/Amalgamation orders (if any).	2018-19 to 2020-21
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilized, Statement of payments made through DRC-03, details of imports, stock statement, physical stock verification statement, Sundry creditors, Sundry Debtors and Discounts ledger accounts, in case of supplies made as agent, authorisation details received from principal.	2018-19 to 2020-21
			Details and invoices of capital goods sold, fixed asset register, provisions for write off and obsolescence, details and working sheet of ITC reversal done, Trial Balance, Auditor's Report (Tax Audit Report such as 3 CEB and 3 CD IT Reports) and Director's Report.	2018-19 to 2020-21
10	30xxxxxxxxx1Z8 (Asian Paints Ltd)	Margao	Outward supplies Invoices along with debit note and credit note.	September 2018 and October 2020
			Inward supplies Invoices along with debit note and credit note.	March 2020 and July 2020
			Bills of Supplies, Receipt and Payment Vouchers, Agreement and Purchase Orders, Product Vouchers, sales/income ledger, other income and other expense ledger, Advance ledger account, Discount payable ledger, invoices of the Agent, Re-imbursement ledger.	2018-19 to 2020-21

Sl. No.	GSTIN	Name of Ward	Records not produced	Period for which records not produced
			Stock account of purchases, provisions for write off and obsolescence, fixed asset register, Sundry Creditors Ledger, Merger/Amalgamation orders (if any), refund files (if any), Trial Balance, Auditor's Report (Tax Audit Report such as 3 CEB and 3 CD IT Reports) and Director's Report, Tax liability register.	2018-19 to 2020-21
11	30xxxxxxxxxx1ZP (IFFCO Tokio General Insurance Company Ltd)	Margao	Outward supplies invoices along with debit note and credit note.	February 2019 and April 2019
			Inward supplies invoices along with debit note and credit note.	June 2020 and September 2020
			Bills of Supplies, Receipt and Payment Vouchers, Agreement and Purchase Orders, Product Vouchers, sales/income ledger, other income and other expense ledger, Advance ledger account, Discount payable ledger, invoices of the Agent, Reimbursement ledger.	2018-19 to 2020-21
			Stock account of purchases, provisions for write off and obsolescence, fixed asset register, Sundry Creditors Ledger, Merger/Amalgamation orders (if any), refund files (if any), Trial Balance, Auditor's Report (Tax Audit Report such as 3 CEB and 3 CD IT Reports) and Director's Report, Tax liability register.	2018-19 to 2020-21
12	30xxxxxxxxxx1ZR (Cipla Ltd)	Margao	Outward supplies Invoices along with debit note and credit note.	September 2018 and October 2020
			Inward supplies Invoices along with debit note and credit note.	March 2020 and July 2020
			Details of Exempt, Non-GST, Zero rated and SEZ supplies made, endorsement by SEZ officer, HSN wise summary of outward supplies and details of goods sent for job work and their receipts alongwith challans.	2018-19 to 2020-21
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilized, ITC from ISD, details of imports, stock statement, physical stock verification statement and statement of advances received and adjusted.	2018-19 to 2020-21
			Contract agreement, monthly production accounts, statement of payments made through DRC 03, details of capital goods sold, fixed asset register and details and working sheet of ITC reversal done.	2018-19 to 2020-21
			Details of Other Income and Other Expenses, Trial Balance, trade payables and trade receivables, details of sensitive goods, Related party transaction and Directors' report.	2018-19 to 2020-21
			Shipping bills of export, RFD-11 for zero-rated supplies under a Bond/LUT, Copies of Foreign Inward Remittance Certificate(FIRC)/Bank Realisation Certificate(BRC) for export.	2018-19 to 2020-21

Sl. No.	GSTIN	Name of Ward	Records not produced	Period for which records not produced
			Bills of Supplies, Receipt and Payment Vouchers, Agreement and Purchase Orders, Product Vouchers, sales/income ledger, other income and other expense ledger, Advance ledger account, Discount payable ledger, invoices of the Agent, Re-imbusement ledger.	2018-19 to 2020-21
			Stock account of purchases, provisions for write off and obsolescence, fixed asset register, Sundry Creditors Ledger, Merger/Amalgamation orders (if any), refund files (if any), Trial Balance, Auditor's Report (Tax Audit Report such as 3 CEB and 3 CD IT Reports) and Director's Report, Tax liability register.	2018-19 to 2020-21
13	30xxxxxxxxxx1Z4 (DBL MBL JV)	Vasco	Outward supplies Invoices along with debit note and credit note.	October 2018 and July 2019
			Inward supplies Invoices along with debit note and credit note.	July 2020 and August 2020
			Bills of Supplies, Receipt and Payment Vouchers, Agreement and Purchase Orders, Product Vouchers, debit and credit notes, sales/income ledger, other income and other expense ledger, Advance ledger account, Discount payable ledger, invoices of the Agent, Re-imbusement ledger, supplier's ledger.	2018-19 to 2020-21
			Details of outward Tax Liability shown in the next year's return, relating to invoices of the previous year, statement of advances received, paid and adjusted, refund files (if any), Merger/Amalgamation orders (if any).	2018-19 to 2020-21
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilized, Statement of payments made through DRC-03, details of imports, stock statement, physical stock verification statement, Sundry creditors, Sundry Debtors and Discounts ledger accounts, in case of supplies made as agent, authorisation details received from principal.	2018-19 to 2020-21
			Details and invoices of capital goods sold, fixed asset register, provisions for write off and obsolescence, details and working sheet of ITC reversal done, Trial Balance, Auditor's Report (Tax Audit Report such as 3 CEB and 3 CD IT Reports) and Director's Report.	2018-19 to 2020-21
14	30xxxxxxxxxx2Z1 (Flemingo Duty Free Shop Pvt Ltd)	Vasco	Partial Outward supplies Invoices along with debit note and credit note.	March 2019 and February 2020
			Partial Inward supplies Invoices along with debit note and credit note.	September 2018 and November 2018
			Details and invoices of capital goods sold, fixed asset register, provisions for write off and obsolescence, details and working sheet of ITC reversal done, ITC from ISD, Trial Balance, Auditor's Report (Tax Audit Report such as 3 CEB and 3 CD IT Reports) and Director's Report.	2018-19 to 2020-21

Sl. No.	GSTIN	Name of Ward	Records not produced	Period for which records not produced
			Bills of Supplies, Receipt and Payment Vouchers, Agreement and Purchase Orders, Product Vouchers, debit and credit notes, sales/income ledger, other income and other expense ledger, Advance ledger account, Discount payable ledger, invoices of the Agent, Re-imbursement ledger, supplier's ledger.	2018-19 to 2020-21
			Details of outward Tax Liability shown in the next year's return, relating to invoices of the previous year, statement of advances received, paid and adjusted, refund files (if any), Merger/Amalgamation orders (if any).	2018-19 to 2020-21
			Statement of outward supplies on forward charge and reverse charge, Statement of inward supplies, ITC availed and utilized, Statement of payments made through DRC-03, details of imports, stock statement, physical stock verification statement, Sundry creditors, Sundry Debtors and Discounts ledger accounts, in case of supplies made as agent, authorisation details received from principal.	2018-19 to 2020-21
			Shipping bills of export, RFD-11 for zero-rated supplies under a Bond/LUT, Copies of Foreign Inward Remittance Certificate (FIRC)/Bank Realisation Certificate (BRC) for export. Details of Refund sanctioned to taxpayer for the years 2018-21.	2018-19 to 2020-21
15	30xxxxxxxxxx1ZB (Acron Housing Pvt Ltd)	Mapusa	Partial Outward supplies Invoices along with debit note and credit note.	October 2018 and July 2019
			Partial Inward supplies Invoices along with debit note and credit note.	July 2020 and August 2020
			Bills of Supplies, Receipt and Payment Vouchers, Agreement and Purchase Orders, Product Vouchers, debit and credit notes, sales/income ledger, other income and other expense ledger, Advance ledger account, Discount payable ledger, invoices of the Agent, Re-imbursement ledger, supplier's ledger.	2018-19 to 2020-21
			Details of outward Tax Liability shown in the next year's return, relating to invoices of the previous year, statement of advances received, paid and adjusted, refund files (if any), Merger/Amalgamation orders (if any).	2018-19 to 2020-21
			Stock statement, physical stock verification statement, Sundry creditors, Sundry Debtors and Discounts ledger accounts, In case of supplies made as agent, authorisation details received from principal.	2018-19 to 2020-21

APPENDIX 2.8
{Referred to in paragraph 2.2.8.2(i)}
Non/Short payment of interest on account of delayed filing of GSTR-3B returns

							(Amounts in ₹)		
Sl. No.	GSTIN	Name of Ward	Financial Year	Delay (Range) in filing GSTR-3B	Interest payable	Interest Paid	Non/Short payment of Interest	Reply of the department	Audit remark
1	2	3	4	5	6	7	8	9	10
1	30xxxxxxxxxx1ZD	Panaji	2018-19	3 to 5 days	8422	0	8422	The Department (September 2024) stated that the interest had been paid by the taxpayer and furnished the DRC-03.	At the instance of audit, ₹ 88,610 was recovered from the taxpayer.
			2019-20	1 to 36 days	37174	1032	36142		
			2020-21	1 to 14 days	31374	0	31374		
2	30xxxxxxxxxx1ZB	Mapusa	2019-20	1 to 184 days	4318	1665	2653	The Department (September 2024) stated that the taxpayer was asked to pay the interest of ₹ 4,052 and ₹ 2,872 for the year 2019-20 and 2020-21 respectively and the taxpayer had paid the amount (May 2024) <i>vide</i> DRC-03.	At the instance of audit, ₹ 6,924 was recovered from the taxpayer.
			2020-21	1 to 154 days	7151	837	6314		
							Total	84905	

APPENDIX 2.9

{Referred to in paragraph 2.2.8.3(i), Table 2.10, Sl. No. 1}

Mismatch of ITC (other ITC) between GSTR-2A and GSTR-3B returns

(Amounts in ₹)

Sl. No.	GSTIN	Name of Ward	Financial Year	ITC availed in Table-4A(5) of GSTR-3B	Ineligible ITC in Table-4D of GSTR-3B	ITC availed in subsequent year (Table-8C of GSTR-9)	Total ITC availed (Col. 5+6+7)	ITC available as per GSTR-2A	Mismatch of ITC (Col. 5+6+7-9)	Reply of the department	Audit remark
1	2	3	4	5	6	7	8	9	10	11	12
1	30xxxxxxxxxx1ZS	Panaji	2020-21	2983693	756	198174	3182623	1914090	1268533	The Department stated (September 2024) that case would be verified by the proper officer and the action taken would be intimated to audit.	Further progress in this regard may be intimated to audit.
2	30xxxxxxxxxx1Z9	Panaji	2018-19	1087242847	0	111413803	1198656650	930848022	2678086228	STO stated (April 2024) that case would be verified by the proper officer and the action taken would be intimated to audit. However, Department informed (September 2024) that the proper officer has issued (May 2024) the show cause cum demand notice (DRC-01) for the year 2019-20 under Section 73 of the GGST Act 2017.	Further progress in this regard for the year 2018-19 and 2020-21, may be intimated to audit and progress in recovery of the tax dues for the year 2019-20, may also be intimated to audit.
3	30xxxxxxxxxx4ZG	Panaji	2018-19	13175333	0	12972640	26147973	17941503	8206470	The Department stated (September 2024) that case would be verified by the proper officer and the action taken would be intimated to audit.	Further progress in this regard may be intimated to audit.
4	30xxxxxxxxxx1Z2	Panaji	2018-19	9874702	0	293204	10167906	3769533	3384562	STO stated (April 2024) that case would be verified by the proper officer and the action taken would be intimated to audit. However, Department informed (September 2024) that the proper officer has issued (May 2024) the show cause cum demand notice (DRC-01) for the year 2019-20 under Section 73 of the GGST Act 2017.	Further progress for the year 2018-19 and 2020-21, may be intimated to audit and progress in recovery of the tax dues for the year 2019-20, may also be intimated to audit.

