

CIRCULAR No. 45/2006

Sub: KVAT Act,2003 – Audit Certificate under section 42- Forms 13 and 13A
modified- instructions-issued-reg.
Ref:- (i) SRO 315/2005 dated 31/3/2005
(ii) SRO 1122/2005 dated 31/12/2005

Forms required under Kerala Value Added Tax Act, 2003 were originally notified as per the SRO read as 1st paper above. Subsequently as per SRO read as 2nd paper some forms were substituted and some new forms were inserted.

Section 42 of the KVAT Act, 2003 stipulates statutory audit by a chartered/cost accountant and filing of audit certificate thereon in Forms 13 and 13A where the turnover of the dealer in a year exceeds forty lakhs rupees.

At present, this audit is seen conducted under provisions of the Companies Act in the case of corporate assesseees and under the Income Tax Act in the case of others. But the resultant reports by themselves are not in a ready-to-use format from the viewpoint of the Commercial Taxes Department, and adds little value from the standpoint of aiding the tax collection exercise.

In the VAT scenario the conventional system of assessment by the Department has been replaced by self-assessment. Therefore all additional aids like the Audit Report which aid tax compliance have become highly essential. Hence there is an urgent need to make the format of the Report more focused and self-explanatory.

Certain complexities and inadequacies in the forms originally notified were brought to notice from various quarters. So a committee was asked to review the forms and to suggest restructuring of the forms. The committee has reviewed the forms and suggested some variations in matters of detail.

The suggestions have been examined, and those found acceptable are hereby incorporated in the forms as appended in exercise of powers under sub rule (2) of rule 100 of the Kerala Value Added Tax Rules, 2005.

The new forms shall be put into use with immediate effect. Therefore all officers are directed to see that only the modified forms appended herewith are used hereafter.

It is clarified that the Report in Form 13 & 13A will be submitted in addition to the Audited Balance Sheet and Profit & Loss Account. Assesseees having branches or head office situated outside the State shall file statement of accounts in respect of their activities in Kerala separately along with the consolidated Audited Balance Sheet and Profit & Loss Account, if not drawn up separately.

However, in case any certificates have already been filed in the pre-revised form by the prescribed date, i.e. 31st October 2006, such certificates may be accepted.

The date of filing of the audit certificate under section 42 of the Act stands extended up to 31-12-2006.

Commissioner

To All Officers

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THE KERALA VALUE ADDED TAX RULES, 2005

FORM NO. 13

STATUTORY AUDIT REPORT

(See Rule 60)

(1) This is to certify that the statutory audit of ...(Name and address of the dealer, TIN/PIN/ CST No) was conducted by me /us/M/s (Name and Address of Chartered Accountant / Cost Accountant) in pursuance of Section 42 of the Kerala Value Added Tax Act,2003 and I / We annex hereto a copy of my /our/ audit report datedalong with certified copy each of the audited Balance Sheet/Trading Account/ Manufacturing Account/ Profit and Loss Account/Profit and Loss Appropriation Account for the year ended on 31st March

(2) I/We certify that the above referred Balance Sheet and Profit and Loss Account are in agreement with the books of accounts maintained at the principal place of business at the above address and the branches situated in the State of Kerala at ...(Address of branches, if any). In my/our opinion, proper books of accounts as required by law have been kept at the above principal place of business and branches so far as appears from our examination of the books.

(3) I/We further certify that the Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the applicable accounting standards issued by the Institute of Chartered/Cost Accountants of India.

(4) I/We certify that I/We have obtained all information and explanations which were necessary for the purpose of the audit and examined all the records and information in relation to the particulars furnished by the dealer in the respective monthly and annual returns and statement in Form 13A. In my/our opinion they give a true and complete view of the state of affairs of the dealer.

(5) I/We also certify that I/We have verified the claim of input tax credit output tax and refunds with reference to the connected bills, vouchers and books prescribed and maintained by the dealer and in my/our opinion the claims put forth are in accordance with the provisions of the Kerala Value Added Tax Act, 2003

(6) I/We report our observations/comments/discrepancies/inconsistencies, if any, as under

Name and Signature of the
Chartered Accountant/Cost Accountant

Place

Date

(seal)

THE KERALA VALUE ADDED TAX RULES,2005
FORM NO.13A

STATEMENT OF PARTICULARS

(See Rules 60)

To

The Assessing Authority
(with Office Address)

