



GOVERNMENT OF KARNATAKA  
COMMERCIAL TAXES DEPARTMENT

No. JCCT/HRD/CR-04/22-23

Office of the  
Commissioner of Commercial Taxes(K)  
“Vanijya Therigegala Karyalaya”  
1<sup>st</sup> Main, Kalidasa Road, Gandhinagar,  
Bengaluru-560 009, Date: 11-10-2022

**NOTICE FOR EXPRESSION OF INTEREST**

Sub: Empanelment of CA/ ICWA for Special Audit of GST  
Assesses under Section 66 and for seeking of Experts  
Assistance Under Section 153 of the GST Act 2017 – reg.

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Attention of practicing Chartered Accountants and Cost Accountants is invited to the provisions of Section 66 and Section 153 of the Karnataka Goods and Service Tax Act 2017. **The Commissioner of Commercial Taxes (Karnataka), Bengaluru** proposes to have a panel of Chartered Accountants and Cost Accountants so as to nominate them to Conduct Special Audit of accounts of GST as envisaged under the said Sections.

2. **Eligibility:** In order to be eligible to be nominated for said purpose, a Person/Firm should fulfill the following conditions. The applicant firm/person should:

- i. Be a member of the CA/ICWA and should have valid full time Certificate of practice issued by the respective institutes;
- ii. Possess experience of at least five years of practice in the field of KST/KVAT/GST matters;
- 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 1994 or Customs Act 1962 or Central Excise Act, 1944 or KST Act, 1957 or KVAT Act, 2003 or Karnataka State Goods and Service Tax Act, 2017;**

- iv. Not been facing any investigation or enquiry by the Department of Commercial Taxes (Karnataka), Bangalore or any of its subordinate offices for any violations under the **KST Act, 1957/KVAT Act, 2003/Karnataka State GST Act, 2017.**

**3. Selection procedure:** The Selection will be as follows:

- i. All the Applications received up to the last date shall be scrutinized by a Committee appointed by the Commissioner in terms of guidelines issued in this regard. The basic criteria for selecting the applicant would be the experience in audit/consultancy/representation in **KST/KVAT/Service Tax and GST matters.** The selected candidates shall be called for an interview/discussion by a Committee of officers for final empanelment. The final panel shall be notified and may be modified as and when required.
- ii. Out of empaneled candidates, audits would be allotted to the firms/person as and when required by the department. Their performance would be monitored by the examining the audit reports submitted by them.
- iii. The panel so made above shall be in force for a period of two years. However, in case of necessity, new persons can be added in the panel by following the prescribed procedure.

**4. Duties and Obligation:** The Person/Firm so nominated to act as special auditor should have the following duties and obligations:

- i. The audit shall be conducted as per the Terms of reference Communicated by the Commissioner of Commercial Taxes, Bangalore.
- ii. The auditor may be required to visit the offices including branch office/head office of Department of Commercial Taxes (Karnataka) and GST Assesseees to conduct the Audit. They would be issued the requisite authorization by the office of Commissioner of Commercial Taxes (Karnataka) to call for and examine the required documents.

- iii. The Audit shall be conducted in coordination with the departmental officers. In other words, the departmental officer shall also join the audit team of the nominated CA/ICWA to conduct the audit.
  - iv. The auditor, within the period specified by the Commissioner of Commercial Taxes (Karnataka), Bengaluru shall submit a report of such audit duly signed and certified by him. The audit report shall provide full details of audit, including the audit plan, details of documents verified, result of verification, and short levy/wrong availment of Input Tax Credit etc. duly quantified and with their observations. Duly authenticated copies of sample documents shall also be enclosed with audit report for taking further action by the department.
  - v. The nominated person/firm should not have represented or advised in any manner the assessee whose audit is ordered by the department in any area like maintenance of accounts, auditing, tax consultancy, any other consultancy, representation etc. And therefore should not be in a conflict of interest position. This aspect would be verified while assigning a particular assessee for audit and a certificate in this regard would be submitted before accepting the special audit. On receipt of audit report, department may call the auditor for seeking any clarification or ask them to complete the audit, if it is found that particular area has not been examined properly.
  - vi. The empaneled Chartered Accountants and the Cost Accountants shall give an undertaking at the time of allotment of units that they may not take up Statutory Audit of the said units allocated to them for special audit and also during the period they are on the panel of Commissioner of Commercial Taxes (Karnataka), Bengaluru.
  - vii. The Auditor will not associate any junior staff in the Department of Commercial Taxes (Karnataka), Bengaluru except with due approval of CV of such person by the Department in writing.
5. *Assistance Under Section 153 of Karnataka Goods and Service Tax Act 2017: The Chartered Accountant and Cost Accountant Empaneled may also be assigned the work of assisting the Proper Officer at any stage of Scrutiny, Enquiry, Investigation or any other Proceeding before him as specified under Section 153 of Karnataka Goods and Services Tax Act 2017.*