Sl. No.	GSTIN	Name of Ward	Financial Year	ITC availed in Table-4A(5) of GSTR-3B	ITC in Table-4D of GSTR-3B	ITC availed in subsequent year (Table-8C of GSTR-9)	Total ITC availed (Col. 5+6+7)	ITC available as per GSTR-2A	Mismatch of ITC (Col. 5+6+7-9)	Reply of the department	Audit remark
1	2	3	4	5	6	7	8	9	10	11	12
5	30xxxxxxxxxx1ZD	Panaji	2018-19	146093036	0	0	146093036	135254083	10838933	The Department (September 2024) that excess availment of ITC of ₹ 1.08 crore is on account of a) claim of ITC amounting to ₹ 3.78 lakh under other ITC instead of ITC under RCM b) excess claim of ITC amounting to ₹ 22.26 lakh c) Classification error by the Maharashtra branch of the taxpayer as the Maharashtra Branch of the taxpayer instead of treating branch transfer under IGST, erroneously treated the goods as local sales and discharged CGST and SGST to the tune of ₹ 82.34 lakh in the state of Maharashtra, and therefore, it is revenue neutral. However, STO stated (October 2024) that the taxpayer has paid IGST to the tune of ₹ 82.34 lakh to rectify the classification error.	At the instance of audit, excess claim of ITC amounting to ₹ 22.26 lakh (December 2023) and ₹ 82.34 lakh (October 2024) on account of classification error have been recovered from the taxpayer.
6	30xxxxxxxxxx1ZY	Panaji	2018-19	88344600	788246	14560319	103693165	69234302	34458863	The Department (September 2024) that case would be verified by the proper officer and the action taken would be intimated to audit.	Further progress in this regard may be intimated to audit.
7	30xxxxxxxxxx1Z5	Panaji	2018-19	18325008	0	0	18325008	17789977	535031	STO stated (April 2024) that case would be verified by the proper officer and the action taken would be intimated to audit. However, Department informed (September 2024) that the proper officer has issued (August 2024) order under Section 73 (DRC-07) of the GGST Act 2017 for the	Progress in the recovery of the tax dues for the year 2019-20 against DRC-07 may be intimated to audit. Further progress in this regard for the year 2018-19 and

Sl. No.	GSTIN	Name of Ward	Financial Year	ITC availed in Table-4A(5) of GSTR-3B	ITC availed in Table-4D of GSTR-3B	ITC availed in subsequent year (Table-8C of GSTR-9)	Total ITC availed (Col. 5+6+7)	ITC available as per GSTR-2A	Mismatch of ITC (Col. 5+6+7-9)	Reply of the department	Audit remark
1	2	3	4	5	6	7	8	9	10	11	12
										year 2019-20.	2020-21 may also be intimated to audit.
8	30xxxxxxxxxx1Z8	Margao	2020-21	126136767	294360	-416702	126014425	122266315	3748110	The Department stated (September 2024) that the audit observation was marked to proper officer for assessment and adjudication under Section 73 of the Act.	Further progress in this regard may be intimated to audit.
9	30xxxxxxxxxx1ZR	Margao	2019-20	1970515991	773938	122079197	2093369126	1814806482	278562644	The Department stated (September 2024) that Show Cause notice (SCN) in GST DRC 01 u/s 73 of CGST Act, 2017 for the F.Y. 2019-20 was issued to the taxpayer. As regards F.Y. 2020-21, verification of case records of the taxpayer is under process.	Further progress in verification for F.Ys. 2019-20 and 2020-21 along with documentary evidence may be intimated to audit.
10	30xxxxxxxxxx1ZN	Ponda	2018-19	944924405	3317973	30468423	978710801	940417782	38293019	The Department stated (September 2024) that for F.Ys. 2018-19 and 2019-20, the case was scrutinized by the proper officer under Section 61 of CGST Act, 2017. It was further stated that upon verification of returns and compliance submitted by taxpayer for the year 2018-19, the proper officer has dropped the proceedings u/s 61 of the said act by issuing Form ASMT-12. However, it was also stated that, ITC as claimed in return for the year 2019-20 was much lower than the ITC as available in GSTR-2A. For F.Y. 2020-21, the department stated that the case is selected for scrutiny u/s 61 of CGST Act, 2017 and outcome of	The reply of the department for F.Ys. 2018-19 and 2019-20 is not acceptable as the proper officer did not adjust ITC under ISD for working out excess availing of ITC. Further progress in the verification for F.Y. 2020-21 may be intimated.

Sl. No.	GSTIN	Name of Ward	Financial Year	ITC availed in Table-4A(5) of GSTR-3B	ITC in Table-4D of GSTR-3B	ITC availed in subsequent year (Table-8C of GSTR-9)	Total ITC availed (Col. 5+6+7)	ITC available as per GSTR-2A	Mismatch of ITC (Col. 5+6+7-9)	Reply of the department	Audit remark
1	2	3	4	5	6	7	8	9	10	11	12
11	30xxxxxxxxxx2Z1	Vasco	2018-19	21501783	0	11508	21513291	17544725	3968566	The Department stated that for F.Y.2018-19, the difference between GSTR-2A and GSTR-3B is on account of taxpayer claiming ITC on invoices pertaining to F.Y. 2017-18 in the F.Y. 2018-19. Further, the department furnished copies of invoices pertaining to 2017-18 claimed in 2018-19. As regards 2019-20 and 2020-21, the department furnished reconciliation statement and stated that there is no excess availing of ITC for the period 2019-20 and 2020-21.	The reply could not be verified as the copies of invoices pertaining to 2017-18 were not found attached and for the year 2019-20 and 2020-21, no supporting documents such as invoices, details of payments etc. have been furnished.
12	30xxxxxxxxxx1Z4	Vasco	2018-19	495264220	0	3916938	499181158	486694465	12486693	The Department furnished (September 2024) reconciliation statement for F.Y. 2018-19 and 2020-21 and stated that the taxpayer have reversed excess ITC availed and therefore, there is no excess availing of ITC.	The reply could not be verified as the Department did not provide invoice wise details of reversal of ITC due to which audit could not ascertain whether the reversed ITC pertained to the relevant period.
			2020-21	333344834	0	1305019	334649853	330626222	4023631	Total	1956129604

APPENDIX 2.10

{Referred to in paragraph 2.2.8.3(i), Table 2.10, Sl. No.2}
Mismatch in ITC availed on import of goods

Sl. No.	GSTIN	Name of Ward	Financial Year	ITC availed on import of goods (Table-6E of GSTR-9)	ITC available as per GSTR-2A under import of goods	Mismatch in availability of ITC on import of goods (Col. 5-6)	Reply of the Department		Audit Remark
							9	8	
1	30xxxxxxxxxx1Z9	Panaji	2018-19	962148142	771842949	190305493	The Department stated (September 2024) that the taxpayer had discharged the cess liability of ₹1.82 crore <i>vide</i> DRC03 dated: 24/05/2024 for the year 2019-20. Further, the Department stated that IGST credit (import of goods) of ₹2.40 lakh pertaining to 2018-19 was availed in 2019-20, however, ₹9.33 lakh pertained to forward charge credit for the year 2019-20 was inadvertently availed under Import of goods. Hence, IGST credit availed under Import of goods was not in excess to the IGST credit available in GSTR-2A.	The reply for the remaining amount could not be verified as documentary evidence in support of the reply was not furnished. Further progress in this regard for the years 2018-19 and 2020-21 may be intimated to audit.	
2	30xxxxxxxxxx1ZY	Panaji	2018-19	7641956	0	7641956	The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer and the taxpayer had given reply which would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.	Further progress in this regard may be intimated to audit.	
3	30xxxxxxxxxx1ZN	Ponda	2020-21	170215794	166924721	3291073	The Department stated (September 2024) that for F.Ys. 2018-19, the case was selected for scrutiny where the proper officer undertook the scrutiny of returns under Section 61 of GGST Act, 2017. It was further stated that the taxpayer submitted the detailed statement of the bill of entries not reflected in GSTR-2A.	The reply of the department is not acceptable as audit has pointed out excess availing of ITC for F.Y. 2020-21 while what is stated in reply is pertaining to F.Y. 2018-19.	
4	30xxxxxxxxxx1ZR	Margao	2018-19	48261622	473065962	9595660	The Department stated (September 2024) that Show Cause notices (SCNs) in GST DRC 01 u/s 73 of CGST Act,2017 for the F.Y. 2018-19 and 2019-20 was issued to the taxpayer. In response to the SCNs, the taxpayer submitted all the documents for F.Y. 2018-19 and the same had been verified. As regards F.Y. 2020-21, verification of case records of the taxpayer is under process.	The reply of the department for the year 2018-19 could not be verified as copies of bill of entries were not furnished in support of the reply. Further progress in verification for F.Ys. 2019-20 and 2020-21 along with documentary evidence may be intimated.	
							Total	579696401	

APPENDIX 2.11
{Referred to in paragraph 2.2.8.3(i), Table 2.10, Sl. No.4}

Mismatch in ITC availed on ISD

							<i>(Amounts in ₹)</i>
Sl. No.	GSTIN	Name of Ward	Financial Year	ITC availed under ISD (Table-6G of GSTR-9)	ITC available as per GSTR-2A	Mismatch in ITC availed under ISD (Col.5 - 6)	Audit remark
1	2	3	4	5	6	7	8
1	30xxxxxxxxxx1ZS	Panaji	2018-19 2019-20	7148865 8069799	6946924 8008693	201941 61106	The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer and the taxpayer had given reply which would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act. However, the Department furnished the statement of ISD ITC availed in excess and short for the year 2018-19 along with GSTR-6 and tax invoices along with the reconciliation statement.
2	30xxxxxxxxxx1ZK	Panaji	2018-19 2019-20 2020-21	143499643 145566271 139716493	22215119 0 0	121284524 145566271 139716493	The Department furnished the reply for the year 2019-20 only and stated (September 2024) that the taxpayer had not furnished the reply and documents, hence, proceedings were initiated under Section 73 of GGST Act 2017 and order under Section 73(9) had been issued (August 2024) to the taxpayer.
3	30xxxxxxxxxx4ZG	Panaji	2018-19 2019-20 2020-21	4394407 5096689 4525637	0 0 0	4394407 5096689 4525637	The Department stated (September 2024) that for the year 2019-20, the proper officer had issued (May 2024) show cause notice (DRC-01) under Section 73 of GGST Act 2017, to the taxpayer. In response to the notice, the taxpayer stated that due to technical glitch, ISD credit was not available in GSTR-2A and the taxpayer furnished GSTR-6 and ISD invoices. The proper officer had accepted the taxpayer's reply and dropped the proceedings.
4	30xxxxxxxxxx1Z8	Margao	2018-19	5096503	392	5096111	STO replied (March 2024) that for the year 2018-19, show cause notice in GST DRC 01 was issued under Section 73 of the Act and for the year 2019-20 and 2020-21, audit observation was marked to proper officer for assessment and adjudication under Section 73 of the Act. Further, the Department stated (September 2024) that due to technical issues on the GST Portal, ITC amounting to ₹392 only was reflecting in Form GSTR-2A for the 2018-19. The taxpayer submitted ISD invoices amounting to ₹50,96,503 distributed to Asian Paint Limited, Goa. The Department stated that in view of the production

Sl. No.	GSTIN	Name of Ward	Financial Year	ITC availed under ISD (Table-6G of GSTR-9)	ITC available as per GSTR-2A	Mismatch in ITC availed under ISD (Col. 5 - 6)	Reply of the department	Audit remark
1	2	3	4	5	6	7	8	9
							of ISD invoices, the Proper officer dropped the audit observation while issuing the order u/s 73 of GGST Act, 2017.	
5	30xxxxxxxxxx1ZR	Margao	2019-20 2020-21	11887544 27350450	6852465 298913	5035079 27051537	The Department stated (September 2024) that Show Cause notice (SCN) in GST DRC 01 u/s 73 of GGST Act, 2017 for the F.Y. 2019-20 was issued to the taxpayer. As regards F.Y. 2020-21, verification of case records of the taxpayer is under process.	Further progress may be intimated to the Audit.
6	30xxxxxxxxxx1ZP	Margao	2019-20 2020-21	17185700 9442704	13382064 2454418	3802636 6988286	The Department stated (September 2024) that for the year 2019-20, show cause notice along with GST DRC 01 had been issued on 30.05.2024. For 2020-21, verification of case records of the taxpayer is under process.	Further progress in the matter may be intimated.
7	30xxxxxxxxxx1ZN	Ponda	2018-19	111317600	88638540	22679060	The Department stated (September 2024) that the difference is on account of the fact that ISD ITC pertaining to year 2017-18 was availed in the wrong head (CGST & SGST) was reversed in the period April 2018 of the year 2018-19 and correctly availed under IGST for the period April 2018 of the year 2018-19. Therefore, there is no revenue loss.	The reply of the department could not be verified as the copies of ISD invoices were not provided.
8	30xxxxxxxxxx2Z1	Vasco	2019-20	492304	119702	372602	The department (September 2024) stated that there is no excess availing of ITC under ISD mechanism with regard to IGST credit. However, there is excess availing of ITC under CGST and SGST of ₹ 0.71 lakh each. It was further stated that the taxpayer has paid (May 2024) the same <i>vide</i> DRC-03.	At the instance of audit, ₹1,42,976 was recovered from the taxpayer. However, supporting documents for IGST credit was not provided.
							Total	502600664