PART I
GENERAL INFORMATION

1	Name and Address of the dealer with Phone, Fax, E-mail etc. (principal place of Business)	
2	TIN/PIN/CST No.	
3	Status	
4	If firm indicate names of partners, Members and their share of interest	
5	Branch(es) name & Address	
6	Return period (Year)	
7	List of books of accounts maintained by the dealer	
8	List of books of account produced and examined	
9	Method of accounting employed	
10	Whether there has been any change in the method of accounting employed vis-à-vis the method employed in the immediately preceding year.	Yes/No
11	If yes, details of deviation, in the method of accounting employed in the previous year from accounting standards prescribed and the effect thereof.	
12	Method of valuation of closing stock employed	
13	Details of deviation, if any, from the method of valuation prescribed under section 145A of IT Act, and the effect thereof.	
14	Give the following particulars of the capital asset converted into stock in trade:-	
	a) Description of capital asset	
	b) date of acquisition	
	c) Cost of acquisition	
	d) Amount at which the asset is converted into stock-in-trade during the year	
15	Total number of employees	
16	Details of Bank Account	

	i) Name of Address of bank	
	ii) Account Number	
17	List of statutory forms obtained from the Commercial Tax office with serial numbers which were used during the year.	
18	Year(s) for which appeal(s)/revision(s) are pending along with address of the authority and date of filing the appeal	
19	Details of offences detected during the year if any	
20	Details of VAT Audit conducted U/s. 23.	
21	Other (Specify)	

**PART II
FOR MANUFACTURING DEALERS**

Name of goods Manufactured	Schedule No./Entry No.	HSN Code	Rate of tax		
PARTICULARS			Quantity	Amount	Tax. Rs
(1)			(2)	(3)	(4)
A. Opening balance of:					
(1). Raw Materials (Direct materials)					
(2). Work-in-progress					
(3). Consumables(indirect Materials)					
(4). Others (Specify)					
Total Opening Balance					
B. Purchase/Receipt of Goods:					
B1. Purchase Intra –State					
(a) From VAT dealers					
(b) From Registered dealers other than VAT dealers					
(c) From Others					
Total					
B2. Purchase Inter-State					
(a) Goods liable at Entry Tax and Eligible for special rebate					
(b) Others					
Total					
B3. Inter-State Receipt by Stock Transfer					
(a) From head Office					
(b) From Branches					
Total					
B4. Import from outside the Country					
B5. Others (Specify)					
Total Purchase(B1+B2+B3+B4+B5)					
C Total (A+B)					
D. Purchase/Receipt Returns					
D1. Intra-State					
(a) To VAT dealers					

(b) To Registered dealers other than VAT dealers			
(c). To Others (Specify)			
Total			

D2. Inter State			
(a). Goods liable to entry tax and eligible for special rebate			
(b) Others			
Total			
D3. Inter-State Stock Transfer Receipt			
(a) To Head Office			
(b) To Branches			
Total			
D4. Goods Imported from outside the Country			
D5. Others (Specify)			
Total Purchase Returns(D1+D2+D3+D4+D5)			
E Total net Purchase (B-D)			
F. Direct Expenses (List each expenditure)			
(1).....			
(2).....			
Total			
G Net Purchase [E+F]			
H. Closing Balance			
1. Raw Materials (Direct Materials)			
2. Work-In-Progress			
3. Consumables (indirect materials)			
4. Others (Specify)			
Total Closing Balance			
I. Cost of Goods Manufactured during the year [(A+G) -H]			
J. Opening Balance of finished goods			
K. Goods meant for sale during the year [I+J]			
L. Closing stock value of finished Goods			
M. Sale/Issue of goods			
M1. Sales Intra-State			
(a) To VAT dealers			
(b) To Others			
Total			
M2. Sales Inter-State			
(a) Against C. Form			
(b) Others			
Total			
M3. Inter-State Stock Transfer			
(a) To Head Office			
(b) To Branches			
Total			
M4. Exports to Outside the country			
M5. Deemed Exports Sale			
M6. Others(specify)			
Total Sales /Issues (M1+M2+M3+M4+M5+M6)			
N. Sales/Issue Returns			
N1. Intra-State Sales			
(a) From VAT dealer			
(b) Others			

Total			
N2 Inter- State Sales			
N3. Inter-State Stock Transfer			
(a) From Head Office			
(b) From Branches			
Total			
N4. From Export to out side the Country			
N5. Deemed export sales			
N6. Other (specify)			
Total Sales/Issues			
Returns(N1+N2+N3+N4+N5+N6)			
O. Net Sales (M-N)			
Gross profit			

- Note: Separate statement of manufacturing goods should be prepared for each commodity manufactured during the year (for eg: if a dealer manufacture commodity "X" with the input of raw materials `A`,`B`,`C`, then the dealer has to prepare single statement for commodity `X` only, Whereas if a dealer manufacturers commodities `A`,`B`,`C`, with the input of raw material `X` then the sealer should prepare separate statements of manufacture goods for commodities `A`,`B`,`C`, and a consolidated statement for the whole concern.

