

VAT Audit &  
Imp Recent Developments  
under MVAT Law  
by  
CA Deepak Thakkar  
at JB Nagar SCM of WIRC  
3 Dec 2017

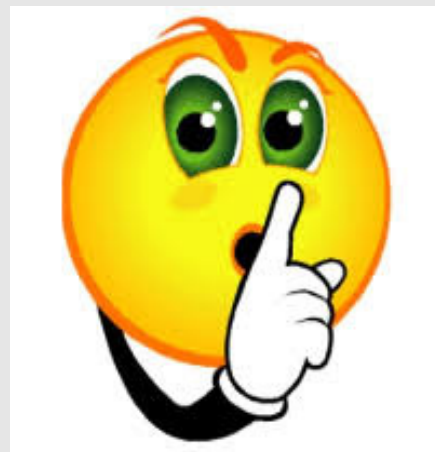


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**Put your Mobile on Silent Mode**



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## VAT AUDIT in MAHARASHTRA effective from 1 Apr 2005 till 30 Jun 2017 (Sec.61, Rule 65, 66 & 17A of MVAT Law)

1. Audit under diff. laws:  
Companies Act, since 1956;  
Income Tax Act, since 1985;  
MVAT Act, since 2005
2. Dealer, whose **turnover of Sales** (including interstate stock transfers) **or Purchases** exceed **Rs. 1 Crore in a year**, is liable for VAT Audit. (Rs. 60 lakhs upto FY 2012-13); Turnover limits apply to **Liquor License holders** also from 2013-14 onwards  
[Sec.58: Spl Provisions for statutory orders pertaining to a period shorter or longer than a year; for levy of tax or exemptions or incidental/ancillary thereto, any reference to any specified amount in any section/rule/notification issued under this Act in relation to a year shall be modified proportionately]
3. Vat audit compulsory for **PSI Units**, irrespective of any T.O.
4. Vat Audit **not required** for Dept. of Union Govt. or State Govt., Local Authority, Railways & MSRTC.
5. Vat Audit Report in **Form e-704**
6. Audit of Books of account of Dealer **by CA**
  - Report the Particulars
  - Certify Correctness & Completeness of Returns
  - Advise to pay Shortfall or claim Refund

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## AUDIT REPORT FURNISHING (Sec. 61 & Rule 66)

1. Dealer shall **upload e-Audit Report** within **9.5 mths.** of year end i.e. for FY 2016-17, on or before 15 Jan 2018
2. **Physical filing of** Letter of Submission & e-acknowledgement copy, duly signed by Dealer & Vat Auditor, by **25 Jan 2018** with Jurisdictional Nodal Officer
3. **Penalty** may be levied @ 0.1% of Total Sales, if **audit report not filed** in time [Sec. 61(2)]
4. **Penalty** may be levied @ 0.1% of Total Sales, if audit report filed, is **knowingly incomplete or arithmetically inconsistent** [Sec. 61(2A) from 1 May 2011]
5. **Proviso** to Sec.61(2) **deleted**: which provided that **for beyond control reasons**, the Due Date of 15 Jan is extended till 15 Feb
6. Default in filing report, without sufficient cause: Dealer faces **Simple imprisonment** upto 6 months, with fine [Sec. 74(3)(m)]; - **Manager of business** may be deemed as guilty [Sec. 74(6)]

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## Vat Audit Report Form e-704

### Instructions & [Order of filling up Form e-704](#);

1. Part 3: **Annexure A to K** (Tax credit-TDS Certificates, Setoff details, Financial Ratios, CST Forms, Sales & Purchase Data)
2. Part 3: **Schedule I to VI (Auto picked** certain data from Annexure)
3. Part 2- **General Information** of Dealer & Business Activities
4. Part 1- **Certification, Notes, Qualifications**, Remarks, Computation Tables (7 Tables), & Final Recommendation by Auditor, Appeal/Reference filed by Dept & pending before Court, Date & Sign of Vat Auditor (**Auto picked** certain data from Schedules & Annexure)
5. **Letter/Statement of Submission by Dealer-**  
Auditor's recommendations whether accepted, Reasons for non-acceptance & **Details of payments made, if any, based on Auditor's recommendation**

## Imp. General Instructions as given with Form e-704

- Mandatory e-filing of Audit Report in Form e-704 from FY 2008-09, [Downloading Latest Templates](#) from Dept. Website
- Inst. # 40:** Fill up Annexures, then Schedules, then Part II, then Part I & lastly **Statement of Submission** of e-Form 704; Certain fields are auto filled
- Inst. # 3:** Enclose only required documents; **However, enclosing Financials, Tax Audit Report done away with.**
- Inst. # 29:** Enclose Trial Balance of Mah. In case of Multi State Activities- **Inst. not deleted, though enclosures done away with.**
- Inst. # 33-37:** All Fields be filled up, either by Data or NA or '0'.

## ...Imp. GENERAL INSTRUCTIONS for Form 704....

**Inst. # 33-37:** Part 1 & 2 : Mandatory for all dealers;

Part 3 - only applicable Schedules & Annexure be filled up which are linked with type of Return applicable (**Inst. # 4**)

**Inst. # 5:** Instructions for Return filing, apply to Schedules of Report.

**Inst # 29:** Where the prescribed documents are not available or are insufficient/incomplete, then compute Tax Liability as per Law.

**Inst # 22:** Differential Tax Liability for Pending declaration / certificates gets reflected at: Part-1, Para 4, Table No.- 2 & 3, at Last Row column.

## ...Imp. GENERAL INSTRUCTIONS for Form 704...

**Inst # 27:** "Letter of Submission" by Dealer mentioning acceptance of Auditor's recommendation or non-acceptance with reason.