APPENDIX 2.12
{Referred to in paragraph 2.2.8.3(i), Table 2.10, Sl. No.5}
Mismatch in ITC availed under RCM

Sl. No.	GSTIN	Name of Ward	Financial Year	ITC claimed under RCM (Table 6C+6D+6F of GSTR-9)	Tax paid under RCM (Table-6.1b of GSTR-3B)	Mismatch in availment of ITC under RCM (Col. 5-6)	Reply of the Department		Audit Remark
							9	8	
1	30xxxxxxxxxx1Z9	Panaji	2018-19	129120210	127137655	1982555	The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer. The taxpayer had not given reply to the paras. Thus, the case would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.		Further progress in this regard may be intimated to audit.
2	30xxxxxxxxxx1Z2	Panaji	2018-19	954687	799563	155124	The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer. The taxpayer had not given reply. Thus, the case would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.		Further progress in this regard may be intimated to audit.
3	30xxxxxxxxxx1Z8	Margao	2019-20	1343426	1299253	44173	The Department stated (September 2024) that SCN along with GST DRC 01 is issued (March 2024) for the F.Y. 2019-20.		Further Progress in the matter may be intimated.
						Total	2181852		

APPENDIX 2.13
(Referred to in paragraph 2.2.8.3(i), Table 2.10, Sl. No.6)

Mismatch in ITC availed between annual return and audited financial statements

Sl. No.	GSTIN	Name of Ward	Financial Year	ITC claimed as per GSTR-9	ITC availed as audited financial statements or books of account (GSTR-9C)	Unreconciled ITC (Table 12F of GSTR-9C)	Reply of the Department		Audit remark
							Reply of the Department	(Amounts in ₹)	
1	30xxxxxxxx1ZK	Panaji	2019-20	117939028	106917436	11021592	The Department intimated (September 2024) that order had been issued (August 2024) by the proper officer under Section 73(9) of GST Act 2017 for the year 2019-20.		Further progress in recovery may be intimated and reply for the year 2020-21 may be furnished to audit.
			2020-21	117904629	100122890	17781739			
2	30xxxxxxxx2Z1	Vasco	2020-21	-3070537	3142879	-6213416	The Department stated (September 2024) that the taxpayer had already reversed ITC amounting to ₹ 49,78,420 in GSTR-3B for the month of August 2020.		The reply is not acceptable, as verification by the department for ineligible ITC was not mentioned in the reply and working and invoices of total ineligible ITC were also not produced to audit for verification.
							Total	35016747	

APPENDIX 2.14
{Referred to in paragraph 2.2.8.3(ii)}
Availment of ineligible ITC

Sl. No.	GSTIN	Name of Ward	Financial Year	No. of Invoices	No. of suppliers	Total Ineligible ITC	Reasons for ineligibility of the Credit	Reply of the Department		Audit remark
								9	10	
1	30xxxxxxxxx4ZG	Panaji	2018-19	47	5	6	7	STO stated (April 2024) that case would be verified by the proper officer and the action taken would be intimated to audit. However, Department informed (September 2024) that the proper officer has issued (August 2024) order under Section 73 (DRC-07) of the GGST Act 2017 for the year 2019-20.	Progress in the recovery of the tax dues against DRC-07 may be intimated to audit. Further progress for the year 2018-19 and 2020-21 may also be intimated to audit.	
2	30xxxxxxxxx1ZD	Panaji	2019-20	4	1	1534	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	The reply is not acceptable, as there were also other suppliers whose ITC was claimed during 2020-21. However, no documentary evidence has been provided to support the non-availment of ITC for the year 2019-20, the same may be furnished.		
3	30xxxxxxxxx1Z2	Panaji	2018-19	9	1	12250	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	The Department stated (September 2024) that case would be verified by the proper officer and the action taken would be intimated to audit.	Further progress in this regard may be intimated to audit.	

Sl. No.	GSTIN	Name of Ward	Financial Year	No. of Invoices	No. of suppliers	Total Ineligible ITC	Reasons for ineligibility of the Credit	Reply of the Department	Audit remark
4	30xxxxxxxx1Z9	Panaji	2018-19	246	7	3427362	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	STO replied (April 2024) that the case will be verified by the proper officer and action would be intimated to the audit. Further, the Department forwarded (September 2024) the reply of STO (August 2024) wherein it was mentioned that for the year 2019-20, the proper officer had issued (May 2024) the show cause cum demand notice (DRC-01) under Section 73 of the GGST Act 2017. In response, the taxpayer had failed to submit reply of the notice.	Progress of the recovery of the tax dues against the notice issued for the year 2019-20 may be intimated to audit. Further progress for the year 2018-19 and 2020-21 may also be intimated to audit.
5	30xxxxxxxx1ZK	Panaji	2020-21	236	19	1075113	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	The Department stated (September 2024) that the case would be verified by the proper officer and the action taken would be intimated to audit.	Further progress in this regard may be intimated to audit.
6	30xxxxxxxx1ZY	Panaji	2018-19	173	2	691527	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	STO replied (April 2024) that the case will be verified by the proper officer and action would be intimated to the audit. Further, the Department forwarded (September 2024) copy of Show Cause Notice (DRC-01) issued (May 2024) for the year 2019-20 along with the STO reply (August 2024), wherein the proper officer scrutinised the reply of the taxpayer and found it satisfactory and proceedings for the year 2019-20 were dropped.	Reply of the Department could not be verified as no supporting documents for the year 2019-20 has been furnished to audit. Further progress for the year 2018-19 and 2020-21 may also be intimated to audit.
7	30xxxxxxxx1Z5	Panaji	2018-19	12	2	161885	The suppliers have not filed their GSTR-3B and did not	STO replied (April 2024) that the case will be verified by the proper officer and action would be intimated to the audit. Further, the	Progress in the recovery of the tax dues against
			2019-20	5	2	51070			

Sl. No.	GSTIN	Name of Ward	Financial Year	No. of Invoices	No. of suppliers	Total Ineligible ITC	Reasons for ineligibility of the Credit	Reply of the Department	Audit remark
			2020-21	74	27	538502	discharge their tax liability.	Department forwarded (September 2024) a copy of the order issued (August 2024) to the taxpayer for the year 2019-20 under Section 73 (DRC-07) of GGST Act 2017.	DRC-07 may be intimated to audit. Further progress for the year 2018-19 and 2020-21 may also be intimated to audit.
8	30xxxxxxxxx1ZP	Margao	2020-21	17	4	24399	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	The Department stated (September 2024) that verification of case records of the taxpayer is under process. The audit observations are marked to proper officer for assessment and adjudication Section 73 of the CGST Act, 2017.	Further progress in the matter may be intimated to audit.
9	30xxxxxxxxx1Z8	Margao	2018-19	15	2	167768	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	STO replied (March 2024) that for the year 2018-19, show cause notice in GST DRC 01 was issued under Section 73 of the Act and for the year 2020-21, verification of records of the taxpayer was under process and the audit observation was marked to proper officer for assessment and adjudication under Section 73 of the Act. Further, the Department stated (September 2024) that IGST ITC amounting to ₹1.68 lakh was found inadmissible for the year 2018-19 under the provisions of Section 16(2) of the CGST Act, 2017. DRC-07 assessment order had been passed on 10/04/2024.	Progress in the recovery of the tax dues against DRC-07 may be intimated to audit. Further progress for the year 2020-21 may also be intimated to audit.
			2018-19	5	1		Registration of the supplier has been cancelled <i>w.e.f.</i> date prior to date of issue of invoice.		
			2020-21	18	5	61400	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.		
10	30xxxxxxxxx1ZN	Ponda	2018-19	23	1	63473	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	The Department replied (September 2024) that the taxpayer was selected for scrutiny for the year 2018-19 and taxpayer reply that payment of tax to the Government is the responsibility of the supplier and ITC can not be denied to the taxpayer was found acceptable and proceedings were dropped by issuing ASMT-12 for the F.Y. 2020-21	Reply is not acceptable as Section 16(2) (c) of the Act requires tax to be paid to the government for availing ITC. Reply for the years 2019-20

Sl. No.	GSTIN	Name of Ward	Financial Year	No. of Invoices	No. of suppliers	Total Ineligible ITC	Reasons for ineligibility of the Credit	Reply of the Department	Audit remark
11	30xxxxxxxxxx1Z4	Vasco	2020-21	1	1	9000	The supplier have not filed GSTR-3B and did not discharge tax liability.	The Department stated (September 2024) that on verification of GSTR-2A, the purchase invoice of ₹9000 is reflecting in GSTR-2A.	Reply of the Department is not acceptable as the said invoice is already reflected in GSTR-2A. However, the supplier has not paid the tax against the invoice.
12	30xxxxxxxxxx1ZB	Mapusa	2018-19	15	2	43146	The suppliers have not filed their GSTR-3B and did not discharge their tax liability.	The Department stated (September 2024) that in response to the ASMT-10 issued to the taxpayer, the taxpayer had accepted and paid the amount ₹ 0.43 lakh, ₹ 0.26 lakh and ₹3.74 lakh for F.Y. 2018-19, 2019-20 and 2020-21 in April 2024, 18 May 2024 and 29 May 2024 respectively.	At the instance of audit, negligible ITC was recovered.
Total				3272	234	38758035			

APPENDIX 2.15
{Referred to in paragraph 2.2.8.4(i), Table 2.11, Sl. No. I}
Mismatch in tax liability and tax payment between returns

<i>(Amounts in ₹)</i>													
Sl. No.	GSTIN	Name of Ward	Financial Year	Tax liability (Excluding RCM) as per GSTR-1	Tax liability as per GSTR-9 including all amendments	Greater of both the liability as per GSTR-1 and GSTR-9	Tax payment shown in GSTR-3B	Payment made, not related to outward supplies	Tax payment for outward supplies as per GSTR-3B (Col. 8A - 8B)	Mismatch in tax liability and tax payment (Col. 7 - 8)	Reply of the department	Audit remark	
1	2	30xxxxxxxxx1Z9	Panaji	2018-19	3480054489	3479130149	3480054489	3479130149	3677771247	198641158	3479130089	924400	The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer. The taxpayer had not given reply to the paras. Thus, the case would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.
2	30xxxxxxxxx1ZY	Panaji	2018-19	184498565	185129369	185129369	184498565	0	184437946	691423	Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the	Further progress in this regard may be intimated to the audit.	

Sl. No.	GSTIN	Name of Ward	Financial Year	Tax liability (Excluding RCM) as per GSTR-1	Tax liability as per GSTR-9 including all amendments	Greater of both the liability as per GSTR-1 and GSTR-9	Tax payment shown in GSTR-3B	Payment made, not related to outward supplies	Tax payment for outward supplies as per GSTR-3B (Col. 8A - 8B)	Mismatch in tax liability and tax payment (Col. 7 - 8)	Reply of the department	Audit remark
3	30xxxxxxxxxx1Z5	Panaji	2018-19	27847690	31519310	31519310	27855056	0	27855056	3664254	The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer. The taxpayer had not given reply to the paras. Thus, the case would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.	Further progress in this regard may be intimated to the audit.
4	30xxxxxxxxxx1ZN	Ponda	2018-19	1552354156	1544415310	1552354156	1545491454	1076140	1544415314	7938842	The Department stated (September 2024) that the case was verified as documentary	The reply of the department could not be verified as documentary

Sl. No.	GSTIN	Name of Ward	Financial Year	Tax liability (Excluding RCM) as per GSTR-1	Tax liability as per GSTR-9 including all amendments	Greater of both the liability as per GSTR-1 and GSTR-9	Tax payment shown in GSTR-3B	Payment made, not related to outward supplies	Tax payment for outward supplies as per GSTR-3B (Col. 8A - 8B)	Mismatch in tax liability and tax payment (Col. 7 - 8)	Reply of the department	Audit remark	
5	30xxxxxxxxxx1Z4	Vasco	2018-19	490768767	471121336	490175758	0	490175758	593009	The Department stated (September 2024) that the taxpayer is in construction business and it was exempted under service tax and due to exemption, it was recording revenue on gross basis, i.e. 100% income. With GST introduction, taxpayer recorded the revenue on gross basis and paid the tax thereon and the difference between the	The reply could not be verified as the copies of RA bills of the relevant period were not available to calculate the gross turnover had not been furnished to the audit.	scrutinized under Section 61 of the basis of GGST Act, 2017 which found the proper officer dropped the proceedings accordingly, the proper officer has dropped the proceedings u/s 61 of the said act by issuing Form ASMT-12.	on evidence on the basis of the proper officer dropped the proceedings accordingly, the proper officer had furnished to the audit.