PART III FOR TRADING DEALERS

Name of goods dealt with	Schedule No./Entry No.	HSN Code	Rate of tax

	Quantity	Amount	Tax. Rs
P. Opening Balance of Stock:			
Q. Purchases/Receipt of Goods			
Q1. Purchases Intra-State			
(a) From VAT dealers			
(b) From registered dealers other than VAT dealers			
(c) From Others			
Total			
Q2. Purchase Inter-State			
(a) Goods liable to entry tax and eligible for special rebate			
(b) Others			
Total			
Q3. Inter-State Stock Transfer Receipt			
(a) From Head Office			
(b) From Branches			
Total			
Q4. Import from outside the Country			
Q5. Others (specify)			
Total Purchase (Q1+Q2+Q3+Q4+Q5)			
R. Purchase/Receipt Returns			
R1. Intra-State Purchase			
(a) To VAT dealers			
(b) To dealers other than VAT dealers			
(c) Others			
Total			
R2. Inter-State Purchases			
(a) Goods liable to entry tax and eligible for special rebate			
(b) Others			
Total			
R3. Return of Inter-State Stock Transfer Receipt			
(a) To Head Office			
(b) To Branches			
Total			
R4. Purchase Returns of Import from Outside the Country			
R5. Others (specify)			
Total Purchase Returns (R1+R2+R3+R4+R5)			
S. Net Purchases (Q-R)			
T. Direct Expenses (List each expenditure)			
1.....			
2.....			
Total			
U.Total cost of Goods meant for re-sale [P+S+T]			
V. Sale/Issue of Goods			
V1. Sales Intra-State			
(a) To VAT dealers			
(b) To registered dealers other than VAT dealers			

(c) To Others				
Total				
V2. Sales Inter- State				
(a) Against C Form				
(b) Others				
Total				
V3. Inter-State Stock Transfer				
(a) To Head Office				
(b) To Branches				
Total				
V4. Export to Outside the Country				
V5. Deemed Export Sale				
V6. Others (specify)				
Total Sales(V1+V2+V3+V4+V5+V6)				
W. Sales/issue Returns				
W1. Intra-State				
(a) From VAT dealers				
(b) From Registered dealers other than VAT Dealers				
(c). Others				
Total				
W2. Inter-State Sales				
W3. Return from Inter-State Stock Transfer				
(a) From Head Office				
(b) From Branches				
Total				
W4. From Exports Out side the Country				
W5. From Deemed export sale				
W6. Others (specify)				
Total sales Returns(W1+W2+W3+W4+W5 +W6)				
X. Net Sales (V-W)				
Y Closing Stock Value (Inventory to be annexed)				
Gross Profit				

* Note :- Separate statement of commodity falling under each schedule of the KVAT Act,2003 should be prepared along with the consolidated statement (for eg: separate statement for exempted goods, 1 % goods, 4 % goods, 20 % goods & 12.5 % goods and a consolidated statement).

PART IV WORKS CONTRACT

A. Contract Receipts:
(In the case of a Contractor)

AA Ongoing Contracts	1	No. of contracts pending execution as on 1 st April (Fully & partially)			
	2	Total contract amount involved (as per (1) above)			
	3	Total contract amount received upto 31 st March of previous year			
	4	Receipts during the year (Contract wise receipts to be annexed)			
		Total	Exempted	Taxable Turnover	Tax due
	5	Works Contract Tax paid			
AB New Contracts	6	No. of contracts newly entered during the year			
	7	Total contract amount (as per (6) above)			
	8	Receipts during the year (Contract wise receipts to be annexed)			
		Total	Exempted	Taxable Turnover	Tax due
	9	Works Contract Tax paid			
AC Total	10	Total number of contracts during the year (1+6)			
	11	Total contract amount (2+7)			
	12	Total contract receipts during the year (4+8)			
	13	Balance cost of Works Contract on going (11-12)			
	14	Works Contract tax paid during the year (5+9)			
		(i) By TDS			
		(ii) Along with returns			
	15	Tax paid details		Show as annexure	

B.Contract Awarded:

(In the case of an Awarder) *

	1	No. of contracts pending execution as on 1 st April (Fully & partially)	
	2	Total contract amount involved (as per (1) above)	

	3	Total payments upto 31 st March of previous year		
	4	Payments during the year (Contract wise receipts to be annexed)		
		With TDS	Without TDS	Tax deducted
	5	Works Contract Tax deducted at source		
BB New Contracts	6	No. of contracts newly awarded during the year		
	7	Total contract amount (as per (6) above)		
	8	Payments during the year (Contract wise receipts to be annexed)		
		With TDS	Without TDS	Tax deducted
	9	Works Contract Tax deducted at source		
BC Total	10	Total number of contracts awarded during the year (1+6)		
	11	Total contract amount (2+7)		
	12	Total contract payments during the year (4+8)	With TDS	
			Without TDS	
			Total	
	13	Balance cost of Works Contract on going (11-12)		
	14	Works Contract tax deducted at source during the year (5+9)		
15	Details of remittance to Government		Show as annexure	

* Including a Contractor who awards a sub contract.