**Inst # 32:** Auditor's visit is Mandatory at Principal POB or Place for carrying on Major Business Activities

- Auditor's Sign & Seal on every page of Report including Annexures.
- Refer 'Instructions Sheet' given with vat audit report on Dept. Website

**ANNEXURE-A (MVAT & Interest Paid) Inst # 13**

Details of MVAT Paid along with returns and or Chalan corresponding to Schedule I/II/III/IV/V									
Sr. No.	Period		Due Date	Type of return (Original or Revised)	Date of filing	Amount of tax paid	Date of payment	Amount of interest on delayed payment	Amount of interest paid
	From	To							
1									Auto Calculated
2			Late fee, Penalty, Total Paid?						
...	Enter (value wise) <u>Top 98</u> entries sep. & put total of others in 99 <sup>th</sup> row.								
99									
	TOTAL								
Details of RAO									
Sr. No.	RAO No.			Amount Adjusted (Rs.)			Date of RAO		
1									
15	Enter (value wise) <u>Top 14</u> entries sep. & put total of others in 15 <sup>th</sup> row.								
	TOTAL								

**ANNEXURE-B (CST & Interest Paid) Inst # 14**

Details of the Amount Paid along with returns and or Chalan corresponding to Schedule VI for CST									
Sr. No.	Period		Due Date	Type of return (Original or Revised)	Date of filing	Amount of tax paid	Date of payment	Amount of interest on delayed payment	Amount of interest paid
	From	To							
1									
2			Late fee, Penalty, Total Paid?						
...	Enter (value wise) <u>Top 49</u> entries sep. & put total of others in 50 <sup>th</sup> row.								
50									
	TOTAL								
Details of RAO									
Sr. No.	RAO No.			Amount Adjusted (Rs.)			Date of RAO		
1									
15	Enter (value wise) <u>Top 14</u> entries sep. & put total of others in 15 <sup>th</sup> row.								
	TOTAL								

**ANNEXURE-C (VAT TDS Certificates Received ) Inst # 15**

**Details of TDS Certificates Received  
(Schedule III Item 9A (f) & Part 1, Table 2, Item (vi)c )**

Sr. No.	Name of Employer deducting tax	Address of Employer deducting tax	TIN No. of the employer , if any	Date of TDS Certificate	Amt of TDS as per Certificate (Rs.)
1					
2	Enter (value wise) <u>Top 99</u> entries sep. & put total of others on 100 <sup>th</sup> row.				
...					
...					
100	Total of remaining TDS Certificates recd				
	<b>Total</b>				<b>0</b>

**ANNEXURE-D (VAT TDS Certificates Issued ) Inst # 16**

Details of TDS certificates Issued for Job Work done by contractors.							
Sr. No.	Name of the Dealer (Contractor)	TIN ,if any	Turnover on which TDS made	Amt of tax to be deducted (Rs)	Amt of tax deducted (Rs)	Interest payable, if any	Amount paid (Rs.)
1		If no TIN, then PAN details to be given		TDS @ 2% for RD Works Contractor & TDS @ 5% for URD wef 1 Apr 12 (earlier @ 4%)			
2							
3	Enter (value wise) <u>Top 499</u> entries sep. & put total of others on 500 <sup>th</sup> row.						
4							
5							
...							
500	Total of remaining certs issued						
	<b>Total</b>						

**ANNEXURE-E (Set-off Computation) Inst # 17**  
**COMPUTATION OF SET-OFF CLAIM ON THE BASIS OF TAX PAID PURCHASES**

<b>SECTION-1 (Total Tax Paid Purchases on which Set-off is Claimed)</b>						
<b>Total tax paid &amp; URD purchases effected from the Local Supplier during the period under Audit (including Capital Assets) &amp; total purchase tax paid</b>						
Sr. No	Particulars/ Tax Rate (%)	Qty in Litres (in case of petroleum products)	Net purchase value	Tax Amt	Total paid	Gross Total (d+e)
a	b	c	d	e	f	g
1					0	0
2					0	0
3					0	0
...					0	0
10	Purchase Tax payable				0	0
	Total	0	0	0	0	0

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**Annexure E contd...**

<b>SECTION-2 (Purchases not eligible for setoff as per Rule 54 out of Section 1 Above)</b>					
<b>Details of Tax paid purchases on which Set-off is not admissible U/R 54 (Out of Section 1)</b>					
Sr. No	Sub- Rule	Particulars	Net Purchase Value	Tax	Gross Total (d+e)
a	b	c	d	e	f
1	54(a)	Passenger vehicles & parts			0
2	54(b)	Motor Spirits			0
	.....				0
11	54(k)	Pur of capital assets by hotelier which do not pertain to service of food			0
12		Pur of taxable goods from RD on which setoff is not claimed			
	Total		0	0	0

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## Annexure E contd...

### SECTION-3 (Capital Assets Eligible for Full Set-off out of Section 1 Above)

#### Details of Tax paid purchases of Capital Assets on which full set-off is available (Out of Section-1)

Sr. No.	Particulars/ Tax Rate (%)	Net Purchase Value	Tax Amount	Gross Total (c+d)
a	b	c	d	e
1				0
2				0
3				0
9				0
	<b>Total</b>	0	0	0

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## Annexure E contd...

### SECTION-4 (Purchases eligible for setoff after reduction u/r 53 out of Section 1 Above)

#### Details of Tax paid purchases on which Set-off is admissible after reduction u/r 53

Sr. No	Sub-Rule	Particulars	Net Purchase Value	Tax	Total (d+e)	Reduction	Tax amt eligible for set-off (e-g)
a	b	c	D	e	f	g	h
1	53(1)	Fuel			0		0
1A	53(1A)	Natural Gas					
2	53(2)	Tax free goods			0		0
3	53(3)(a)	Branch Trf			0		0
	.....						
11	53(10)	Processing of textiles			0		0
	Total		0		0		0

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### Annexure E contd...

#### SECTION-5 Other Purchases Eligible for Full Set-off (Section 1 less Section 2 to 4)

Details of Total Tax paid purchases Effected from Registered Dealers on which Full Set-off is calculated and allowed as per Rule 52, 52A & 55B

Sr. No.	Particulars/ (%)	Tax Rate	Net Purchase Value	Tax Amount	Gross Total (c+d)
a	b		c	d	E
1				0	0
2				0	0
...				0	0
9				0	0
				0	0
				0	0
				0	0
	<b>Total</b>		0	0	0

### Annexure E contd...

#### SECTION-6 Total Set-off Available (Section 3+4+5)

Amount of Total Set-off Available to Dealer

Sr. No.	Particulars/	Amount of Set-off claimed in Returns	Set-off determined by auditor	Difference (c-d)
a	b	c	d	e
1	Gross Input Tax		0	0
2	Setoff (ITC) Not Admissible		0	0
3	Reduction in Setoff (ITC)		0	0
9	Balance Available Set-off (ITC)		0	0
	Total		0	0

**Reasons for Excess or Short claim Set-off:- (Cross Check on Website with Hawala/Non-filers/Short-filers.....Effect on setoff claim & Report)**

**ANNEXURE-F (Inst # 18)**

**Financial Ratios and other information for the year under audit.**

(a) As per Profit & Loss A/c (Inst # 18: Ratio may be given for entire business entity )

Particulars	Current Year	Previous Year	Formula / Remark at Annexure K
1. Gross Profit to Gross Sales (GP Ratio)			1) (Sales-Cost of goods sold)/ Gross Sales ={Sales-(Opening Stock + Purchases-CI. Stock)}/ Gross Sales Or 2) Adopt from Income Tax Audit Report
2. Net Profit before tax to Gross Sales (NP Ratio)			1) NPBT/Gross Sales or 2) Adopt from IT Audit Report

