

GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT

Office of the
Commissioner of Commercial Taxes,
Telangana:: Hyderabad.

CCT's Ref. No. CS(1)/18/2015, Date: 25-05-2016

CIRCULAR

Sub:- VAT Act- Ease of Doing Business Guidelines- Registration –Post
Registration Inspection Visit/ Advisory Visit – Guidelines – Reg

Ref : CCT's Ref No A(I) /107/2015 Dt : 01-12-2015

The attention of all the Deputy Commissioner is invited to the subject and reference cited.

The following circular is issued in partial modification of the circular in reference First Cited above and may be read in supersession of the instructions issued above.

Post Registration Inspection Visit/ Advisory Visit should be carried out on all new VAT dealers after obtaining the VAT Registration. The following guidelines are reiterated keeping in line the principles defined in the General Procedures Manual-II (The procedure and inspection checklist is also mentioned in the Department's Website: [www. tgct.gov.in](http://www.tgct.gov.in)).

The visits should be conducted with the following objectives:

- a) Firstly, to confirm that the VAT dealer is a genuine business and is correctly registered and that information recorded in the VAT dealer file from the registration application form is accurate. This information should provide the basis for the initial control of the VAT dealer.
- b) Secondly, the Post Registration Inspection Visit/ Advisory/ Visit has to be the most effective method to educate the of VAT dealer about the voluntary compliance. The VAT accounting requirements pertaining VAT dealer's business activities and the importance of filing the VAT Returns regularly should be detailed out to the dealer in good spirit. The penalties that would be incurred for late filing of a return and late payment of VAT should also be emphasized.

Risk Assessment:

Advisory Visits are now to be prioritized as per the risk level defined and are to be completed within the time frame stipulated and by the officers indicated below:

(The Risk category is defined as 0 being the least risk and 6 as the highest risk index)

| Sl. No | Risk Category | Type of Enterprise | Commodity | Officer | Time for advisory visit |
|--------|---------------|---|--------------------------------|------------------------------|---|
| 1 | 0 | Government Enterprise, Public Limited Companies, Private Limited Companies | All Non-Sensitive goods | Exempted from Advisory Visit | Exempted from Advisory Visit |
| 2 | 1 | Proprietorship and Partnership firms | Non-Sensitive goods | ACTO | Two months from date of issue of RC |
| 3 | 2 | Private Limited Companies | Sensitive goods | ACTO | One month from date of issue of RC |
| 4 | 3 | Proprietorship and Partnership firms | Sensitive goods | ACTO | Fifteen working days from date of issue of RC |
| 5 | 4 | Private Limited Companies | Hyper sensitive goods | ACTO | Fifteen working days from date of issue of RC |
| 6 | 5 | Proprietorship and Partnership firms | Hyper sensitive goods | ACTO | Seven working days from date of issue of RC |

Computerized Allocation of Inspectors / Advisory Visit Officers

The System will automatically do the "Risk Assessment "and throw up the tasks accordingly. The allocation of officers for post registration advisory visits will be made by the computer system automatically. The selection of the officer for conducting an advisory visit will be done randomly from the pool of officers.

All Officers shall follow timelines prescribed above and shall complete the tasks within the timelines stipulated.

The report of the Post Registration Inspection Visit/ Advisory Visit (Form VAT 303) and the summary of business activities (Form VAT 300) are made available online in VATIS.

All the inspecting authorities shall submit the advisory visit reports online (in VATIS) within 48 hours from the date of conducting the visit.

The newly registered dealer is provided with a facility to view and download the report of advisory visit related to his business, uploaded by the inspecting authority .


Commissioner of Commercial Taxes

Encl: Annexure

To
All Deputy Commissioners (CT) of the Divisions
All Commercial Tax Officers in the state
All Registering Authorities in the state
Trade Bodies(FAPCII/ CII)
Copy to Senior Officers in the Office of Commissioner (CT)

Annexure

| Sl.No. | Commodity | Hyper Sensitive/ Sensitive |
|--------|---|-------------------------------|
| 1 | Marbles and all types of tiles | Hyper Sensitive |
| 2 | Electrical goods | Hyper Sensitive |
| 3 | Automobile Spares and Accessories | Hyper Sensitive |
| 4 | All kinds of Vegetable Oils | Hyper Sensitive |
| 5 | Iron & Steel including Scrap | Hyper Sensitive |
| 6 | Ceramic Sanitary ware | Hyper Sensitive |
| 7 | All Kinds of Pulses & Dhalls | Hyper Sensitive |
| 8 | Plywood& Laminates | Hyper Sensitive |
| 9 | Granites | Hyper Sensitive |
| 10 | Ready Made Garments | Hyper Sensitive |
| 11 | Timber& Sizes | Sensitive |
| 12 | Oil Seeds | Sensitive |
| 13 | Cashew Nut | Sensitive |
| 14 | Paddy & Rice | Sensitive |
| 15 | Fire Works | Sensitive |
| 16 | Chillies | Sensitive |
| 17 | River Sand And Grit And Stone Chips | Sensitive |
| 18 | Hides & Skins | Sensitive |
| 19 | Bullion, Specie, Platinum, Jewellery And Precious Stones (Gold & Silver). | Sensitive |
| 20 | Spices & Dry Fruits. | Sensitive |
| 21 | Coal | Sensitive |
| 22 | Furniture | Sensitive |
| 23 | Hardware | Sensitive |