Note: Annex separate statements containing the details of awardee, nature of work, work order and date, contract amount, contract receipts and tax paid details of individual contracts.

PART V
STATEMENT OF INPUT TAX CREDIT ON CAPITAL
GOODS

Sl.No	Name of the Capital Goods purchased	Schedule No. & Entry No.	Date of Purchase	Purchase Value			Input tax paid	Entry Tax paid	Purchase Tax paid	Input tax credit availed during the year	Balance input tax credit carry forwarded to next year
				Local	Inter state	Import					
1	2	3	4	5	6	7	8	9	10	11	12
Total											

**PART VI
STATEMENT OF TAX**

Particulars for the year	Due(Rs.)	Remittance to Govt.(Rs)	Balance(Rs)
1. Value Added Tax (output tax- Input Tax)			
2. CST			
3. Entry Tax			
4. Purchase Tax			
5. Compounded Tax			
6. Excess or illegal Tax			
7. Registration/Renewal Fees			
8. Security Deposit			
9. Penalty			
10. Settlement fee			
11. Interest			
12. Others (specify)			
Total			

**PART VII
FINANCIAL RESULTS**

1. PURCHASE	
a) For resale and/manufacturing	
i) Local [(B1+ Q1 [Col.3])]	

ii) Interstate [B2+B3+Q2+Q3[Col.3]]			
iii) Import [B4+Q4 [col.3]]			
Total [i+ii+iii]			
b) As capital goods			
(i) Local (col.5, part V)			
(ii) Interstate (Col.6, part V)			
(iii) Import (Col 7, part V)			
Total (i+ii+iii)			
2. Tax Credits			
i) VAT paid on local purchase of goods [B1+Q1 [col 4]]			
ii) VAT paid on capital goods[col.8 + 10 of Part V]			
iii) Entry tax paid on interstate/import eligible for S/R [B2(a)+B4+Q2(a)+Q4(col.4)]			
iv) Entry tax paid on capital goods eligible for S/R (Col 9. of Part V.)			
v). Total [i+ii+iii+iv]			
vi)Other amount eligible for setoff [specify]			
vii). Total amount eligible for set off [v+vi.]			
3. Sales Turnover			
i) Local Sales Less return [(M1-N1)+(V1-W1) Col.3]			
ii) Interstate sales less return [(M2-N2)+(V2-W2)Col.3]			
iii)Export [(M4+M5)+(V4+V5)Col.3)			
iv) Works contract receipt (part IV A (12))			
v) Others (M6+V6 (Col.3))			
vi) Total (i+ii+iii+iv+v)			
vi) Less exemption			
vii) Taxable turnover (vi-vii)			
4. Output Tax			
i) Local Sales [(M1-N1)+ (V1-W1) Col.4}			
ii) Interstate sales[(M2-N2)+(V2-W2)Col.4)			
iii) Other (specify)			
iv) Total output tax due [i+ii+iii]			
5. Tax payment/Credit			
i) Total tax payable (4-2)			
ii) Tax paid			
iii) Balance Payable [i-ii.]			
iv) Excess credit remained unadjusted.[2-4]			
6. Details of Refund			
Particulars	Due	Effected	Outstanding
On export u/s 13			
On interstate sale/stock transfer U/s.13			
On un adjusted excess credit u/s.11			
Total			

DECLARATION

I(Name and Address of the dealer) do hereby declare that the particulars given above are true and complete to the best of my knowledge, information and belief and all information furnished here is in accordance my with the books of accounts, the 12 months returns, annual returns submitted as per Form No.....

Place

Date

Seal

Name, Signature & Status
of the dealer

Note:- 1. The above statement shall be signed by the person authorised to sign the return under the Value Added Tax Rules.

2. The above particulars shall be prepared by the dealer and submitted along with Form No. 13

AUDITOR'S REPORT

Audit report in Form No.13 of the Kerala Value Added Tax Rules, 2005 is annexed.

Place

Date

Seal

Name, Address & Signature
Chartered Accountant/
Cost Accountant

FOR OFFICE USE