



Special Audit

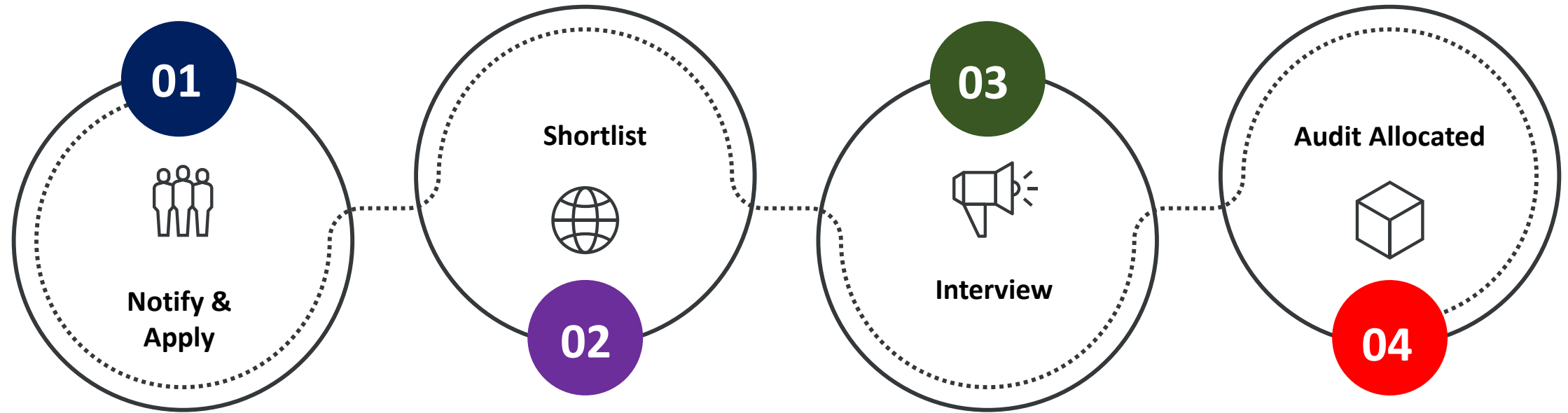
Empanelment



Eligibility

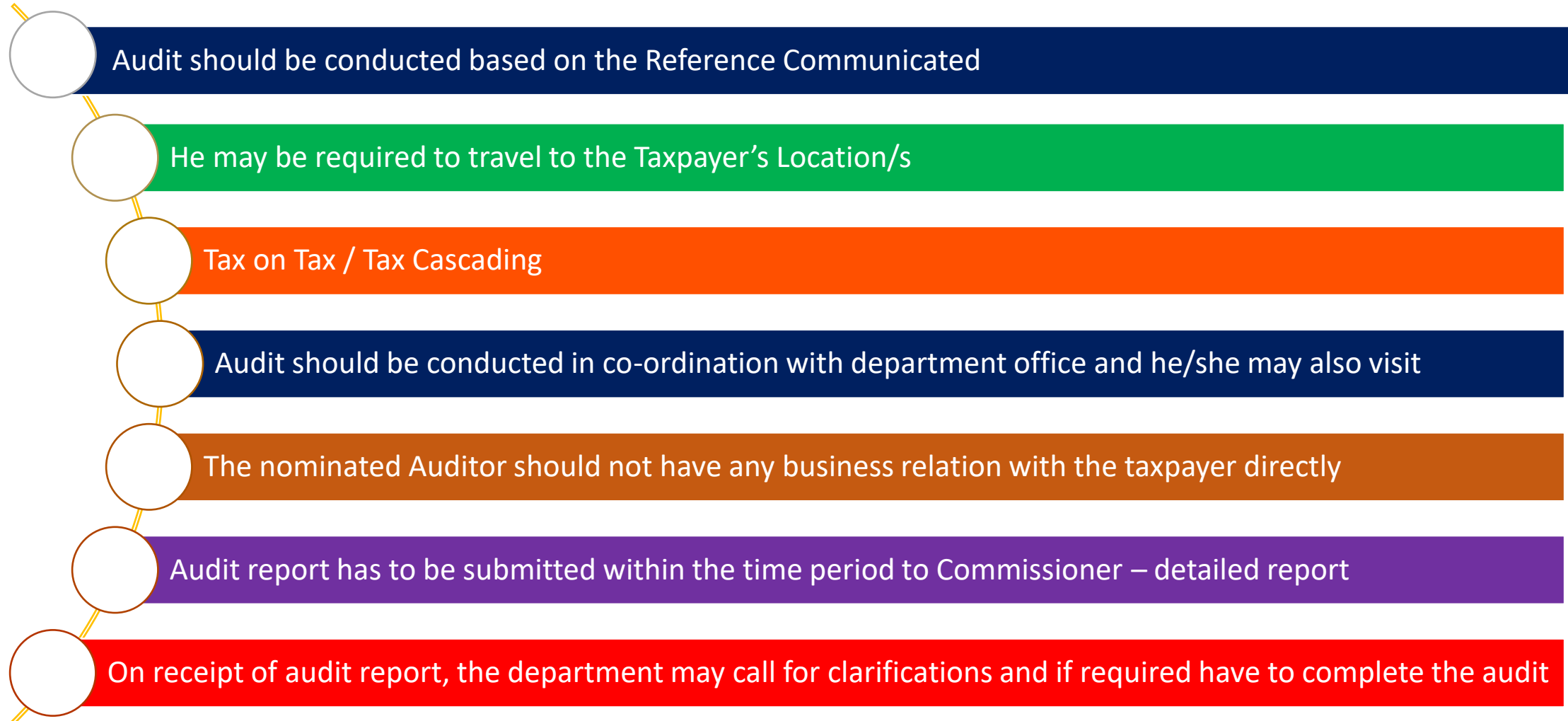
1. Be a member of the CA,/ICWA and should have valid full time Certificate of practice issued by the respective institutions
2. Possess experience of at least five years of practice in the field of Central Excise, Service Tax and GST matters:
3. iii. Not have been held guilty of any professional misconduct under the Cost and Works Accountants Act, 1959 (as amended) or Chartered Accountants Act. 1949 (as amended) during past five years or penalized under Chapter V of the Finance Act, 199,1 or Customs Act, 1962 or Central Excise Act, 1944 or The Central Goods & Services Tax Act, 2017
4. Not be facing any investigation or enquiry by the CBIC or any of its subordinate offices for many violations under the Service Tax Law or the Customs Act, 1962 or the Central Excise Act 1944 or The Central Goods & Services Tax Act, 2017.