Sl. No.	GSTIN	Name of Ward	Financial Year	Tax liability (Excluding RCM) as per GSTR-1	Tax liability as per GSTR-9 including all amendments	Greater of both the liability as per GSTR-1 and GSTR-9	Tax payment shown in GSTR-3B	Payment made, not related to outward supplies	Tax payment for outward supplies as per GSTR-3B (Col. 8A - 8B)	Mismatch in tax liability and tax payment (Col. 7 - 8)	Reply of the department	Audit remark
6	30xxxxxxxxx/ZB	Mapusa	2018-19	7603142	7603142	7603142	10019747	2475333	7544414	58728	The Department stated (September 2024) ASMT-10 was issued to the taxpayer and the taxpayer had accepted and paid ₹ 0.59 lakh <i>vide</i> DRC-03 dated 24/04/2024.	
Total										13870656		

APPENDIX 2.16

{Referred to in paragraph 2.2.8.4(i), Table 2.11, Sl. No.2}

Sl. No.	GSTIN	Name of Ward	Financial Year	Tax liability under RCM (Table-3.1d of GSTR-3B)	Tax liability under RCM (Table-4G of GSTR-9)	Tax paid under RCM (Table-6.1b of GSTR-3B)	Tax paid under RCM (Table-6.1b of GSTR-3B)	Reply of the Department		Audit remark
								9	10	
1	2	30XXXXXXXXXX4ZG	Panaji	2018-19	465016	470159	465016	5143	127007	The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer. The taxpayer had not given reply to the paras. Thus, the case would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.
1	2	30XXXXXXXXXX1Z9	Panaji	2020-21	1466200	1593207	1466200			Further progress in this regard may be intimated to audit.
2	2	30XXXXXXXXXX1Z9	Panaji	2020-21	162532205	163214498	162532205	682293		The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer. The taxpayer had not given reply to the paras. Thus, the case would be verified by the proper officer and necessary action would be initiated as per the provisions of the Act.
								814443		Total

APPENDIX 2.17
{Referred to in paragraph 2.2.8.4(i), Table 2.11, Sl. No.3}
Mismatch in payment of tax under RCM

Sl. No.	GSTIN	Name of Ward	Financial Year	Tax liability auto-populated in GSTR-2A (RCM)			Tax liability discharged under RCM (Table-6.1b of GSTR-3B)			Mismatch in tax payment under RCM			Reply of the Department	Audit remark
				IGST	CGST	SGST	IGST	CGST	SGST	IGST	CGST	SGST		
1	30xxxxxxxxxx1Z2	Panaji	2018-19	310500	6750	6750	164595	317484	317484	145905	0	0	The Department stated (September 2024) that the notice under Section 151 of the GST Act and reminder was issued to the taxpayer. The case would be verified by the proper officer and outcome would be intimated to audit.	Further progress in this regard may be intimated to audit.
2	30xxxxxxxxxx1ZN	Ponda	2018-19	353218	1217768	1217768	4710991	120051	120051	0	1097717	1097717	The Department stated (September 2024) that the case was scrutinized under Section 61 of GGST Act, 2017 and found the taxpayer's reply satisfactory, accordingly, the proper officer has dropped the proceedings u/s 61 of the said act by issuing Form ASMT-12.	The reply of the department is not acceptable as documentary evidence on the basis of which the proper officer dropped the proceedings had not furnished to the audit.
													Total	
													145905	1097717
														1097717

APPENDIX 2.18
(Referred to in paragraph 2.3)
Detail of excess payment

Name of the work	Estimated cost			GST @ 18%	Tendered cost	Excess Payment
	Rates of Cum	Additional costs involved	Pre & Post dredging surveys @5%			
Desilting of River Sal from the Telaulim – Varca New Bridge towards downstream upto Shatmalley opposite salt pan in river Sal in 1 st phase within an area of 6.0 km in length, 12 mtrs. wide and 3.0 mtrs. depth	(525 x 216000) 113400000	5670000	11340000	23473800	84636750 (45% less than the estimated cost)	
Desilting and cleaning of rivulet of river Sal within an area of 2.5 km in length, 12.00 mtrs. wide and 2.3 mtrs. depth.	(425 x 69000) 29325000	1466250	2932500	6070275	39794025	
Cost to be considered for additional work based on original work with same terms and conditions	(233.751 x 69000) 16128750	806438	0	3048334	19983522	19810503
Desilting of River Sal phase II, from the Shatmalley opposite salt pan towards downstream upto Shatmalley upto Ambelim in river Sal in 2 nd phase within an area of 6.0 km in length, 12 metres wide and 3.0 metres depth	(525 x 216000) 113400000	5670000	11340000	23473800	124700000 (19% less than the estimated cost)	
Desilting of river Sal from Canenamoddi till Assolna- Chinchinim road 4.7.km length x 1.40m depth x 10.00m width	(500 x 65800) 32900000	1645000	3290000	6810300	44645300	
Cost to be considered for additional work based on original work with same terms and conditions	(405² x 65800) 26649000	1332450	0	5036661	33018111	11627189
Total excess payment						31437692

¹ 45 per cent of Estimates (₹ 425)
² 19 per cent of Estimates (₹ 500)

APPENDIX 2.19A
(Referred to in paragraph 2.4)
Details of short levy with respect to brand (Desmondji Agave 51)

Sl. No.	Date of dispatch	Quantity in bulk litres	2021-22		(Amount in ₹)
			Excise duty levied by the Department on lower MRP: ₹ 675	Excise duty leviable @ ₹ 300 per BL worked out by Audit (for highest MRP of product: ₹ 958)	
1	04/09/2021	486	72900	145800	72900
2	08/09/2021	189	28350	56700	28350
3	15/09/2021	612	91800	183600	91800
4	17/09/2021	342	51300	102600	51300
5	29/09/2021	900	135000	270000	135000
6	09/10/2021	1134	170100	340200	170100
7	13/10/2021	27	4050	8100	4050
8	18/10/2021	1485	222750	445500	222750
9	01/11/2021	1710	256500	513000	256500
10	18/11/2021	783	117450	234900	117450
11	25/11/2021	1350	202500	405000	202500
12	01/12/2021	270	40500	81000	40500
13	06/12/2021	180	27000	54000	27000
14	09/12/2021	1845	276750	553500	276750
15	24/12/2021	495	74250	148500	74250
16	29/12/2021	1062	159300	318600	159300
17	31/12/2021	333	49950	99900	49950
18	04/01/2022	1440	216000	432000	216000
19	26/02/2022	1935	290250	580500	290250
20	11/03/2022	612	91800	183600	91800
21	22/03/2022	900	135000	270000	135000
22	28/03/2022	801	120150	240300	120150
Total		18891	2833650	5667300	2833650

2022-23					
Sl. No.	Date of dispatch	Quantity in bulk litres	Excise duty leviable by the Department on lower MRP: ₹ 850	Excise duty leviable @ ₹ 300 per BL worked out by Audit (for highest MRP of product: ₹ 958)	Short levy
1	11/05/2022	1026	256500	307800	51300
2	04/06/2022	900	225000	270000	45000
3	08/06/2022	1035	258750	310500	51750
4	15/06/2022	900	225000	270000	45000
5	16/06/2022	90	22500	27000	4500
6	28/06/2022	900	225000	270000	45000
7	06/07/2022	900	225000	270000	45000
8	20/07/2022	684	171000	205200	34200
9	16/08/2022	450	112500	135000	22500
10	25/08/2022	1350	337500	405000	67500
11	08/09/2022	180	45000	54000	9000
12	13/09/2022	288	86400	86400	0
13	29/09/2022	1800	450000	540000	90000
14	12/10/2022	1260	315000	378000	63000
15	27/10/2022	1800	450000	540000	90000
16	10/11/2022	2088	522000	626400	104400
17	29/11/2022	153	38250	45900	7650
18	08/12/2022	1647	411750	494100	82350
19	14/12/2022	1800	450000	540000	90000
20	23/12/2022	441	110250	132300	22050
21	05/01/2023	1575	393750	472500	78750
22	11/01/2023	1575	393750	472500	78750
23	09/02/2023	1800	450000	540000	90000
24	22/02/2023	1800	450000	540000	90000
25	30/03/2023	1431	357750	429300	71550
Total		27873	6982650	8361900	1379250

APPENDIX 2.19B
(Referred to in paragraph 2.4)
Details of Short Levy with respect to brand (Desmondji Blue Margarita)
(Amount in ₹)

Sl. No	Date of dispatch	Quantity in bulk litres (BL)	Excise duty levied by the Department on lower MRP: ₹ 675	2021-22	
				Excise duty leviable @ ₹ 300 per BL worked out by Audit (for highest MRP of product: ₹ 917)	Short levy
1	08/09/2021	450	67500	135000	67500
2	09/10/2021	225	33750	67500	33750
3	13/10/2021	450	67500	135000	67500
4	22/10/2021	450	67500	135000	67500
5	15/11/2021	450	67500	135000	67500
6	18/11/2021	441	66150	132300	66150
7	24/12/2021	675	101250	202500	101250
8	29/12/2021	189	28350	56700	28350
9	04/01/2022	225	33750	67500	33750
10	18/01/2022	450	67500	135000	67500
11	26/02/2022	342	51300	102600	51300
12	11/03/2022	09	1350	2700	1350
13	22/03/2022	909	136350	272700	136350
14	28/03/2022	324	48600	97200	48600
	Total	5589	838350	166700	838350

2022-23					
Sl. No	Date of dispatch	Quantity in bulk litres	Excise duty levied by the Department on lower MRP: ₹ 850		Excise duty leviable @ ₹ 300 per BL worked out by Audit (for highest MRP of product: ₹ 917)
			Excise duty leviable @ ₹ 300 per BL worked out by Audit (for highest MRP of product: ₹ 917)	Short levy	
1	11/05/2022	450	67500		135000
2	04/06/2022	225	67500		67500
3	15/06/2022	522	78300		156600
4	16/06/2022	378	56700		113400
5	20/07/2022	270	40500		81000
6	16/08/2022	450	67500		135000
7	08/09/2022	216	32400		64800
8	13/09/2022	45	13500		13500
9	29/09/2022	720	148500		216000
10	12/10/2022	450	67500		135000
11	29/11/2022	900	135000		270000
12	08/12/2022	333	49950		99900
13	11/01/2023	855	128250		256500
14	01/03/2023	900	270000		270000
15	24/03/2023	450	67500		135000
Total			1290600	2149200	858600

APPENDIX 2.20A
(Referred to in paragraph 2.5)
Details of Short Levy of License Fee in "B" Category Hotels (Excise Station, Pernem) during the period 2019-20 to 2022-23

Sl. No.	Liquor License No./Name of Hotel	Category of hotel as per Tourism Department, GOG	Period of misclassification	License fee leviable (in ₹)	License fee levied (in ₹)	Short levy (in ₹)	Interest under Rule 122 of GDDED Rules, 1964 (in ₹) at the rate of 2% per month		Interest calculated for no. of Months (upto December 2023)	<i>(Amount in ₹)</i>
							57 months (April 2019 to December 2023)	45 months (April 2020 to December 2023)		
1	FCL/528 (Oasis De Ashiana)	B	2019-20	75000	6000	69000	78660		57 months (April 2019 to December 2023)	<i>(Amount in ₹)</i>
			2020-21	75000	10950	64050	57645			
2	FCL/427 (La Cabana Beach and Spa)	B	2019-20	75000	60000	15000	17100		57 months (April 2019 to December 2023)	<i>(Amount in ₹)</i>
			2020-21	75000	60000	15000	13500			
3	FCL/456 (Hidden Paradise)	B	2019-20	75000	30000	45000	51300		45 months (April 2020 to December 2023)	<i>(Amount in ₹)</i>
			2020-21	75000	50456	24544	22090			
4	FCL/431 (Aquaatica Resort and Spa)	B	2022-23	37500 ³	0	37500	15750		21 months (April 2022 to December 2023)	<i>(Amount in ₹)</i>
							37500			
5	FCL/536 (Prayas Villa Venture of Chakshu Properties Pvt. Ltd.)	B	2020-21	33,750 ⁴	30000	3750	3375		45 months (April 2022 to December 2023)	<i>(Amount in ₹)</i>
			2021-22	67500 ⁵	54000	13500	8910			
			2022-23	67500	54000	13500	5670			