**ANNEXURE-F**

**Financial Ratios and other information for the year under audit.**

(Inst # 18: Ratio shall be given for Mah. State business)

(b) Information to be furnished in relation to the sales effected within/from Maharashtra

	Particulars (To be reported as determined by the Auditor)	Current Year	Previous Year	Formula / Remark
1	Ratio Net Local Sales in Maharashtra State to Total Sales (Rs) (excluding tax under VAT & CST Acts.) (% of Local Sales out of Total Sales)			(Net Local Sales)/Total Sales = (GTO-Tax-Lab-Other Income-CST Sales)/(GTO-VAT-CST)
2	Ratio Inter-State Stock Transfer from Maharashtra State to Total Sales (Rs.)			(Interstate stock transfer from Maharashtra)/ Total Sales
3	Ratio Non Sales receipts (e.g. Job work, Labour charges, etc) to Total Sales (Rs.) * This ratio & ratio worked out at Sr. No. 9 aims to check applicability of Rule 53(6)			(Lab & other non Sale receipts)/ Total Sales

**ANNEXURE-F** (contd...)

**(b) Information to be furnished in relation to the sales effected within/from Maharashtra**

	<b>Particulars (To be reported as determined by the Auditor)</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Formula / Remark</b>
4	Ratio of inter-State stock transfer to net local sales from row 1 (This is ratio is similar to ratio worked out at Sr. No. 2 above; in Sr. No. 2, term "Total Sale" is used whereas in Sr. No. 4, term "Net Local Sale" is used)			(Interstate stock Transfer from 2/ Net local sales in Maharashtra from 1)
5	Ratio of net Local Sales of taxable goods to net sales from row 1 (Local Taxable Sales out of Net Local Sales)			(Net local Sales-Tax free goods)/Net sales from 1
6	Ratio of net Local Sales of tax-free goods to net sales from row 1 (Local Tax free Sales out of Net Local Sales)			Tax free goods / Net sales from 1

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**ANNEXURE-F** (contd...)

**(b) Information to be furnished in relation to the sales effected within/from Maharashtra**

	<b>Particulars (To be reported as determined by the Auditor)</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Formula / Remark</b>
7	Percentage of net inter-State sales excluding Export to net sales from row 1 (In Sr. No. 1, term "Net Local Sale" is used, whereas, here term "Net Sale" is used)			(OMS-Export-CST)/ Net sales as per 1 above
8	Ratio of Export sales to net sales from row 1 (In Sr. No. 1, term "Net Local Sale" is used, whereas, here term "Net Sale" is used)			Exports/ Net sales as per 1 above
9	Ratio of Gross Turnover of sales to Gross receipts (If this ratio is for Rule 53(6), then ratio worked out at Sr. No. 3 has a different interpretation?)			Sales/( Sales + Non sale receipts)
10	Ratio of set-off claimed to net sales from row 1 (At Sr. No. 1, term used is "Net Local Sales", whereas here term used is "Net Sales". Set-off claim is on all inputs, whereas Net sales in denominator is output qua only local sales.)			(Setoff-Reduction)/ Net sales as per 1 above

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**ANNEXURE-F** (contd...)

**(b) Information to be furnished in relation to the sales effected within/from Maharashtra**

11	Ratio of Gross Tax (MVAT & CST) to turnover of net sales from row 1 (Whether "Net Sales" = "Local Sales + Interstate Sales + Exports?")			(MVAT + CST) / Net sales as per 1 above
12	Ratio of Closing stock of finished goods to Net Sales from row 1 (Whether "Net Sales" = "Local Sales + Interstate Sales + Exports?")			Closing Stock of FG/ Net sales as per 1 above
13	Out of Maharashtra purchases which are capitalised			Interstate purchase of Fixed Assets which are included in pur TO
<p>* Definition/ Meaning of: Net Local Sales vis-a-vis Net Sales                  Total Sales vis-à-vis Gross Sales vis-à-vis Gross Turnover of Sales                  Non sales receipts vis-à-vis Gross Receipts.</p>				

**ANNEXURE-F** (contd...)

**B) Other Information for Maharashtra**

Particulars(Report as determined by the Auditor)		Current Year Rs.	Previous Year Rs.	
1	<b>Opening stock of Raw Materials</b>			
2	Opening stock of <b>WIP</b>			
3	Opening stock of <b>finished goods</b>			
4	Opening stock of <b>packing material</b>			
5	Opening stock of <b>stores &amp; spares</b>			
6	<b>Closing stock of raw material</b>			

**ANNEXURE-F** (contd...)  
B) Other Information **for Maharashtra**

Particulars (To be reported as determined by the Auditor)		Current Year Rs.	Previous Year Rs.	
7	<b>Closing stock of WIP</b>			
8	Closing stock of <b>finished goods</b>			
9	Closing stock of <b>packing material</b>			
10	Closing stock of <b>stores &amp; spares</b>			
11	<b>Sale of Fixed Assets</b>			
12	<b>Gross receipts as defined in MVAT Rule 53(6) 'Receipts' means ...for all activities in Maharashtra State....</b>			
13	<b>Turnover of Sales as per P&amp;L A/c</b>			
14	<b>Turnover of Purchases as P&amp;L A/c</b>			
15	<b>Total of non-sales income (i.e. labour chs, Interest, commission, etc)</b>			

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### Local Sales : Documents to be verified

1. Customer Purchase Order Copy or Confirmation of sales order or contract / agreement
2. Dispatch Evidence.... Say challan/LR/RR
3. Sale Invoice..... Tax Inv/Bill
4. Payment receivable/received
5. Ledger account of Customer

Note: Acquaint yourself with the Schedule Entries, ensure that tax is paid at correct rates

### **Annexure J-1 (Inst # 23)**

(Section 1)- Customer wise Sales liable to VAT

Sr. No.	TIN of Customer	Net taxable Amt Rs.	VAT Amt Rs.	Gross Total Rs.
1	2	3	4	5
1				0
2				0
...	<b>Enter (value wise) Top 4999 entries sep. &amp; put total of others on 5000<sup>th</sup> row.</b>			
...	<b>Refer Inst # 23: Values in J1 must be given after giving effect of DN/CN</b>			0
4999				0
5000	<b>Remaining local transaction total where tax is collected separately, not covered above</b>			0
5001	<b>Gross local sale to Non-Tin holders</b>			0
5002	<b>Gross Local sales where tax is not collected separately</b>			0
5003	<b>Gross Total</b>	0	0	0

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### **Annexure J-2 (Inst # 23)**

(Section 2)- Supplier wise Purchases liable to VAT

Sr. No.	TIN of Supplier	Net taxable Amt Rs.	VAT Amt Rs.	Gross Total Rs.
1	2	3	4	5
1	<b>Refer Inst # 23: Values in J2 must be given after giving effect of DN/CN</b>			0
2				0
...	<b>Enter (value wise) Top 4999 entries sep. &amp; put total of others on 5000<sup>th</sup> row.</b>			
5000	<b>Remaining local transaction total where tax is paid separately, not covered above</b>			0
5001	<b>Gross local purchases from Non-Tin holders</b>		?????	0
5002	<b>Gross Local purchases where tax is not paid separately</b>			0
5003	<b>Gross Total</b>	0	0	0

\* Net Taxable Amt means – Purchase amt on which VAT is charged separately.