Empanelment Process





Responsibilities & Obligations





Fees

Audit Fee – As per Delhi Audit II

Sr.No	Tax Paid by the Unit	Fee Amount
1	Up to ₹ 10 Crores	₹ 15,000
2	₹ 10 Cores to ₹ 100 Crores	₹ 25,000
3	₹ 100 Cores to ₹ 200 Crores	₹ 35,000
4	Above ₹ 200 Crores	₹ 50,000

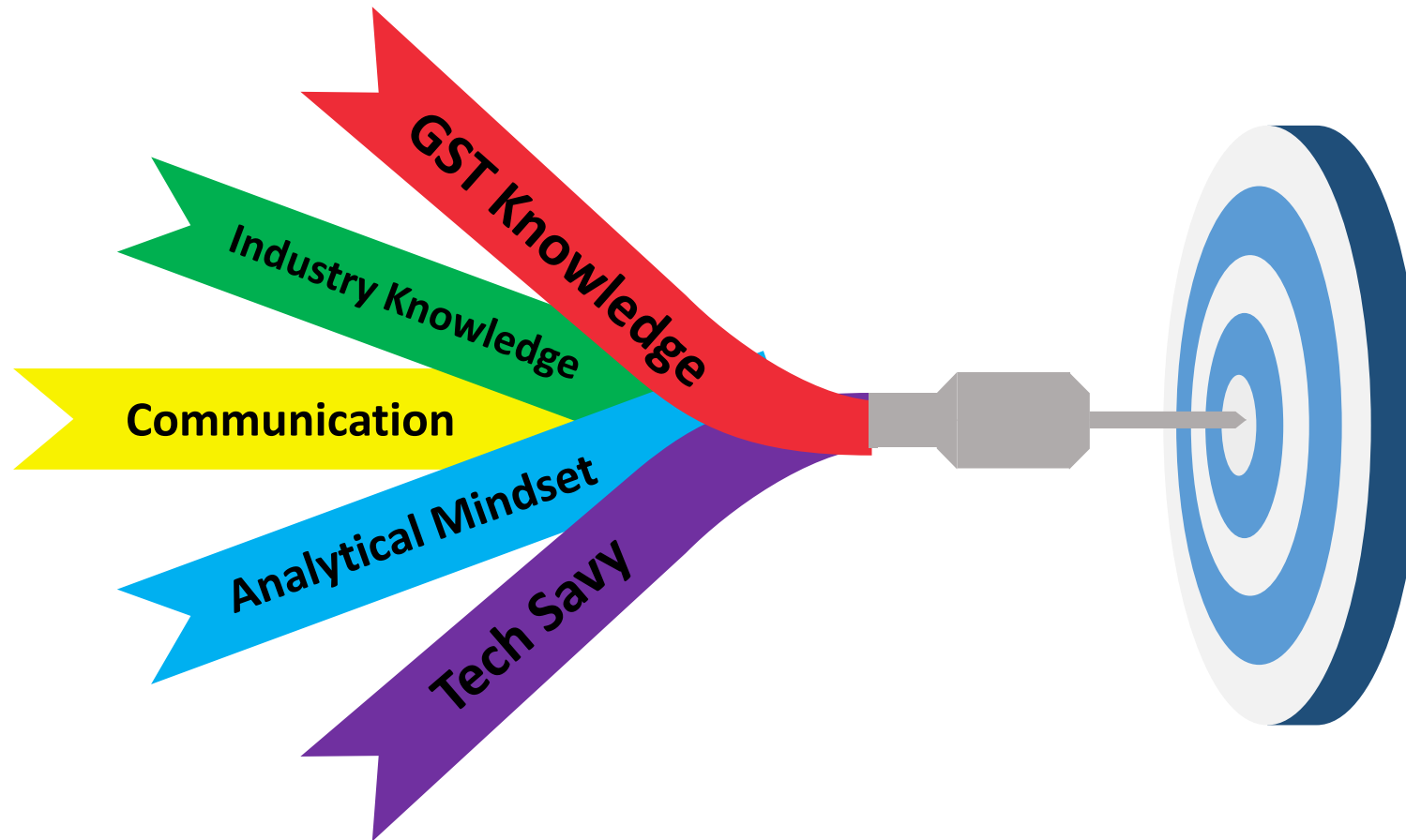


Fees

Audit Fee – As per Kolkata

Sr.No	Tax Paid by the Unit	Product Range	Fee Amount
1	Up to ₹ 60 Crores	Up to 2 products More than 2 products	₹ 25,000 ₹ 35,000
2	₹ 60 Cores to ₹ 250 Crores	Up to 2 products More than 2 products	₹ 35,000 ₹ 50,000
3	₹ 250 Cores to ₹ 500 Crores	Up to 2 products More than 2 products	₹ 50,000 ₹ 75,000
4	Above ₹ 500 Crores	Up to 2 products More than 2 products	₹ 50,000 + ₹ 10,000 for additional ₹ 100 crores ₹ 75,000 + ₹ 10,000 for additional ₹ 100 crores

success Sutras for Special Auditor



Mission Accomplished





Special Audit Case Study

The department wants to audit the books of account of a taxpayer whose turnover is more than ₹ 25,00,00,000 crores as per the financial statements. Following are the observations of the department official

Income form Operations for the year - ₹ 24,50,45,000

Majority of the income is from the same state and two contracts are outside the state.

An amount of ₹ 4,50,00,000 has received from the Panchayat Raj Department for the work executed in 2010

The agreement with the contractor is supply of services along with the required material. It is observed that material has been issued to the contractors and for which supply is not recorded in the books. The value of material issued to various contractors is