³ Sub-rule 8 of Rule 90 of GDDED Rules stipulates that when the business is started in the course of the second semester only half of the annual fee shall be payable. Hence, ₹ 75,000/2 = ₹ 37,500

⁴ Sub-rule 8 of Rule 90 of GDDED Rules stipulates that when the business is started in the course of the second semester only half of the annual fee shall be payable. Hence, ₹ 67,500/2 = ₹ 33,750

⁵ ₹ 75,000 minus 10 % of 75,000 (Rebate of ₹ 7,500) = ₹ 67,500

Sl. No.	Liquor License No./Name of Hotel	Category of hotel as per Tourism Department, GOG	Period of misclassification	License fee leviable (in ₹)	License fee levied (in ₹)	Short levy (in ₹)	Interest under Rule 122 of GIDDED Rules, 1964 (in ₹) at the rate of 2% per month	Interest calculated for no. of Months (upto December 2023)
	FL/Con/71				Sub-total	30750	17955	
			2020-21	33750	30000	3750	3375	45
			2021-22	67500	36000	31500	20790	33
			2022-23	67500	36000	31500	13230	21
			Total	367594	311395		678989	

(Source: Records furnished by the department)

APPENDIX 2.20B

(Referred to in paragraph 2.5)

Details of Short Levy of License Fee in "C" Category Hotels during 2019-20 to 2022-23 by the Excise Stations Pernem and Margao

(Amount in ₹)

S. No.	License No.	Category of hotel as per Tourism Department, GOG	Period of misclassification	License fee leviable (in ₹)	License fee levied (in ₹)	Short levy (in ₹)	Interest under Rule 122 of GDDED Rules,1964 (in ₹) at the rate of 2% per month	Interest calculated for no. of Months (upto December 2023)
1	FCL/436 (Sea Creek)	C	2020-21	40000	12075	27925	25133	45 months (April 2020 to December 2023)
			2021-22	40000	5	27925	18431	33 months (April 2021 to December 2023)
			2022-23	40000	12075	27925	11729	21 months (April 2022 to December 2023)
2	FCL/336 (Sea View)	C	2019-20	40000	11750	28250	55293	57 (April 2019 to December 2023)
			2020-21	40000	12075	27925	25133	45
			2021-22	40000	12075	27925	18431	33
			2022-23	40000	15375	24625	10343	21
3	FCL/366 (Marbela)	C	2019-20	40000	11700	28300	108725	86112 (April 2019 to December 2023)
			2020-21	40000	11700	28300	32262	57
			2021-22	40000	24098	15902	25470	45
			2022-23	40000	23625	16375	6878	33 21
4	FCL/568 (Hotel Aurum)	C	2022-23	40000	11925	28075	75105	11 21
							88877	
5	FCL/75 (Hotel Miramar)	C	2022-23	20000 ⁶	9360	10640	4469	21 21
							10640	
6	FCL/407 (Hotel Empire)	C	2022-23	40000	15184	24816	10423	21 21
							4469	

⁶ Sub-rule 8 of Rule 90 of GDDED Rules stipulates that when the business is started in the course of the second semester only half of the annual fee shall be payable. Hence, ₹ 40,000/2 = ₹ 20,000

Sl. No.	License No.	Category of hotel as per Tourism Department, GOG	Period of misclassification	License fee leviable (in ₹)	License fee levied (in ₹)	Short levy (in ₹)	Interest under Rule 122 of GDDDE Rules,1964 (in ₹) at the rate of 2% per month	Interest calculated for no. of Months (upto December 2023)
7	FCL/256 (Hill Rock)	C	2022-23	20000	11250	8750	3675	21
8	FCL/539 (Mini Dunes)	C	2021-22	40000	21975	18025	11897	33
			2022-23	40000	21975	18025	7571	21
9	FCL/339 (Montego)	C	2021-22	40000	27146	12854	8484	33
			2022-23	40000	27146	12854	5399	21
10	FCL/39 (Agostine Villa)	C	2019-20	40000	12150	27850	13883	57
			2020-21	40000	11250	28750	25875	45
			2021-22	40000	12349	27651	18250	33
			2022-23	40000	11475	28525	11981	21
11	FCL/236 (Coconut Inn)	C	2019-20	40000	24075	15925	18155	57
			2020-21	40000	12600	27400	24660	45
			2021-22	40000	11475	28525	18827	33
			2022-23	40000	11475	28525	11981	21
12	FCL/463 (Sandbanks Beach Resort)	C	2022-23	20000	19278	722	303	21
13	FCL/501 (Hotel Teremok)	C	2019-20	40000	0	40000	45600	57
			2020-21	40000	0	40000	36000	45
			2021-22	40000	0	40000	26400	33
			2022-23	40000	0	40000	16800	21
14	FCL/279 (Famafa Beach Resort)	C	2019-20	40000	11475	28525	32519	57
			2020-21	40000	15683	24317	21885	45
			2021-22	40000	15375	24625	16253	33
			2022-23	40000	15375	24625	10343	21
15	FCL/205 (Pirates Cabin)	C	2019-20	40000	13950	26050	81000	57
			2020-21	40000	13050	26950	29697	45

Sl. No.	License No.	Category of hotel as per Tourism Department, GOG	Period of misclassification	License fee leviable (in ₹)	License fee levied (in ₹)	Short levy (in ₹)	Interest under Rule 122 of GDDED Rules,1964 (in ₹) at the rate of 2% per month	Interest calculated for no. of Months (upto December 2023)
			2021-22	40000	13050	26950	17787	33
			2022-23	40000	16298	23702	9955	21
					Sub-Total	103652	81694	
16	FCL/229 (Welcome Inn)	C	2019-20	40000	16875	23125	26363	57
			2020-21	40000	18675	21325	19193	45
			2021-22	40000	11250	28750	18975	33
			2022-23	40000	11250	28750	12075	21
					Sub-Total	101950	76606	
					Total	1096983	800486	1897469

(Source: Records furnished by the department)

APPENDIX 2.20C

(Referred to in paragraph 2.5)

Details of Short Levy of License Fee in 5-Star status Hotel during 2021-22 to 2022-23 (Excise Station, Margao)

(Amount in ₹)						
Sl. No.	Liquor License No./Name of Hotel	Star Status of hotel as per Ministry of Tourism, GOI	Period of misclassification	License fee leviable (in ₹)	License fee levied (in ₹)	Short levy (in ₹)
1	RS/FL/43 (Hotel Royal Orchid)	5-Star status	2021-22	315000 ⁷	67500 ⁸	247500
			2022-23	315000	67500	247500
			Total		495000	287100
						782100

(Source: Records furnished by the department)

⁷ ₹ 3,50,000 minus 10% of ₹ 3,50,000 (Rebate of ₹ 35,000) = ₹ 3,15,000
⁸ ₹ 3,37,500/5 years = ₹ 67,500

APPENDIX 2.21
(Referred to in paragraph 2.6)
Details of short levy of licence fee from Bar/Bar-cum-restaurant in “A” Class municipalities during 2018-19 to 2022-23

Sl. No.	Licence No.	Name of unit	Period for short fee pay	Total months delay as on 30 November 2022	Licence fee payable	Licence Fee paid	Short collection of licence fee	Interest amount (2% per month)
1	FCL/42	Sudan Bar	2018-19	56	15000	9000	6000	6720
			2019-20	44	15000	9000	6000	5280
2	FCL/226	Suman Bar	2018-19	56	15000	9000	6000	6720
			2019-20	44	15000	9000	6000	5280
3	FCL/225	Mascarenhas Bar	2018-19	56	15000	9000	6000	6720
			2019-20	44	15000	9000	6000	5280
4	FCL/224	Dream Land Bar	2018-19	56	15000	9000	6000	6720
			2018-19	56	15000	9000	6000	5280
5	FCL/223	Amrt Bar	2018-19	56	15000	9000	6000	6720
			2019-20	44	15000	9000	6000	5280
6	FCL/61	Busu Bar & rest	2018-19	56	15000	9000	6000	6720
			2019-20	44	15000	9000	6000	5280
7	FCL/60	Central Bar	2018-19	56	15000	6000	9000	10080
			2018-19	56	15000	9000	6000	6720
8	FCL/59	Mapusa Cabin	2019-20	44	15000	9000	6000	5280
			2018-19	56	15000	9000	6000	6720
9	FCL/58	Shanti bar	2019-20	44	15000	9000	6000	5280
			2018-19	56	15000	9180	5820	6518
10	FCL/50	Duler Taverna	2019-20	44	15000	9000	6000	5280
			2018-19	56	15000	6000	9000	10080
11	FLC/49	Balgo Bar & Rest.	2019-20	44	15000	12000	3000	2640
			2018-19	56	15000	9000	6000	6720
12	FCL/44	Pax Bar	2019-20	44	15000	9000	6000	5280
			2018-19	56	15000	9000	6000	6720
13	FCL/43	Tavern Jeoram	2019-20	44	15000	9000	6000	5280
			2018-19	56	15000	9000	6000	6720
14	FCL/51	Liberty Bar	2018-19	56	15000	9000	6000	6720

Sl. No.	Licence No.	Name of unit	Period for short fee pay	Total months delay as on 30 November 2022	Licence fee payable	Licence Fee paid	Short collection of licence fee	Interest amount (2% per month)
			2019-20	44	15000	9180	5820	5122
15	FCL/55	Gomes Tavern	2018-19	56	15000	9000	6000	6720
16	FCL/54	Yogeeta liquor Shop	2019-20	44	15000	9000	6000	5280
17	FCL/48	Tavern Bar	2019-20	44	15000	9180	5820	6720
18	FCL/47	Heart Beat Bar & Rest.	2018-19	56	30000	19000	11000	12320
19	FCL/46	Valankani Tavern	2018-19	56	15000	6000	9000	9680
20	FL/309	Heart Beat Bar & Rest.	2019-20	44	6000	4500	1500	10080
21	FCL/263	Blue Diamond Bar & Rest	2018-19	56	15000	9000	6000	6720
22	FCL/258	Ronaldo's Bar & Rest	2019-20	44	15000	9000	6000	5280
23	FCL/229	Pascoal Bar & Restaurant	2019-20	44	30000	19000	11000	12320
24	FCL/264	Central Bar & Rest.	2018-19	56	30000	19000	11000	9680
25	FCL/6	Blue Star	2019-20	44	15000	9000	6000	6720
26	FCL/40	Milan Bar	2019-20	44	15000	6000	9000	5280
27	FCL/5	Samman Bar & Restaurant	2018-19	56	15000	9000	6000	6720
28	FCL/1152	Milagres Bar	2019-20	44	15000	6000	9000	5280
			2020-21	32	15000	9180	5820	3840