**Note: Annexure J-3 & J-4 Deleted (regarding DN/CN qua Customers & Suppliers)**

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Setoff granted to purchaser iff tax is actually deposited into Govt. Treasury by seller;  
Suvasini Charitable Trust & other cases, Judgment dt 26 Oct 2017 (Del)

**MVAT Act Sec. 48(5) wef 1 Apr 2005:** *“For the removal of doubt it is hereby declared that, **in no case the amount of set-off or refund on any purchase of goods shall exceed the amount of tax in respect of the same goods, actually paid, if any, under this Act or any earlier law, into the Government treasury except to the extent where purchase tax is payable by the claimant dealer on the purchase of the said goods effected by him...**”*

**Delhi Vat Act: Sec. 9(2)(g) wef 1 Apr 2010:**

*“No credit shall be allowed to the dealers or class of dealers **unless the tax paid by the purchasing dealer has actually been deposited by the selling dealer with the Government** or has been lawfully adjusted against output tax liability and correctly reflected in the return filed for the respective tax period”*

**Delhi HC Held:** S.9(2)(g) of Delhi VAT Act read down by Delhi High Court holding that in case selling dealer does not pay the tax that cannot be a ground to reject claim of ITC to the Purchasing dealer unless there is collusion.

In case of collusion Dept may proceed u/s 40A.

If said provision is not read down then it would be violative of Art.14 of the Constitution.

*[Art. 14. “Equality before law: The State shall not deny to any person equality before the law or the equal protection of the laws within the territory of India; Prohibition of discrimination on grounds of religion, race, caste, sex or place of birth”.]*

All assessment/ appellate orders before the HC, Quashed.

**Mahalaxmi Cotton Ginning Pressing & Oil Ind. Vs St of Mah (2<sup>nd</sup> Case):  
VAT SA # 195 of 2015 dt 30 Oct 2017 (MSTT)**

**Sec. 48(5) of MVAT Act: Suppliers shall file Returns & actually pay taxes;**

**Mahalaxmi C.G.P.O. Ind. (2012) 51 VST 1 (Bom): Match-Mismatch Report of J1-J2 to be provided to dealers; Tax if recovered later, refund without application;**

**Mahalaxmi 2<sup>nd</sup> Ruling of MSTT dt 30 Oct 2017 (Assessment Period 2010-11):**

1. Dept is bound to follow BHC ruling of 2012 & refund/setoff shall be given after recovery from suppliers (Para 43)
2. Decision of BHC is binding on Tribunal. The Action taken by Dept against suppliers cannot be said to be timely so as to be efficacious action for recovery (Para 44)
3. It is a settled principle of natural justice that the material relied upon by the Dept which is used against him must be shown to him and he should be given an opportunity to rebut the same. He is free to contest the same. (Para 45)
4. Appellant is free to examine the record (of defaulter available with Dept) which helps him to prove his claim & Dept is bound to show this to him & give him (Para 47)
5. Dept should refund or allow the setoff, if any, recovery is made from the suppliers (Para 48)
6. Order of lower authorities to the extent of hawala transactions is set aside and case is remanded back to appellate authority to give opportunity to appellant to contest his claim in respect of such transactions. Grant appellant, proportionate setoff/refund of amt recovered from suppliers.

## II. Interstate Sales: Documents to be Verified

1. Customer's Purchase Order Copy or Confirmation of sales order or contract / agreement
2. Dispatch Evidence.... Say challan/LR/Waybill/RR/AWB
3. Sale Invoice..... Tax Inv/Bill
4. Payment receivable/received
5. Ledger account of Customer
6. Form 'C' if sale under Form 'C' *{Under Rule 12(1) of CST Rules}*, (Verify CST TIN, WEF dt., All required info completely filled, Annexure & Form, duly stamped and Signed)
7. Consequence of Form 'C' not received/receivable

## III. Interstate Stock Transfer under Form 'F' *{Under Rule 12(5) of CST Rules}*: Documents to be Verified

1. Dispatch Evidence.... Say challan/LR/RR
2. Stock Transfer Memo
3. Form 'F'
4. Consequence of Form 'F' not received/receivable

Note: a. The movement of goods should not be occasioned as a result of an order with the branch, else it would be deemed as interstate sale.  
b. To work out setoff retention u/R 53(3), also corresponding purchase details of stock transfer is required



**IV. Sale to SEZ customer under Form 'I'**  
*{Under Rule 12(11) of CST Rules}:Documents to be Verified*

- 1.Customer Purchase Order Copy
- 2.SEZ certificate copy in the name of customer with validity of period or extension letter for period validity
- 3.Dispatch Evidence.... Say challan/LR/RR
- 4.Sale Invoice
- 5.Payment receivable/received
- 6.Ledger account of Customer
- 7.Consequence of Form 'I' not received/receivable

**V. Sale in course of export under Form 'H'**  
*{Under Rule 12(10) of CST Rules}:Documents to be Verified*

- 1.Customer Purchase Order Copy  
**Note:** Customer's PO should contain the details of Export Order recd by them:  
Export Order number & date, place of export.... **Copy of export order??**
- 2.Dispatch Evidence.... Say challan/LR/RR/Way Bill
- 3.Sale Invoice
- 4.Form 'H'
- 5.Export Evidence
- 6.Payment receivable/received
- 7.Ledger account of Customer
- 8.Consequence of Form 'H' not received/receivable

## VI. Sale in Transit u/s 6(2): Documents to be verified

1. Customer Purchase Order Copy
2. Sale Invoice
3. LR copy duly endorsed (courier receipt is not transferrable so not valid)
4. Form 'C' {Under Rule 12(1) of CST Rules} from customer
5. Form 'E-I/E-II' {Under Rule 12(4) of CST Rules} from supplier
6. Ledger account of Customer; Payment receivable/received
7. Consequence of Forms Not Available:

Form 'C' from Customer	Form 'EI' or 'EII' from Supplier	Rate of Tax on Sale side (CST @ %)
YES	YES	0 %
NO	NO	Full Rate applicable on local sale of goods
NO	YES	Full Rate applicable on local sale of goods
YES	NO	2 %

### ANNEXURE-G (Inst # 19)

#### Details of CST Declaration / Certificates received

Sr. No.	Name of Dealer who has issued Declaration s or Certificates	TIN /RC No. (Put CST TIN)	Declaration/ Certificate Type	Issuing State	Declaration No.	Gross amt <u>as per Invoice</u> , covered by Declaration (Net of goods returned)	Amt for which <u>Declarati on recd</u>
1			C/F/H/E-I/E-II				
2							
3							
....	<b>Enter (value wise) Top 4999 entries sep. &amp; put total of others at 5000<sup>th</sup> row.</b>						
4999							
5000	<b>Remaining Transactions Total</b>						
	<b>Total</b>						

**Annexure H (Inst # 20)**

**Details of Form-H not received for Goods delivered in Maharashtra**

Sr. No.	Name of the Dealer who has not issued Declarations or Certificates	TIN, if applicable (Put Mvat TIN)	Invoice No.	Date of Invoice	Taxable Amt (Rs.) (Net)	Rate of Tax applicable (Local Rate)	Tax Liability (Rs.)
1							0
2							0
...	Enter (value wise) <u>Top 199</u> entries sep. & put total of others on 200 <sup>th</sup> row.						
....							0
...							0
200	Remaining transaction Total						
	Total				0		0

**Annexure I- (Inst # 21) Pending CST Forms**

**(Form C/E-I/E-II/F/I/ H (for Goods delivered to other States))**

Sr. No.	Name of the Dealer who has not issued Declarations or Certificates	CST TIN, if any	Decl/ Certif type	Invoice No.	Invoice Date	Taxable Amt (Rs.) (Net)	Tax Amt (Rs.)	Rate of Tax applicable (Local Rate)	Amt of tax (Column 7*9*%)	Diff Tax Liab (Rs.) (Col 10-Col 8)
1	2	3	4	5	6	7	8	9	10	11
1									0	0
2	Enter (value wise) <u>Top 4999</u> entries sep. & put total of others on 5000 <sup>th</sup> row.									
....									0	0
...									0	0
5000	Remaining transaction Total								0	0
	Total					0	0		0	0

## **VII. Export:** Documents to be verified

1. Customer Purchase Order Copy
2. Bill of Export /A.R.E-1
3. Packing List
4. Sale Invoice
5. Air Way Bill or Bill of Lading or Lorry Receipt
6. Bank Remittance (Consideration may be received in INR)
7. Ledger account of customer

## **VIII. High Seas Sale / Sale in course of Import:** Documents to be verified...

1. Customer's Enquiry
2. Quotation
3. Customer (HSS Buyer) Purchase Order Copy specifying foreign supplier & goods specification
4. Purchase Order copy raised on foreign Supplier specifying goods & customer PO reference
5. Import Invoice
6. Packing list
7. Certificate of Origin
8. Bill of lading when goods arriving by sea
9. Cargo Arrival Notice Copy ( CAN copy)
10. High Seas Sale agreement copy – duly stamped & signed by buyer as well as seller

**...VIII. High Seas Sale / Sale in course of Import : (Cont'd)**  
**Documents to be Verified**

11. Airway Bill & Delivery Order Duly endorsed in favor of HSS buyer when goods arriving by air
12. Letter to customs by seller – acknowledged copy
13. Letter to customs by buyer – acknowledged copy
14. Sale Invoice
15. Details of payments received & ledger account
16. Bill of Entry (in name of HSS Buyer or Importer?)
17. Customs Duty paid challan copy (Paid by HSS Buyer or Importer?)

**Annexure J-5 (Inst # 23)**

(Section 5)-Customer wise transactions of Direct Exports & High Seas Sales under CST Act, 1956

Sr. No.	Name of Customer	TIN of Customer, if any	Transaction Type	Gross Total Rs.	Major Commodity
1	2	3	4	5	6
1			Direct Export or Sale in Course of Import or Highseas Sale		
2					
...	<b>Enter (value wise) Top 199 entries sep. &amp; put total of others on 200<sup>th</sup> row.</b>				
...					
...					
200	Remaining transaction total				
201	Gross Total			0	

## Purchases: Documents to be Verified

### IX. Interstate Purchases:

1. Purchase Invoice
2. LR copy
3. Details of Payments made (say bank statement)
4. Ledger account of Supplier

### X. Import Purchases:

1. Purchase Invoice
2. Packing List
3. Airway Bill / Bill of Lading / LR
4. Bill of Entry & Customs Duty paid challan copy
5. Payment details & Ledger account of Supplier

### Annexure J-6 (Inst # 25)

#### (Section 6)-Supplier wise transactions under CST Act, 1956

Sr. No.	Name of Supplier	TIN of Supplier, (if any) (Put CST TIN)	Transaction Type	Any other cost of purchase	Gross Amt. Rs.
1	2	3	4	5	6
1			OMS Pur or Direct Import or Highseas Pur or Pur u/s 6(2) or Local Pur under Form 'H' or Interstate Stock Trf		
2					
...	<b>Enter (value wise) Top 999 entries sep. &amp; put total of others on 1000<sup>th</sup> row.</b>				
...					
1000	Remaining transaction total which not covered				
1001	<b>Purchase from Unregistered Dealers</b>				
1002	Gross Total				0

## Annexure K (Inst # 26)

1. Inst. # 26: Determination of Sales & Purchase T.O & Reconciliation with:  
Returns, P&L A/c / Trial Balance / Sales - Purchase Registers
2. Inst. # 10: Sales & purchase records as per Central Excise Act/ Customs Act/ State Excise Act : Correlate with ST records- Report any material difference at Part 1, Para 5. (Diff.in Qty/Value/etc)

## PART 3 OF FORM 704

**6 SCHEDULES**

**SCHEDULES I TO VI**

**INST. 5**

**Relevant schedules as per type of return**

**INST. 5**

**Correct schedule applicable**

**Particulars column**

**Amount as per returns and audit,  
Difference**

## Part1-Audit & Certification

1. Name of the company, TIN No. under VAT & CST Act.

1(A). Tax Audit conducted under Income Tax Act – Name of the Auditor & Date of the Report.  
or

1(B). Audit conducted under Other Laws.

or

1(C). If Accounts not audited under Other Law, report as such. (Instr.# 6)

\*Maintenance of Books of A/c, Sales Tax related records...preparing Financial Statements..  
and Data providing– Responsibility of Dealer.