Steel - ₹ 7,45,87,000

Cement - ₹ 12,89,23,400

Diesel - ₹ 10,56,000

A contract has been issued for construction of school buildings in various villages for an amount of ₹ 19,45,78,900 which is spread across three years from 2019. The GST Rate as per the contract is issued at 5%.

Security services were engaged at various sites and it is observed that the RCM is not paid on the security services for the year 2019-20 and value of the security services is ₹ 1,67,32,900.

It is also observed that the amount of TDS deducted by the Government departments is lying in the Cash Ledger but also an equal amount is taken as input tax credit in GSTR – 3B.

It is observed that the input tax credit has been claimed on steel and cement inward supplies to a tune of ₹ 17,34,76,300.



The bank statements shows receipts of ₹ 32,23,78,300 on various dates. The taxpayer has clarified that an amount of ₹ 4,78,34,123 is received a mobilization advance.

The summary of GSTR – 1 shows that there are no documents series being reported.

As per the e-waybills, capital goods worth ₹ 8,90,23,345 has been transferred from various states to the state. It is observed that no input tax credit has been availed on the same as per GSTR – 3B and Annual Return.

It is also observed that book of accounts and records are maintained centrally.

You are requested to share you report on the

- Actual tax to be paid
- Any revenue leakage to the State
- Levy of GST on material issued to contractors
- Treatment of GST on the money received for contract executed in 2010.
- Compliance of Books and records
- ITC Reversals
- RCM payable