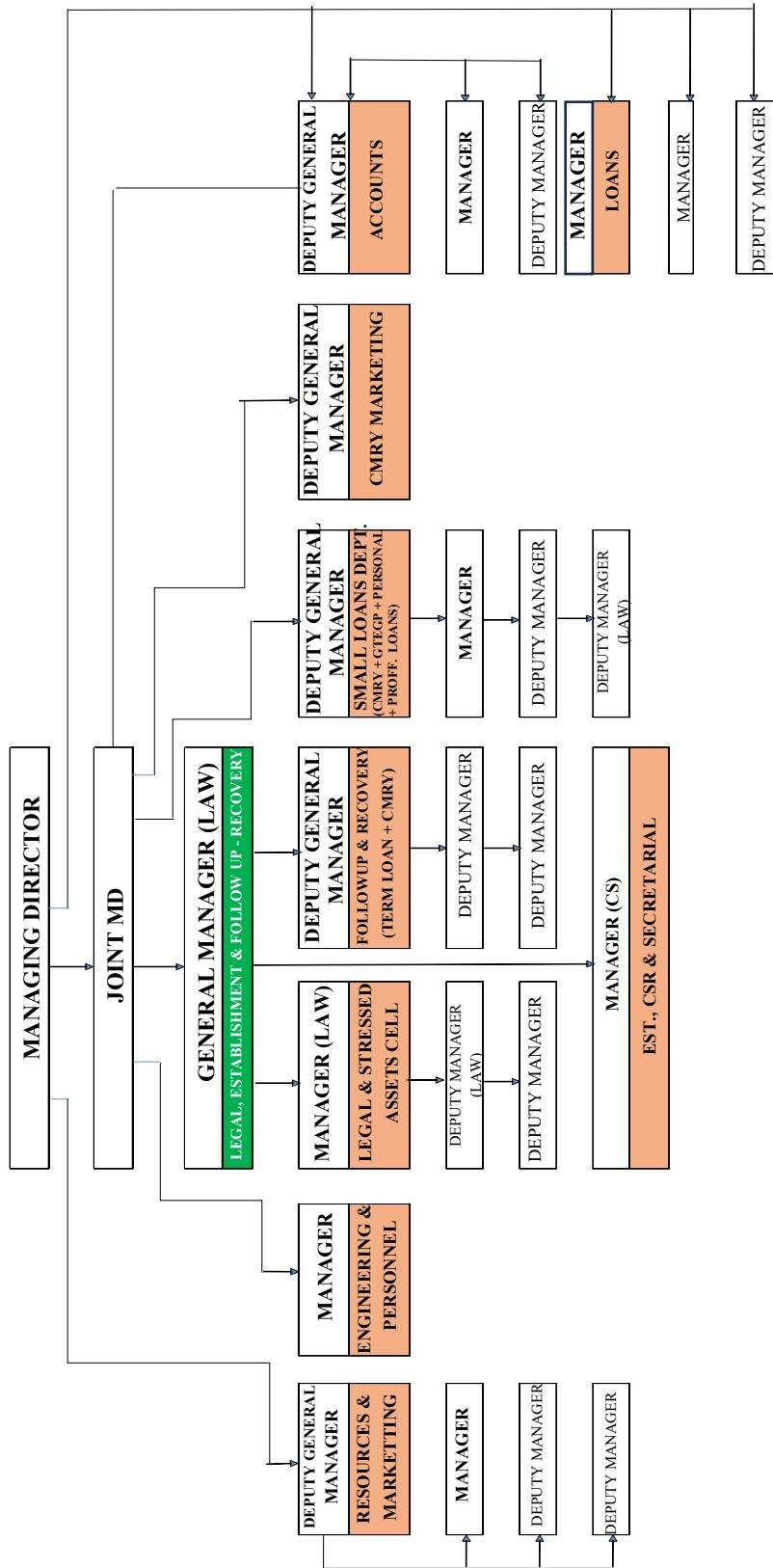
Sl. No.	Licence No.	Name of unit	Period for short fee pay	Total months delay as on 30 November 2022	Licence fee payable	Licence Fee paid	Short collection of licence fee	Interest amount (2% per month)
29	FCL/257	Casa bela Bar	2018-19 2019-20	56 44	15000 15000	9000 6000	6000 9000	6720 7920
30	FCL/4	Leena Bar	2018-19 2018-19	56 56	15000 15000	9180 9000	5820 6000	6518 6720
31	FCL/3	Perpet Succour bar	2019-20 2018-19	44 56	15000 15000	9000 9000	6000 6000	5280 5280
32	FCL/2	Lapaaz Bar	2019-20 2020-21	44 32	15000 15000	9000 9000	6000 6000	5280 3840
33	FCL/399	Ferns Bar & Restaurant	2018-19 2019-20	56 44	15000 15000	9000 9000	6000 6000	6720 6720
34	FCL/437	Samman Boarding	2018-19 2019-20	56 44	15000 15000	9180 9000	5820 6000	6518 5280
35	FCL/ 523	Jerr's Sportsman Bar	2018-19 2019-20	56 44	15000 15000	9000 9540	6000 5460	6720 4805
36	FCL/378	Shiva Bar	2018-19 2019-20	56 44	15000 15000	9000 9000	6000 6000	5280 5280
37	FCL/543	Moonlight Bar & Restaurant	2018-19 2019-20	56 44	30000 30000	19000 19000	11000 11000	12320 9680
38	FCL/253	Café S. F. Xavier	2019-20 2018-19	44 56	45000 45000	28500 28500	16500 16500	14520 18480
39	FCL/1232	Sheetal Bar & Restaurant	2018-19 2019-20	56 44	15000 15000	9180 9000	5820 6000	6518 5280
Total							522600	516882
Total with interest								1039482

Remark: License fee for the years 2021-22 and 2022-23 was correctly levied, hence there was no observation for these years.
 Source: Compiled by Audit from copy of licenses and license fee paid challans.

APPENDIX 3.1

(Referred to in paragraph 3.2.2)

Organisation Chart of EDC Limited



(Source: *Information provided by EDC*)

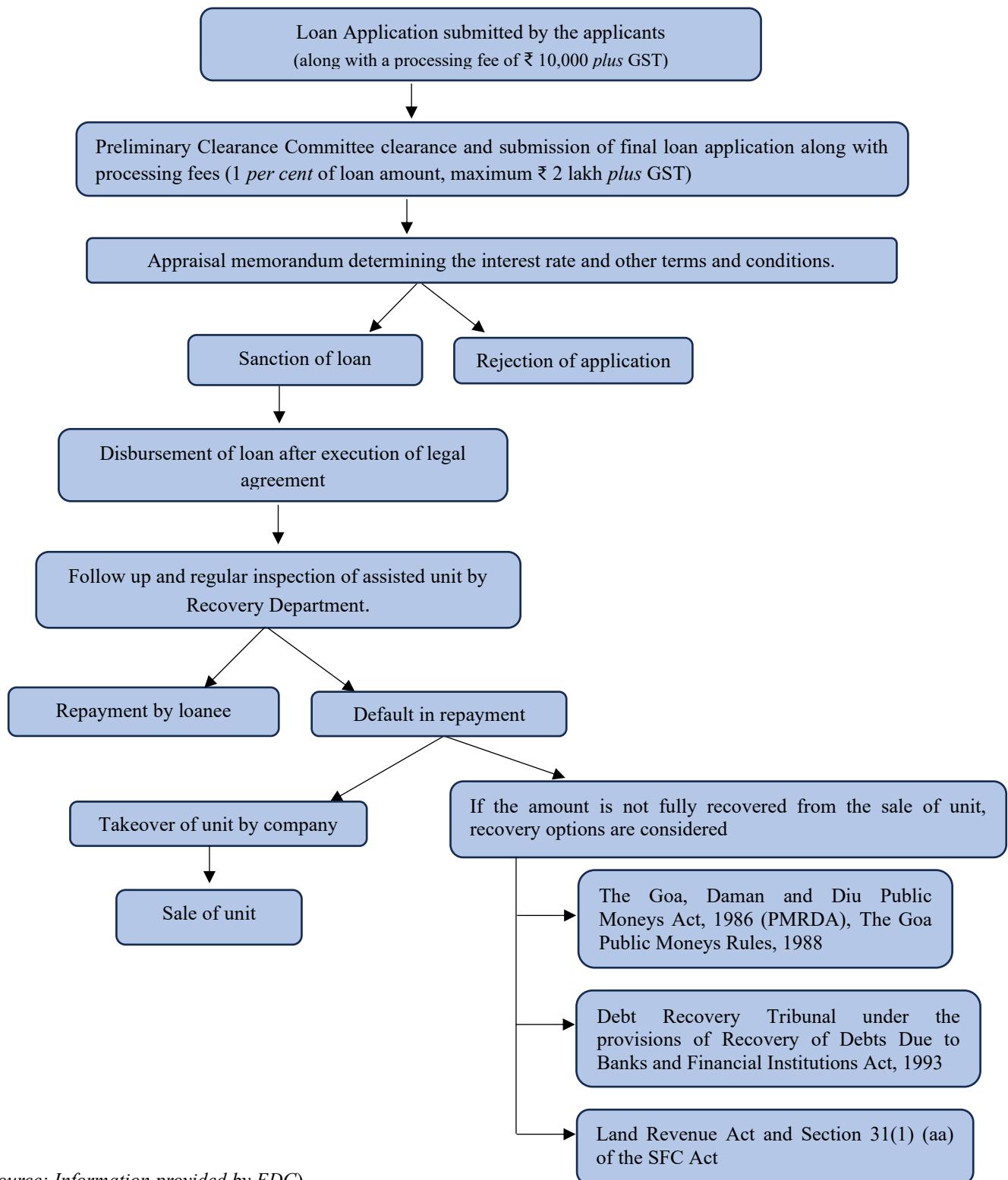
APPENDIX 3.2
(Referred to in paragraph 3.2.3)
EDC's loan products and schemes

Sl. No.	Scheme	Description
1	Loan assistance to State Government Agencies	To provide financial assistance (Short term or Medium or Long Term) to State Government Department/Corporations/Boards/Autonomous Bodies for infrastructure development projects, repayment/takeover of outstanding loans with other banks, operation of State Government Schemes, <i>etc.</i> approved by the Finance Department, Government of Goa.
2	Financial assistance against mortgage of immovable property	To existing industrial units and service sector for expansion, modernization, diversification, renovation, repayment/takeover of outstanding loans from other banks/institutions.
3	Scheme of Loan assistance for Construction Projects	To industries engaged in construction projects (residential/commercial) for land, land development, cost of constructions, <i>etc.</i> , with an experience of five years and having successfully completed at least two projects of minimum built up area of 1,000 m ² each in the period.
4	Term Loan assistance to Qualified Professionals	To professionals such as registered medical practitioners and doctors, CAs, advocates, <i>etc.</i> , in an individual/joint capacity or as a partnership/LLP/company to finance new/acquisition of fixed assets for professional practice and consultancy ventures.
5	Composite Loan scheme for EDC clients with good track record	To the past/existing company's clients with good track record of loan repayment or their associates or group concerns engaged in industrial, tourism, service and commercial activities.
6	General Term loan scheme	To micro, small, medium and large enterprises and service sector units for setting up projects for acquiring fixed assets like land, building, plant & machinery or take-over repayment of outstanding loan of applicants from other banks/institutions against fixed assets acquired during past 18 months.
7	Personal Loan scheme	To provide financial assistance (between ₹ 1 lakh to ₹ 15 lakh) for any legitimate and genuine personal expense as well as for acquiring new four-wheeler/vehicle for personal use only and not for commercial purposes.
8	Chief Minister's Rojgar Yojana	A self-employment loan scheme to provide financial assistance to all educated permanent residents of Goa for all economically viable/legal activities, except dealing in alcohol & tobacco (upto maximum ₹ 25 lakh).
9	Goa Tribal's Employment Generation Programme	To provide financial assistance to members of tribal community notified by the Government of Goa for micro and small manufacturing enterprises, service enterprises and trade activities (farming, tobacco and red category are not eligible). EDC only facilitates loan without lending directly.
10	EDC Credit support scheme	To meet temporary liquidity mismatch of existing borrowers arising out of COVID 19 pandemic for working capital requirements including payment of statutory dues, staff salaries, utility bills, rent, <i>etc.</i> (12 borrowers were sanctioned ECS loan of ₹ 10.85 crore with interest rate of 10.50 <i>per cent</i> during 2020-21).
11	EDC Employees Staff Loan	To provide financial assistance to EDC employees for house building, two-wheeler, four-wheeler, computer, festival, <i>etc.</i>
12	Modified Interest Rebate Scheme	All the term loans are eligible for interest subsidy (upto 9 <i>per cent</i>) from Government of Goa - 2 <i>per cent</i> for Women entrepreneurs, additional 2 <i>per cent</i> for Goan entrepreneurs and an additional 5 <i>per cent</i> for units located in backward talukas ⁹ .