## Part1-Audit & Certification contd.....

Para 2(A). Verified tax liability of Dealer.

Para 2(A) Table 1 –

1. Periodicity of returns to be filed? M / Q
2. Returns periodicity proper?  
(Trade Cir. # 26T dt. 1-10-09: Periodicity  
of Returns for F.Y. 2009-10 or as per website)
3. Stock Register maintained?s
4. Period of returns verified under Audit?
5. Returns verified under VAT Act ? TDS Return Form 424? CST ?

Yes		No	
-----	--	----	--

Para 2(B): Auditors Certification w.r.t:

- a. Obtained all information & explanations for Audit.
- b. Instructions for preparing Audit Report followed. Relevant Schedule & Annexure given. Applicable Schedules/Annexure are...
- c. Books of Account, ST Records, Invoices, Documents, maintained are sufficient for computation of VAT & CST & Sales & Purchase T.O. determined includes all transactions.
- d. The period under Audit involves no issue where for similar facts Tribunal Order was issued against the Revenue & the Dept filed a Ref/Appeal against the same....Refer Table # 7 at Part 1.



## Part1-Audit & Certification contd.....

- e. Adjustments to Sales & Purchase T.O. are supported by Documents & Entries in Books.
- f. Goods return, discounts & other DN/CN, deductions from Sales are supported by necessary Documents.
- g. Classification of Turnover of Sales qua Vat Rates/ Composition Tax is correct.

## Classification of Turnover of Sales qua Rate of Vat / Composition Tax

- 1] "Krupa Hair Tonic" is a **medicinal product** covered by Schedule Entry C-II-37 under BST Act:

**BHC observed that** merely because a product is sold without prescription, such a fact does not take away its medicinal character. The product is not a hair oil as understood in common parlance but a product which is in the nature of a hair tonic and covered by the class of drug/medicine.

**[The Commissioner of Sales Tax vs Krupa Aushadhalaya. Sales Tax Application # 21 of 2015 dt 1st Dec 2015 BHC]**

- 2] **Advance Ruling Authority** by its Order dt 23 Jun 2017 held that "**diagnostic kits**" are **not** covered by the entry for '**Drugs**' but fall in the residuary entry.

The Investigation Officers started raiding such dealers and recovering tax at higher rate on the basis of ARA Order.

**MSTT stayed the retrospective operation** of said order of ARA.

**[Vishat Diagnostic Pvt. Ltd Judgment dt 16 July 2017 MSTT]**

## Classification of Turnover of Sales qua Rate of Vat / Composition Tax

**Painter India vs St of Mah. VAT Appeal # 22 of 2017 dt 25 July 2017 (BHC):**

(in VAT SA # 952 of 2014 of MSTT):

**MVAT Act – Sec. 42(3):** Whether a work contract for repairs or reconstruction of building is a 'Construction contract' as contemplated by Sec. 42(3) – contract for substantial repairing of the buildings

**Appellants contention:** the terms 'construction' includes 'Repairs and Reconstruction' – benefit of Notification No VAT.1506/CR134/Tax-1 be granted.

**BHC Observed:** 'Works Contract' in question, is a 'Construction Contract'. The contract for construction of buildings includes the repairing, reconstruction and maintenance of building etc.

There is no distinguishing features and definitions and/or intention reflected in any provisions about the nature of buildings, whether it is new building or old building. The word "new" or "old" as observed in the impugned order as not specifically defined or explained anywhere, cannot be added by giving such restrictive interpretation to the provisions and the notification.

The term "Building" cannot be restricted only to the new building specifically when, as per the practice and the explanation so given in similarly placed provisions under the WC Act and the notification explaining the term - the repairing and/or reconstruction, if part of Construction Contract, which in normal parlance and/or understanding, cannot be read to mean that the construction contract refers under these provisions only for the new building. It is unacceptable and there is no rational and/or justification for want of specific provisions of such interpretation - the terms "Works Contract" of repair & reconstruction and "Contract of Construction" of building, include repairs and reconstruction, have been in existence for more than 15 years. There is no contra material to dislodge the same - the impugned order is set aside and assessee appeal is allowed.

**BHC Held:** Building Repair Contract is a "Construction Contract" eligible for Composition Rate @ 5% under MVAT Act

## Classification of Turnover of Sales qua Rate of Vat / Composition Tax

Levy of VAT in civil construction u/s 6 of MVAT Act r.w.

Rule 58 shall be on sand, khadi, lime, etc at the rate applicable thereto and not on 'mortar' or 'concrete mix' prepared from the same which may fall under the residuary entry.

(Sai Construction SA # 375 of 2016 dt 31 Aug 2017 MSTT)

(The Order of the Advance Ruling Authority dated 2 May 2017 in the case of Futurz Infrastructure, holding otherwise, is no longer a good law)

## Part1-Audit & Certification contd.....

- e. Adjustments to Sales & Purchase T.O. are supported by Documents & Entries in Books.
- f. Goods return, discounts & other DN/CN, deductions from Sales are supported by necessary Documents.
- g. Classification of Turnover of Sales qua Vat Rates/ Composition Tax is correct.
- h. Purchases supported by Tax Invoice. Effect of goods return & other deductions made are supported by documents. Computation of Setoff is proper. (Cross Check on Website with Hawala/Non-filers/Short-filers.....Effect on setoff claim & Report)
- i. Sales against the declarations / certificates: ALL Such Forms are produced before me, Verified by me & are in conformity of the provisions related thereto?  
\* Report Pending Forms at Annexure H & I.
- j. CQB computed as per Law.

## Part1-Audit & Certification contd.....

- k. Record of Receipts & dispatches of goods are correct & maintained properly.
- l. Tax Invoices issued for Sales are as per Law.
- m. Bank Statements examined & are fully reflected in Books.  
(Refer list of Bank A/cs reported at Table L of Part 2)
- n. Visited Principal POB / Main POB of Dealer & Dealer conducts business from declared POBs. (Inst # 32)
- o. Exercised due professional care in Auditing the Business. Based on Observations of Business Processes and Practices, Stock of Inventory and Books of A/c Maintained, I fairly conclude that –
  - Dealer deals in commodities shown in Part-2.
  - ST Records reflects True & fair view of Volume & Size of Business.
- p. Goods purchased by SEZ Unit is used in the said Unit.

