

**OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES:  
ORISSA, CUTTACK.**

No.III(I)38/09-13380/CT    Dt.24/07/2009

**CIRCULAR**

**Sub: Regarding issue of Audit Report.**

As prescribed in sub-rule (3) of Rule 45, Audit Visit Reports are submitted in Form VAT-303 which has three parts. The first part is the Audit Visit Report and the second and third parts are meant for official use only. Therefore, while issuing notice in Form VAT-306 enclosing a copy of the Audit Visit Report, the portion meant for official use should be torn or struck across before issue, since those portions are not meant for the dealer audited. It has come to the notice of the undersigned that Form VAT-303 as a whole is being enclosed including the portion meant for official use and at times the portion meant for official use are left blank. Such faulty-practice on the part of the Assessing Authorities is giving rise to avoidable litigation. Therefore, it needs to be ensured not to send the “official use” portion to the dealers while issuing notice in Form VAT-306.

Considering from the point of view of working convenience, functional audit units have not been created at the circle level and thus centralized issue of notice for audit, centralized review of all audit reports and centralized distribution of Audit Visit Reports is not possible. Therefore, all the audit reports on audit conducted by different audit teams constituted in a range are to be reviewed and forwarded by the head of the concerned audit team. In cases where, Audit Visit Reports are to be retained in the same office for follow-up assessment proceeding, such reports shall be submitted to the Assistant Commissioner of Commercial Tax concerned, and in those cases, the head of

audit team shall record the date of submission in part-III of the Audit Visit Report and put his signature there.

The instructions as above shall be followed scrupulously without any deviation.

Sd/-  
**(T.K Pandey)**  
**Commissioner of Commercial Taxes,**  
**Orissa, Cuttack.**