(Source: Information provided by EDC)

⁹ Pernem, Sattari, Sanguem, Quepem, Canacona, Bicholim and Dharbandora

APPENDIX 3.3
(Referred to in paragraph 3.2.5)
Process of Financing & Recovery



(Source: Information provided by EDC)

APPENDIX 3.4
(Referred to in paragraph 3.2.8.1)
Additional details of excess marks awarded to loan applicants in credit rating

Sl. No.	Name of the borrower	Loan amount/ sanction date	Remarks
1	Healthway Hospitals P. Ltd.	₹ 25 crore/ 18 January 2019	As per para 4 of Guiding Rules-I and para 3 of Guiding Rules-III of SOP manual, the marks for operational experience were to be awarded for experience of EDC with the borrower in their past loan account, if any. For first time borrowers, no marks were to be awarded on this parameter due to absence of any repayment history. However, these three applicants were awarded between 15 and 20 marks (out of 20) despite not having any previous repayment history with EDC. Loan was disbursed in one case (Healthway Hospitals P. Ltd.) out of the three (till January 2024).
2	Adwalgalkar P. Ltd.	₹ 5 crore ¹¹ / 02 February 2023	EDC replied that marks for operational experience were allotted based on the applicant's experience with other banks and financial institutions. The reply is not correct as marks for good repayment history with others were already awarded in management factors and financial factors, and no additional marks were to be awarded.
3	Livom P. Ltd.	₹7 crore ¹² / 27 October 2022	Award of higher marks resulted in avoidable loss of interest revenue of ₹ 1.03 crore ¹⁰ in one case (Healthway Hospitals P. Ltd.) with recurring losses for the entire lifecycle of the loan.
4	Mepra Medicaments P. Ltd.	₹ 7 crore/ 15 November 2022	EDC awarded full five marks for: (1) management experience (despite lacking experience in pharma manufacturing), (2) credit history (being a new company with no credit history), and (3) debt-equity ratio (only three marks due out of five). EDC replied that (i) it considered the promoter's past employment experience in the pharmaceutical industry and (ii) credit information was obtained from the bank regarding major shareholders' associate proprietary concern. The reply was not correct as (i) the promoter had no experience in the business of manufacturing and experience as employee could not be considered as experience in manufacturing business and (ii) marks for promoter experience was already considered in financial factors. The inaccurate evaluation of credit rating and the application of a lower interest rate could lead to a recurring loss of one per cent on the principal to be disbursed.

¹⁰ Interest from January 2019 to March 2022 being ₹ 8.86 crore @ 11.50 per cent [₹ 8.86 crore/11.50] = ₹ 77.05 lakh] and from April 2022 being ₹ 2.42 crore @ 9.50 per cent [₹ 2.42 crore /9.50] = ₹ 25.52 lakh]

¹¹ Loan disbursement from 23 August 2023.

¹² Loan yet to be disbursed.

APPENDIX 3.5
(Referred to in paragraph 3.2.8.2)
Details of loans with defective security

Sl. No.	Name of borrower	Sanctioned amount and date	Remarks
1	Alcon Constructions P. Ltd. (ALCON)	₹ 16 crore and 26 October 2021	<p>ALCON offered immovable property worth ₹ 26.54¹³ crore as security. Out of 1.42 lakh m² of land offered as security, 1.28 lakh m² land was agricultural garden land that did not qualify¹⁴ as security and only the balance 13,400 m² of land with 'Conversion Sanad' of value ₹ 2.71 crore (@ ₹ 2,020¹⁵/m²) could be reckoned as primary security and as such the security was insufficient.</p> <p>EDC replied that agricultural land could be considered as a special case at the discretion of sanctioning authority; additional immovable assets of ₹ 18.50 crore of the associate was considered as security for this loan. The reply was incorrect as the additional security of ₹ 18.50 crore, a property of associate, was ineligible as security as the associate's outstanding loan of ₹ 9.02¹⁶ crore required retention of security at twice the value of the outstanding loan. Secondly, even if the agricultural land was to be considered as a special case by the sanctioning authority, it should have been valued as agricultural land of ₹ 3.08 crore (with agricultural land rate¹⁷ of ₹ 240/m²) as against the Settlement Zone (S1) rate of ₹ 1,200/m². Moreover, the said agricultural land was a no development slope in an ecologically sensitive area (ECO-1) as per Land Use Plan document of 2021 and may not be effective as a security for a commercial loan.</p> <p>Thus, as against the requirement of immovable security of ₹ 16 crore, EDC obtained security of ₹ 12.24 crore only (<i>viz.</i>, 13,400 m² land with Conversion Sanad of value ₹ 2.71 crore, Agricultural land of 1,28,300 m² of value ₹ 3.08 crore and building of value ₹ 6.45 crore).</p>
2	DRK Ventures LLP	₹ 30 crore and 05 November 2019	<p>DRK offered immovable security of ₹ 179.41¹⁸ crore as security. The primary security (Land -1,651 m²) for hotel project costing ₹ 3.61 crore and valued at ₹ 19.81 crore was a part of larger land admeasuring 2929 m² owned jointly by two partners (of the borrower LLP) along with a third party¹⁹. The Title investigation report (dated 08 January 2020) also highlighted this and required EDC to obtain an undertaking of all the three joint owners to partition the property and execute appropriate agreement to transfer the ownership in the name of borrower within nine months. Moreover, the additional security of ₹ 143.45 crore owned by an associate could not be considered for this loan due to non-confirmation from the associate borrower entity. Thus, the security was insufficient to cover the loan.</p> <p>EDC replied that DRK signed an undertaking on 5 February 2020, from all three owners to get the partition of the</p>
3	DRK Ventures LLP	₹ 5 crore and 26 May 2021	

¹³ Primary Security: Land-1.42 lakh m² valued at ₹ 20.09 crore, Building valued at ₹ 6.45 crore

¹⁴ SOP Manual checklist at pg. 37 “Agricultural property to be excluded”

¹⁵ GIDC long lease rates in Kundain Industrial Estate.

¹⁶ TL 00006/10/6: ₹ 5.98 crore (December 2016); TL 00006/10/7: ₹ 1.38 crore (August 2020); TL 011163801: ₹ 1.60 crore (February 2020)

¹⁷ Notified in the year 2020 for agricultural land in Ponda taluka as per Goa Stamp Act at ₹ 240/m² (*80 per cent* less than base rate of ₹ 1,200/m²)

¹⁸ Immovable Security: Primary Security - Land (1.651m²): ₹ 19.81 crore, Building: ₹ 16.15 crore; and additional security - Land & Building at St. Inez of ₹ 143.45 crore (₹ 116.55 crore plus ₹ 54.30 crore)

¹⁹ Shri Uday Kamat

Sl. No.	Name of borrower	Sanctioned amount and date	Remarks
			<p>property recorded in land survey records within nine months and retaining charge of associate units was their normal practice and specified in Clause D of Special terms and conditions of the loan. However, the partition and registration of the sub-divided land have not been completed even after three years. Also, both entities were distinct, and retaining charge on the property of one entity for default by the other entity is not legally tenable. EDC did not provide evidence supporting their practice with case law or legal opinion, relying solely on a general understanding. Thus, the property considered as additional security was not approved by the associate borrower entity.</p> <p>Hence, as against loan for ₹ 35 crore, EDC obtained immovable property of ₹ 16.15 crore only.</p>

APPENDIX 3.6
(Referred to in paragraph 3.2.8.3)
Additional details of irregular reduction of interest rate on Term Loans

Sl. No.	Case details
1	Armacar Holdings P. Ltd. Armacar Holdings P. Ltd. requested (17 August 2021) for a reduction in the interest rate on Composite Term Loan of ₹ 12 crore. The request was based on counter offers from private banks with an 'in-principle' loan offer at 7.25 <i>per cent</i> from Kotak Mahindra Bank Ltd. It's worth noting that the offer letter was neither signed (digitally or otherwise) nor presented on the bank's official letterhead. Though the loan agreement did not permit changes in interest rates based on counter offers from private banks, EDC reduced ²⁰ (from 01 July 2021) the interest rate from 11 <i>per cent</i> to 9.50 <i>per cent</i> (with the effective interest rate after rebate on loan being 7.50 <i>per cent</i> for the borrower) on the outstanding loan of ₹ 9.97 crore.
2	Healthway Hospitals P. Ltd. Healthway Hospitals P. Ltd. requested (21 February 2022) a reduction in the interest rate on the Composite Term Loan of ₹ 25 crore, citing prevailing lower interest rates in banks and furnished a draft proposal to provide credit facilities at 7.75 <i>per cent</i> (floating/variable rate). The said offer letter was unsigned (digitally or otherwise) and not in ICICI Bank's letterhead. Though the loan agreement did not permit changes in interest rates based on counter offers from private banks, EDC reduced ²¹ (from 01 April 2022) the interest rate from 11.56 <i>per cent</i> to 9.50 <i>per cent</i> (effective interest after subsidy being 7.50 <i>per cent</i>) on the outstanding loan of ₹ 21.80 crore.
3	Raj Housing Development P. Ltd. Raj Housing Development P. Ltd. requested (09 June 2022) a reduction in interest rate on the Term Loan of ₹ 13.35 crore @ 13.50 <i>per cent</i> , citing significant inflationary increase in input costs (steel, cement, labour, etc.) in last two years. Though, the loan agreement did not permit interest rate change based on borrower's cost data, EDC reduced ²² (from 01 July 2022) the interest rate from 13.50 <i>per cent</i> to 11 <i>per cent</i> on the outstanding loan of ₹ 8.83 crore.
4	DRK Ventures LLP (Two Loans) DRK Ventures LLP requested (04 January 2022) a reduction in the interest rate on Term Loans of ₹ 35 crore citing prevailing lower interest rates of private/commercial banks (8 <i>per cent</i>) and lending rate of interest of ICICI bank (7.50 <i>per cent</i>). The borrower did not produce any counter offer/in-principle offer letter to EDC. Though the loan agreement did not permit changes in interest rates based on counter offers from private banks, EDC reduced ²³ (from 01 April 2022) the interest rate from 10.50 <i>per cent</i> to 9.50 <i>per cent</i> on the outstanding loan of ₹ 34.88 crore.

²⁰ Board's Resolution no. 5397 dated 27 August 2021

²¹ Board's Resolution no. 5464 dated 12 April 2022

²² Board's Resolution no. 5501 dated 30 June 2022

²³ Board's Resolution no. 5464 dated 12 April 2022

APPENDIX 3.7
{Referred to in paragraph 3.2.9.1(i)}
Details of excess waiver given in five OTS cases

Details of excess waiver given in five OTS cases (Amount in ₹)								
Sl. No.	Name of the borrower and Term Loan account no. (A)	Total disbursement (B)	Last disbursement date (B)	Outstanding principal (C)	Settlement value as per OTS scheme (D)	Value at which actually settled (E)	Excess waiver (₹) (F=D-E)	Remarks
1	Goa Milk Food and Allied Products; 001188401	12,87,171	01 November 1994	12,46,951	8,75,322 ²⁴	4,31,402	4,43,921	The settlement values were incorrectly categorized due to reckoning of age of loan on the settlement date instead of date of loan (as prescribed) and non-recovery of other expenses and interest tax incurred by EDC.
2	Aurobindo Profile Industry; 00032701	6,55,800	30 March 1985	4,58,060	96,295 ²⁵	0	96,295	
3	George Tharagon; 00319401	4,20,500	05 March 1998	2,30,966	83,198 ²⁶	0	83,198	
4	Vithal Sonu Kalangutkar; 00216601	2,94,730	22 March 1993	1,73,453	97,043 ²⁷	0	97,043	
5	Prestige Containers Pvt. Ltd; 00039001	15,98,800	27 June 1985	11,33,371	1,39,177 ²⁸	0	1,39,177	
Total		32,42,801		12,91,035	4,31,402	8,59,634		

(Source: Information provided by EDC)

²⁴ ₹ 9,65,378 (75 per cent of ₹ 12,87,171) minus ₹ 2,12,163 (paid till date) plus ₹ 52,111 Other expenses plus Interest tax - ₹ 69,906 = ₹ 8,75,222

²⁵ ₹3,27,900 (50 per cent of ₹ 6,55,800) minus 2,31,605 (paid till date) = ₹ 96,295

²⁶ ₹ 4,20,500 (disbursement) minus 3,37,302 (paid till date) = ₹ 83,198

²⁷ ₹ 2,21,047 (75 per cent 2,94,730) minus ₹ 1,24,004 = ₹ 97,043

²⁸ ₹ 7,99,400 (50 per cent of ₹ 15,98,800) minus ₹ 6,60,223 (paid till date) = ₹ 1,39,177

APPENDIX 3.8
{Referred to in paragraph 3.2.9.2(b)}
Details of ten write off cases with inadequate pursuance despite favourable Court decree