## Part1-Audit & Certification contd.....

**Para 3: Report Negative Certification/ Disclaimer/ Qualifications, for any Clause from (a) to (p) of Para 2B, giving reasons: (Inst. # 7) (e-reporting @.....)**

e.g For 2B(a): For certain transactions, all information/ explanation- not received or Trial Balance not available.

e.g For 2B (h): Suppliers: Hawala/Non-filers/Short-filers

e.g For 2B (i): All CST Forms verified- Test checked.

e.g For 2B (k): Records of goods received/ dispatched- proper & correct?

e.g For 2B(m): All Bank Statements verified & fully reflected in Books- Test checked certain entries.

e.g For 2B(o): ST records reflect true & fair view of volume & size of business

## Part1-Audit & Certification contd.....

**Para 5: Material remarks/ qualifications & negative certification having impact on Tax Liability be reported here, with reasons (Inst # 7):**

- a) Sales of Capital Assets were not included while filing Returns resulting in Tax liability of Rs. -----
- b) License fees received for allowing use of Trademark/ Patent were not included while filing Returns resulting in Tax liability of Rs. -----
- c) Certain purchases not supported by Tax Invoice, resulting in reduction of set-off.
- d) Set-off reduced U/R 53( ) or set-off not eligible U/R 54( ).
- e) Pending TDS Certificate for WC for Rs. -----
- f) Difference in Sales/ Purchases compared with records as per Customs/ Excise...(Inst. # 10)

Part 1 Pt.4 – Summary of Computation of Tax & Advise

**TABLE-2 UNDER MVAT ACT, 2002**

Sr. No.	Particulars	Amount as per Returns (Rs.)	Amount as determined after Audit (Rs.)	Difference (Rs.)
i)	GTO of Sales (including taxes & T.O. of Non-Sales Transactions like Branch Transfers/ Consignment Transfers and job work charges)			Audit – Ret =
ii)	Less:- Total allowable Deductions			
iii)	Balance NTO liable for Tax			
iv)	Tax leviable under the MVAT			
v)	Excess Mvat Collection			
vi)	Less: Credits available on account of following:			

Part 1 - **TABLE-2 (contd..)**

(a)	Set-off claimed:			
(b)	MVAT Paid (ANNEXURE-A)(including interest & RAO)			
(c)	Vat TDS as per Certificates (Annexure C)			
(d)	Any other _____ (please specify)			
vii)	Total credits [(a) to (d) above] available			
viii)	Add/Less : Any other (please specify)			
ix)	Total amt payable/ refundable			
x)	Less: Total Amt of deferred tax			
xi)	Less: Refund adjusted for payment of tax under the CST Act			
xii)	Less: Excess Credit carried forward to subsequent tax period			

**Part 1 - TABLE-2 (contd..)**

xiii)	Less : Refund already granted to dealer			
	<b>Total Amount Payable/ Refundable.</b>			
i)	Add: Interest u/s 30(2)			
ii)	Add: Interest u/s 30(4)			
xiv)	Total amt payable/ refundable			
xv)	Differential tax liability for non-production of declaration/ certificate as per Annexure - H			

**Part 1 - TABLE-3**  
**Under CST ACT, 1956**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount as per Returns (Rs.)</b>	<b>Amount as determined after Audit (Rs.)</b>	<b>Difference (Rs.)</b>
i)	GTO of Sales (as per Sch. VI)			
ii)	Less:- Total Deductions available			
iii)	Balance NTO liable for Tax			
iv)	CST leviable under the CST Act, <b>subject to production of declarations listed in Annexure I</b>			

**Part 1 - TABLE-3 (contd..)**

v)	(a) Less: Amt of deferred tax			
	(b) CST Paid (ANNEXURE-B)(including interest & RAO)			
	(c) MVAT refund adjusted (if any)			
vi)	<b>Add/Less</b> : Any other (Please specify)			
vii)	Balance of tax payable/ Refundable)			
viii)	<b>Add:</b> (a)Interest U/s 9(2) read with <b>Section 30(2)</b> of MVAT Act. (b)Interest U/s 9(2) read with <b>Section 30(4)</b> of MVAT Act.			
ix)	<b>Total Dues Payable /Refundable</b>			

**Part 1 - TABLE-3 (contd..)**

x)	<b>Excess CST Collection</b>			
xi)	<b>Differential CST Liability for want of declaration as worked out in Annexure I (Pending CST Forms including Form H for Interstate Sales)</b>			

**Part 1 - TABLE-4**  
**CQB AVAILED by PSI Units**  
**(Exempted Units u/r 78)**

Sr. No.	Particulars	Amt as per Returns (Rs.)	Amt as Determined after Audit (Rs.)	Difference (Rs.)
i)	Under the MVAT Act			
ii)	Under the CST Act			
	<b>TOTAL</b>			

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**Part 1 - TABLE 5**  
**Main Reasons for additional Dues or Refund(Tax and interest thereon) (Inst # 37: Give Material reasons for Difference)**

Sr No	Reasons additional Dues (Tax & Interest thereon)	Additional Dues	
		VAT	CST
1.	Difference in Taxable Turn-over		
2.	Disallowance of Branch/ Consignment Transfers		
3.	Disallowance of Inter-state sales or Sales u/s 6 (2) of CST Act.		
4.	Disallowance of High-seas Sales		

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**Part 1 – TABLE 5**  
**Reasons for additional Dues and Refund (Tax and interest thereon) (contd...)**

5.	Additional Tax liability on account of Non-production of Declarations and Certificates.		As accepted by Dealer to pay Differential Tax which is not part of Annexure I
6.	Computation of Tax at Wrong rate		
7.	Excess claim of Set-off or Refund.		
8.	Disallowance of other Non-admissible claims. (Please Specify) (a) e.g Credit Note for Discount/ GR not allowable (b) _____ (c) _____		
9	TOTAL DUES PAYABLE / Refundable		
10	Interest payable (from due date of Return to the date of Audit) Whether it is interest u/s 30(2) or 30(3) ?		
11	TOTAL AMOUNT PAYABLE OR REFUNDABLE		

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**Part 1 – Pt. 6. Dealer has been recommended under MVAT / CST to:-**

- i. Pay Additional Tax liability of Rs.----- (Rupees ---), or
  - ii. Pay back excess refund recd of Rs. --- (Rupees --), or
  - iii. Claim additional refund of Rs.----- (Rupees ---), or
  - iv. Reduce the claim of refund by Rs. ----- (Rupees --), or
  - v. Reduce tax liability by Rs. ----- (Rupees -----), or
  - vi. Revise closing balance of CQB by Rs.--- (Rupees ----)
  - vii. Pay interest under-section 30(2) Rs.....Rs.....
  - viii. Pay interest under-section 30(4) Rs.....Rs.....
- Whether to Revise Return or only to pay tax?
  - **Revise Return u/s 20(4)(b) within 30 days of due date of furnishing Vat Audit Report i.e. for FY 2016-17 after Vat Audit, revised return due date is 15 Feb 2018; Revision only once)**

