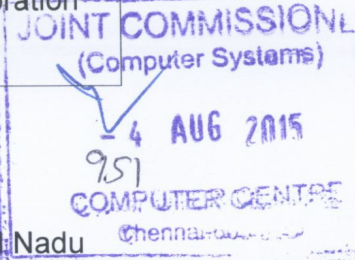


**PROCEEDINGS OF THE PRINCIPAL SECRETARY/COMMISSIONER OF  
COMMERCIAL TAXES, CHEPAUK, CHENNAI – 5.  
Present : Thiru.K. Rajaraman, I.A.S.**

Proc.No.BIU / 01 /201 4

Dated : 22 .07.2015

Sub :	TNVAT Act 2006 – Audit under Section 64(4) – Corporation of Chennai - audit of business – Orders issued.
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**ORDER:**

1. Under the powers vested under Section 64(4) of the Tamil Nadu Value Added Tax Act, 2006, the Corporation of Chennai is selected for conducting VAT Audit by the Enforcement Wing officials.

2. Procedures indicated in the TNVAT Audit Manual shall be strictly followed. Ordinarily, all Audits shall be completed within 15 days of commencement. VAT Audit proposals shall be sent to Territorial not later than 30 days from the date of commencement of Audit. Any violation of this time limit shall be dealt with sternly.

3. The Joint Commissioners of Enforcement Wing shall authorize Officers for such audit not below the rank of Deputy Commercial Tax Officer and the Officers shall comply with the provisions of Section 64(5)(a) and (b) of Tamil Nadu Value Added Tax Act, 2006 and also follow the instructions issued in the VAT Audit Manual during the course of audit of the business of these dealers.

**Points to be verified during the course of VAT Audit by the Inspecting Officer**

- The Works Contracts awarded by Corporation of Chennai for the years from 2007-08 to 2014-15 shall be verified with reference to TDS deduction and remittance to this Department.
- TDS may be recovered with interest from Corporation of Chennai, if it is not deducted and remitted to this Department on time.
- TDS may be recovered with interest from Corporation of Chennai, if it is deducted and not remitted to this Department.
- The department wise functions need to be verified of involvement of purchases, Sales, Works Contracts relating to Construction, Maintenance and Repair Works etc.
- The Mechanical Engineering Department and Electrical Department may dispose scraps which may be verified for liability under the TNVAT Act.

- The Corporation of Chennai deducts TDS @ 2% invariably in all cases. Contracts other than Civil and Civil Maintenance Contracts may be verified for ascertaining and levying difference TDS liability @2% before 10.03.2012 and 3% from 10.03.2012.
- Liability to tax by supplier/buyer in VAT chain shall be verified with reference to transaction with Corporation of Chennai.
- Details of transaction by dealer with Corporation of Chennai shall be compiled and hosted in intranet and pursued for further verification of liability to tax.

The completion of Audit shall be reported to this office within a month.

**Sd/- K.Rajaraman,**  
Principal Secretary/  
Commissioner of Commercial Taxes

To  
The Joint Commissioners (Enforcement-I), Chennai. (we).

Copy to :

- 1) The Joint Commissioner (CS) for publishing in intranet/internet
- 2) The Additional Commissioner (SMR), O/o the Principal Secretary/Commissioner of Commercial Taxes, Chepauk, Chennai

Stock file

Spare-2

//Forwarded/by order//

  
Joint Commissioner (CT)  
Business Intelligence Unit