Sl. No.	Defaulter's Name	Amount Sanctioned (date)/ Disbursed amount	Realised amount and date of attachment for sale u/s 29 of SFC Act ²⁹	Court order reference and recoverable amount	Decree value	Audit observation
1	M/s. Ludwig Flow Equipments P. Ltd.	₹ 108.00 lakh (February 1997)/ ₹ 32.82 lakh	₹ 8.60 lakh/ (December 2003)	Principal District Judge, North Goa, Panaji (CMA no. 235/2006)/ ₹ 56.61 lakh	Judgement (February 2017) in favour of EDC with recovery of ₹ 56.61 lakh with interest till date of payment.	
2	M/s. Dhwani Multi Films P. Ltd.	₹ 90.00 lakh (April 1998)/ ₹ 89.67 lakh	₹ 57.75 lakh (December 2008)	Principal District Judge, North Goa, Panaji (CMA no. 50/2009)/ ₹ 75.55 lakh	Judgement (January 2015) in favour of EDC with recovery of ₹ 75.55 lakh with interest till date of payment.	
3	M/s. Waman Industries	₹ 59.00 lakh (December 1998 to February 1999)/ ₹ 58.99 lakh	₹ 13.00 lakh/ (December 2003)	The Debt Recovery Tribunal (Case no. OA 159/2011)/ ₹ 208.24 lakh	Judgement in favour of EDC with recovery of ₹ 2.08 crore with interest till date of payment, Recovery certificate issued (January 2014) by DRT.	Delay in pursuance for filing of execution proceedings in court, internal control weakness and lack of oversight by management. Senior management not periodically apprised, documentation and absence of efforts required to conclude such defaulted loans.
4	M/s Shogun Paper Industries Ltd.	₹ 187.50 lakh (June 1995 to September 1997)/ ₹ 151.55 lakh	₹ 30.00 lakh/ (February 2001)	The Principal District Judge, North Goa, Panaji (CMA no. 138/2003)/ ₹ 335.00 lakh.	Judgement (August 2008) in favour of EDC with recovery of ₹ 3.35 crore with interest till date of payment.	
5	M/s. Masitia Steels Ltd.	₹ 175.00 lakh (October 1999)/ ₹ 153.80 lakh	₹ 68.00 lakh/ (December 2003)	The Principal District Judge, North Goa, Panaji (CMA no. 200/2005)/ ₹ 121.53 lakh	Judgement (January 2016) in favour of EDC with recovery of ₹ 1.22 crore with interest till date of payment.	
6	M/s Hydroflex Equipments Ltd.	₹ 95.00 lakh (April 1995 to November 1996)/ ₹ 95.00 lakh	₹ 19.57 lakh/ (February 2003)	The Principal District Judge, North Goa, Panaji (CMA no. 176/2005)/ ₹ 429.36 lakh	Judgement (April 2011) in favour of EDC with recovery of ₹ 429.36 lakh with interest till date of payment.	

Sl. No.	Defaulter's Name	Amount Sanctioned (date)/ Disbursed amount	Realised amount and date of attachment for sale u/s 29 of SFC Act ²⁹	Court order reference and recoverable amount	Decree value	Audit observation
7	M/s Shah Threads P. Ltd.	₹ 26.70 lakh (January 1987)/ ₹ 24.00 lakh	₹ 0.44 lakh (Realisation dates not available)	The Civil Judge, Daman (Civil Suit no. 36/1992)/ ₹ 44.44 lakh	Judgement (April 1998) in favour of EDC with recovery of ₹ 44.44 lakh with interest till date of payment.	
8	M/s Shalkambari Spintex Ltd.	₹ 128.00 lakh (September 1994)/ ₹ 115.48 lakh	₹ 9.00 lakh/ (September 2009)	The Principal District Judge, North Goa, Panaji (CMA no. 43/2009)/ ₹ 729.56 lakh plus Interest	Judgement (December 2015) in favour of EDC with recovery of ₹ 1784.85 lakh with interest till date of payment.	
9	M/s Sunrise Zinc Ltd.	₹ 90 lakh (May 1999)/ ₹ 90 lakh	₹ 23.95 lakh/ (Realisation dates not available)	The Debt Recovery Tribunal – III at Mumbai (OA 61/2010)/ ₹ 443.55 lakh	Judgement (August 2012) in favour of EDC with recovery of ₹ 443.55 lakh with interest till date of payment.	
10	M/s Vishwas Steels Limited	₹ 860.00 lakh (November 1997 to June 2000)/ ₹ 860.00 lakh	₹ 368.00 lakh/ (July 2008)	Court of The Civil Judge, Panaji (Civil Suit no. 14/2002)/ ₹ 1325.91 lakh (principal ₹ 860.00 lakh)	Judgement (August 2012) in favour of EDC with recovery of ₹ 935.60 lakh with interest till date of payment, Recovery certificate issued (April 2015) by DRT.	
Total ₹ (in lakh)		1671.31	(Disbursement)	598.31	3770.60	4435.60

(Source: Information provided by EDC)

APPENDIX 3.9
(Referred to in paragraph 3.2.9.2(b))

Details of five write off cases without any legal proceedings for loan default

Sl. No.	Defaulter's Name	Sanctioned amount (date)/Disbursed amount	Realised amount and date of attachment for sale u/s 29 of SFC* Act	Case reference and amount pending recovery	Audit observation
1	M/s Polyprocess Industry	₹ 30.00 lakh (November 1997)/ ₹ 27.53 lakh	₹ 9.15 lakh (February 2001)	Court of Dy. Collector and District Recovery Officer, South Goa, Margao transferred to Court of Special Land Acquisition & Recovery Officer, North Goa, Panaji (July 2006)/₹ 44.04 lakh). Thereafter, no legal action has been initiated.	Efforts not taken to track defaulters and identify their personal assets, internal control weakness and lack of oversight by management, no database, MIS report not maintained. Senior management not periodically apprised, improper documentation and absence of efforts required to conclude on such defaulted loans.
2	Radhika Lining P. Ltd.	₹ 75.00 lakh (July 1989)/ ₹ 56.48 lakh	₹ 21.10 lakh (September 1995)	No legal case filed (₹ 94.26 lakh as per ledger).	
3	Suprapti Packaging P. Ltd.	₹ 78.60 lakh (January 1988 to September 1996)/ ₹ 69.58 lakh	₹ 22.00 lakh (December 2013)	The Principal District Judge, North Goa, Panaji. (June 2008), dismissed (March 2018) due to lack of jurisdiction, (₹ 195.32 lakh). Thereafter, no legal action has been initiated.	
4	Dharmadeep Power dive Industries Ltd.	₹ 60.00 lakh (February 1996)/ ₹ 60.00 lakh	₹ 18.00 lakh (May 2008)	No legal case filed (₹ 2.20 crore as per ledger).	
5	Kay Pee Steels P. Ltd.	₹ 77.27 lakh (April 1985)/ ₹ 76.43 lakh	Data not available	No Court case filed (₹ 61.15 lakh as per ledger).	
Total (₹ in lakh)		290.02	(Disbursement)	70.25	614.45

(Source: Information provided by EDC)

APPENDIX 3.10
(Referred to in paragraph 3.2.9.3)
Details of deficient reporting of the defaulters with CICs (like CIBIL) based on data filed in March 2023
(for 30 defaulters test checked in audit)

Sl. No.	Loan Account	Borrower Name	Write-off value (in ₹)	Guarantor Segment	Cheque Dishonour Segment	Relationship Segment	(Credit Facility Segment) Account Status	(Credit Facility Segment) Suit filed	Security Segment	unreported/partially reported	Address Segment
1	00317001	Polyprocess Industry	21,96,758	NA ³⁰	x	x	not reported	Write-off	Suit value and date	NA	Pin code and telephone numbers
2	00299601	Ludwig Flow Equipment P. Ltd.	24,57,886	x	x	x	not reported	Write-off	Decree not reported	NA	Mobile & Telephone
3	00325901	Dhwani Multi-Films P. Ltd.	46,54,284	x	x	x	not reported	Write-off	Decree not reported	NA	Residence address
4	00334902	Waman Industries	6,00,000	NA	x	x	not reported	Write-off	Decree not reported	NA	Residence address
5	00258801	Shogun Paper Industries Ltd.	17,57,928	x	x	x	not reported	Write-off	Suit value and date	NA	Mobile & Telephone
6	00110002	Radhika Lining P. Ltd.	26,24,200	x	x	x	not reported	Write-off	Suit value and date	NA	Residence address
7	00089203	Suprapti Packaging P. Ltd.	28,95,733	One guarantor reported out of the two		x	not reported	Write-off	NA	NA	Residence address
8	00340701	Masitia Steels Ltd.	88,53,410	x	x	x	not reported	Write-off	Decree not reported	NA	pin code and telephone numbers
9	00047909	Hydroflex Equipments Ltd	50,00,000	x	x	x	not reported	Write-off	Decree not reported	NA	Residence Address
10	00059901	Shah Threads P. Ltd.	19,47,309	PAN not Reported	x	x	not reported	Write-off	Suit value and date	NA	Mobile & Telephone
11	00302802	Mayur Cashew Factory	52,00,000	NA	x	x	not reported	Write-off	Suit value	NA	Mobile &

³⁰ “NA” stands for Not Applicable and hence correctly reported by EDC

Details of reporting segments and specific information unreported/partially reported						
Sl. No.	Loan Account	Borrower Name	Write-off value (in ₹)	Guarantor Segment	Cheque Dishonour Segment	Relationship Segment
						(Credit Facility Segment) Account Status
						not reported and date
12	00262401	Dharmadeep Powerdive Industrial Ltd.	33,70,576	x	x	Write-off not reported
13	00044301	Kay Pee Steels P. Ltd.	61,15,401	x	x	Write-off not reported
14	00624101	Giovanni & Zibronni Shipping P. Ltd.	2,76,63,101	PAN not reported	x	Write-off not reported
15	00225601	Impala Distilleries & Breweries P. Ltd.	4,50,00,000	x	x	Write-off not reported
16	00225602	Impala Distilleries & Breweries P. Ltd.	3,00,00,000	x	x	Write-off not reported
17	00321201	Kastub Shipping P. Ltd.	1,80,00,000	x	x	Write-off not reported
18	00247101	Shakambhari Spintex Limited (Silkon)	1,02,73,030	x	x	Write-off not reported
19	00334302	Sipra Remedies P. Ltd. (Medico Packers)	2,55,70,005	One guarantor reported out of two	x	Write-off not reported
20	00339201	Sunrise Zinc Limited	58,83,132	x	x	Write-off not reported
21	00339901	Supersonic Electronics	60,00,000	NA	x	Write-off not reported
22	00318501	Vishwas Steels Ltd.	1,32,00,040	x	x	Write-off not reported

Sl. No.	Loan Account	Borrower Name	Write-off value (in ₹)	Details of reporting segments and specific information unreported/partially reported							
				Guarantor Segment	Cheque Dishonour Segment	Relationship Segment	(Credit Facility Segment) Account Status	(Credit Facility Segment) Suit filed	Security Segment	Address Segment	
23	00339801	VVC Electronics	60,00,000	×	×	×	not reported	Write-off not reported	Suit value and date	Not reported	Mobile & Telephone
24	00568401	Ashish Health Spa	Nil	NA	×	×	NA	NA	NA	Not reported	Mobile & Telephone
25	00568402	Ashish Health Spa	Nil	NA	×	×	NA	NA	NA	Not reported	Mobile & Telephone
26	01020202	Kamat Automobiles P. Ltd.	Nil	×	×	×	NA	NA	NA	Not reported	Mobile & Telephone
27	01020201	Kamat Automobiles P. Ltd.	Nil	×	×	×	NA	NA	NA	Not reported	Mobile & Telephone
28	00304403	Maizons Coastline Developers P. Ltd.	Nil	×	×	×	NA	NA	NA	Not reported	Mobile & Telephone
29	00501405	Shaun Filaments	Nil	NA	×	×	NA	NA	NA	Not reported	Mobile & Telephone
30	00501408	Shaun Filaments	Nil	NA	×	×	NA	NA	NA	Not reported	Mobile & Telephone

(Source: Information provided by EDC)

Non/wrong reporting	18	30	23	21	14	23
Partial reporting	04	00	00	00	00	05
No faults noticed	08	00	00	07	09	02
Total	30	30	30	30	30	30

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