(Inst. # 27: Dealer may accept such advise, Partly or Fully as mentioned in 'Letter of Submission', giving reason)

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Part 1 – Pt 7: Tabulate details of Reference/Appeal filed by the Dept against Tribunal's Order if similar issue is involved in Auditee's case- **few examples**

Issue	Reference/Appeal No	Name of Dealer
1. Freight on sales side not taxed	APP.154/1998 Rectification Appl. No.68/ 2001 dt. 31.5.2003	Parle Products Ltd.
2. High sea sales based on Airway Bill & Delivery Order	S.A. 435/1991 dt. 9.2.1996	Mahindra & Mahindra Ltd.
3. Whether the Electrical contract executed is a construction contract & eligible for lower tax rate?	S.A.434/07 dt. 16.12.2011	Gammon India Ltd.
4. License of plant & mach is not a lease, so not liable to sales tax	S.A. 91/1997 dt. 18.09.1999	Maharashtra Soya Inds. Ltd

### Part 1 – Auditor's Certification:

- Auditor's Sign, Name, Memb #, Name of Firm, Firm Regn #, Address, Email id, Mobile & Land Line Tel #.
- **Enclosures (Stat Audit Report, Tax Audit Report, B/s & P&L, Trial Bal of Mah):**  
Enclosures done away with, however, the Auditor should take the same for his use & record

## Audit Report - Part 2 General Information of Dealer & Business

### A. General Information:

1. Email id of Dealer:
2. Mobile & Landline of Dealer:
3. PAN No.
4. Name of Dealer as per RC
5. Trade Name
6. Address (incase of change only)
7. Additional POB's Address (incase of change only)

### B. Related information under other Acts:

1. Profession Tax RC No., (New ....Digits)
2. Effective date & whether tax paid as per Returns?
3. Profession Tax EC No. (New ....Digits)
4. Effective date of PT EC

## Part 2-C. Related information under other Acts (contd.):

5. Whether Tax Paid for PT EC?
6. Luxury Tax R.C. No.
7. Returns filed under Luxury Tax Act? Payment as per Returns?
8. Entry Tax RC No.
9. Sugarcane Purchase Tax RC No
10. Eligibility Certificate Number for PSI Unit.
11. Entitlement Certificate Number for PSI Unit.
12. Excise Control Code Number (ECC)
13. Import Export Code Number.(IEC)
14. Service Tax Registration No.

## Part 2-General Information of Dealer & Business contd....

- C. Business Related information:
  - a. Whether Separate Books maintained for divisions?
  - b. Identity of Division or unit
- D. Business Activity
- E. Commodities dealt in – [5 Major commodities](#)
- F. Address where account books are kept; manually/ **electronic record, server at other place**
  - a. Name & Version of Accounting Software used.
  - b. Change in Accounting software?
- G. Major Changes & its description for:
  - i. Stock Valuation method?
  - ii. Accounting System?
  - iii. [Product line?](#)
  - iv. [New Business Activity?](#)
  - v. Other changes?

## Part-2 General Information of Dealer & Business contd....

- H. Nature of business: Mfg / Importer / Restaurant / ...
- I. Constitution of business : Prop. / Firm / Co. / ...
- J. Working Capital ..... Rs. ....(in Lakhs)
- K. Activity Codes...refer next slide.....
- L. Name of Banker, [Branch BSR No./Address, Account no.](#) – for all bank accounts maintained during the Year.

## Part-2 (K) - General Information of Dealer & Business contd....

Activity Code for <u>Top 6</u> activities based on Sales Turnover (27T/ 1-10-09)						Activity Description	Sales Turnover	Tax (Rs.)
Inst # 11: To classify commodities on the lines of economic activities based on International Standard Industries Classification- refer <a href="http://www.mahavat.gov.in">www.mahavat.gov.in</a> (69 PDF Pages) Trade Cir. # 27T dt. 1-10-09 Para 3 (vii): 4 digit classification adopted for primary, secondary and tertiary sectors.								

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## Part-2 (K) - General Information of Dealer & Business contd....

Activity Code for <u>Top 6</u> activities based on Sales Turnover (27T/ 1-10-09)						Activity Description	Sales T.O.	Tax Rate	Tax (Rs.)
		1	0	3	0	Processing of Fruits & Veg.			
		1	1	0	4	Mfg. Softdrink (13.5%) incl. ICE ( C-50 @ 6%)			
		1	2	0	0	Mfg. Tobacco Prod. Biris/Snuff (A-45A(b) @ 0%), Panmasala @ 13.5%, Cigar (D-12 @ 20%)			

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## Part-2 (K) - General Information of Dealer & Business contd....

Activity Code for <u>Top 6</u> activities based on Sales Turnover (27T/ 1-10-09)						Activity Description	Sales T.O.	Tax Rate	Tax (Rs.)
		4	7	8	9	Retail Sale Via Stalls & Markets			
		4	7	9	1	Retail Sale Via Internet			
		5	6	1	0	Restaurants & Mobile Food Service			
		4	5	1	0	Wholesale & Retail Sales of New/Used Motor Vehicles			
		7	7	1	0	Renting of Motor Vehicles, With or W/o Driver			

## e-filing of Vat Audit Report Refer Inst # 33 to 41

**Trade Cir. 27T / 01.10.09**

**Separate Instructions on the web-site**

**E-template regularly updated**

**Upload sooner.....**

## e-filing of Vat Audit Report

**Annexure, Schedules, Part I**

**Fields tried to be linked**

**Validation of Annex & Form**

**E-acknowledgment: To be signed by CA and Dealer**

**To be submitted with Part I**

## e-filing of Vat Audit Report

**Hard copy to dealer: Print as per e-template?**

**Fields of tax etc. auto calculated**

**Statement of Submissions by dealer accepting or objecting recommendation of Vat Auditor; If accepted then details of payments & revision of Returns; If not accepted then to give reasons for same**

## Reference Material

**MVAT & CST Act, Rules & Notifications, Trade Circulars, DDQs: Publications, MST News, Website**

**MVAT Audit Guide by WIRC**

**Rulings by MSTT, High Courts & Supreme Court: Website, STC, VST, STR, **GST**, etc**

*\* Best Wishes for Vat Audit \**

**THANK U All...**

**CA Deepak Thakkar**

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