6. **Application Particulars:** The Person/Firm desiring to be empaneled for such special audit shall apply in the annexed Proforma. The Expression of Interest may be addressed to **“The Additional Commissioner of Commercial Taxes (Head Quarters-I), Third Floor, VTK-1, Kalidasa Road, Gandhinagar, Bengaluru-560 009”**

7. **Schedule of Fees:**

7(A). Under Section 66 of Karnataka Goods and Services Tax Act 2017, the Chartered Accountants/Cost Accounts so nominated are entitled to a fees depending upon the size of the unit under special audit. As per the present guidelines of Department of Commercial Taxes (Karnataka), Bengaluru the amount of such fees payable is as indicated below:

Sl. No.	GST paid by the unit during the FY 2020-21	Fee amount
1.	Up to Rs.10 Crore	Rs.15,000/-
2.	Rs.10 Crore to Rs.100 Crore	Rs.25,000/-
3.	Rs.100 Crore to Rs.200 Crore	Rs.35,000/-
4.	Rs.200 Crore and above	Rs.50,000/-

7(B): Under Section 153 of Karnataka Goods and Services Tax Act 2017, the nominated person is also entitled for remuneration of Rs.5,000/- (for half day session) and Rs.10,000/- (for full day session).

7(C) The nominated person is also entitled for re-imbursement of travelling expense for AC 3 tier as per the instructions in force. The Chartered Accountants/Cost Accountants shall submit his/her bill along with proper vouchers etc. within one month from the date of submission of audit report.

**8. General:**

- i. It is the sole discretion of the Commissioner of Commercial Taxes (Karnataka), Bengaluru to select any of the Chartered Accountants/Cost Accountants for conducting the Special Audit.
- ii. This office reserves the right to remove name of any of the Chartered Accountants/Cost Accountants from the panel so made, after making enquires as deemed fit and such decision would be final.
- iii. This office also reserves the right to cancel/withdraw the express of interest without assigning any reason whatsoever.

**The last date of receipt of the application in this office is** 14-11-2022

This issues with approval of the Commissioner.



(SHIKHA C)  
Commissioner of Commercial Taxes  
(Karnataka), Bengaluru  
Commissioner of Commercial Taxes  
Karnataka, Bangalore.

Enclosed: proforma for application.

**Copy to:**

1. The Additional Commissioner of Commercial Taxes (e-Governance) to arrange to publish this notice on the official web-site of Commissioner of Commercial Taxes (Karnataka), Bengaluru
2. The Institute of Cost Accountants of India, Bengaluru Chapter, "CMA Bhavan" No.81, Mallikarjuna Temple Street, Basavanagudi, Bengaluru – 560 004 and are requested to give vide publicity to the above notice amongst their members.
3. The Institute of Chartered Accountants of India, #29, 1, Race Course Rd, next to SBI Bank, Madhava Nagar, Gandhi Nagar, Bengaluru, Karnataka 560002 and are requested to give vide publicity to the above notice amongst their members

**ANNEXURE**

**PROFORMA FOR APPLICATION FOR EMPANELMENT AS SPECIAL  
AUDITOR IN COMMERCIAL TAXES DEPARTMENT (KARNATAKA),  
BENGALURU**

1. Name and address of the Person/Firm. In case of firm, please also provide total number of partners and names of partners who will be engaged in this assignment.
2. PAN --- **Permanent Account Number**
3. Membership Number of ICWAI/ICAI along with date of becoming member of the institute.
4. Date of Birth in case of individual and date of incorporation in case of firm.
5. Address for correspondence including Contact Number/Mobile No. and E-mail ID.
6. Educational Qualification of member, who would be engaged in this assignment.
7. Experience in handling KST/KVAT/Service tax and GST issues like advisory, audits, representational experience, etc., in the past 5 years. Please give write up.
8. Number of cases/articles with respect to KST/KVAT/Service Tax/GST and Commercial Taxes Department matter published in Journals/Newspapers etc.
9. Gross receipts from professional practice during 2020-21 (Attach ITR Copy).

### **Verification**

I ..... Proprietor/Partner  
of M/s ..... do hereby declare that above mentioned information is true  
and correct to the best of my knowledge and belief.

Date :

Place :

**Signature**

**Self-attested copy** of following documents shall be submitted along with application:

1. Qualification Proof
2. Experience
3. Address Proof
4. PAN card copy