

## **Standard Operating Procedure (SOP)**

### **[ For Accessing the business premises under Section 71 of APGST Act, 2017 ]**

- 1) Introduction :-** Any place of business of a registered person is accessible to any officer under this Act who is authorised by the Proper Officer to inspect books of accounts, documents, computers, computer programs, computer software whether installed in a computer or otherwise and such other things as he may require and which may be available at such place for the purpose of carrying out any audit, scrutiny, verification and checks as may be necessary to safeguard the interest of revenue in terms of Section 71 of APGST Act, 2017.
  
- 2) Need for the Standard Operating Procedure :-** It is observed that uniform procedure is not being followed by the Proper Officers and the Officers so authorised to have access of any place of business of a registered person in the State and in order to bring uniformity in the procedure for the said access to business premises of registered person the following SOP is issued for guidance of the officers.
  
- 3) Circumstances under which the access to the business premises of registered persons is available :-** The access to any place of business of a registered person is available to the Officer so authorised under Section 71 of APGST Act, 2017,
  - (i) to inspect books of accounts, documents, computers, computer programs, Computer software whether installed in a computer or otherwise and such other things as he may require and which may be available at such place,
  - (ii) for the purpose of carrying out any audit, scrutiny, verification and checks as may be necessary,
  - (iii) to safeguard the interest of revenue.
  
- 4) Proper Officer to issue authorisation for Access to the business premises of a registered person and the officer to whom such authorisation can be given :-** As per Section 71 of this Act, the Proper Officer to issue Authorisation to access the business premises of a registered person is an officer not below the rank of Joint Commissioner in case of Divisions and not below the rank of Additional Commissioner in the office of the CCST entrusted with the Enforcement activities. Such authorisation may be given to any of their subordinate officers under this Act.
  
- 5) Conditions required to be satisfied before issue of Access Authorisation :-** Before authorising the access to any place of business of a registered person to any officer, the Proper Officer shall come to a reasonable conclusion, that such access is necessary to inspect books of accounts/documents/computers/computer programs/computer software/other things for the purpose of carrying out any audit, scrutiny, verification and checks to safeguard the interest of revenue. Such reasons shall be recorded in the note file by the Proper Officer.
  
- 6) Procedure for issue of Authorisation for access to the business premises of a registered person:-** For the purpose of issue of Authorisation to any officer under this Act to access the business premises of a registered person, the Proper officer can himself (*suo moto*) identify the cases fit for issuing such Authorisation by duly recording the reasons in a separate file

maintained with him for each case before issue of Authorisation. In case if any Officer subordinate to him has reasons that it is necessary to have access to any place of business of a registered person to inspect books of accounts/documents/computers/ computer programs/computer software whether installed in a computer or otherwise/ other things for the purpose of carrying out any audit, scrutiny, verification and checks to safeguard the interest of revenue in accordance with Section 71 then such subordinate Officer shall move the note file to the Proper Officer clearly indicating the reasons for such necessity. Only upon examination of the contents of the note file submitted by such subordinate officer, and after satisfying himself that the conditions specified under Section 71 are satisfied, the Proper Officer shall issue the Authorisation to the Officer subordinate to him by duly recording such reasons to belief in the note file maintained by the Officer so authorised for such access to the business premises of registered person in each case.

**7) Issue of System based Access Authorisation** :- The Access Authorisations issued shall be serially numbered containing System Generated Document Identification Number (ARN Number) and such number shall be generated in the Enforcement Module compulsorily on each and every Access Authorisation. No manual Access Authorisations shall be issued by Proper Officers. If any Access Authorisation does not contain the System Generated Document Identification Number then it shall be presumed as unauthorised one.

**8) Maintenance of Access Registers** :- The Proper Officer shall maintain the Access Registers indicating the details of name of the Authorised Officer, Designation, Date of issue of Authorisation, Name of the assessee, GSTIN, Brief description of reasons to believe in authorising the access to the business premises, Result of the access, etc., Similarly the Authorised officer shall record in his Access Register the details of such Access viz., Name of Assessee, GSTIN, Brief description of the result of access, etc.,

**9) Procedure to be followed by Authorised Officer after receiving the Access Authorisation**

**:-** Upon possessing the Access Authorisation issued by the Proper Officer, the Authorised Officer shall visit the authorised premises and inspect the documents/books of accounts/computers/computer programs/computer software/other things as stated under Section 71 and if required collect the relevant documents as required for safeguarding the interest of revenue. The Panchanama shall be written in respect of the documents collected by duly following the procedure. After the completion of the visit of the premises, the Authorised Officer shall immediately put up the executed Access Authorisation along with the documents/books/ other things, etc., collected to the Proper Officer along with his findings in the form of a report in the note file. The entire action taken as above shall be recorded in the proper registers. The copies of such model registers are herewith enclosed.

**10) Post Access procedure to be followed by Authorised Officer** :- Consequent upon the conduct of visit based on Access Authorisation, if the Authorised Officer is of the opinion that any further information is required from the assessee/statement is required from the assessee regarding the transactions in the collected documents/books/ things, then he shall put up the file to the Proper Officer to obtain written permission in the note file to issue summons to the assessee in terms of Section 70 of APGST Act, 2017. The SOP issued in respect of issue of summons shall be followed. If the summons are issued to the assessee only to obtain the information/data/ documents then in case if the same is not submitted by the assessee then fresh summons shall be issued to the assessee only after obtaining the written permission from Proper Officer in the note file indicating the fact of non-furnishing of the information/data/documents by the assessee. If the summons are issued to the assessee for

his personal appearance, then if the assessee has appeared for the summons then the statement shall be recorded from him. If the assessee did not appear for summons then fresh summons shall be issued to the assessee only after obtaining the written permission from the Proper Officer on every such instance of issuing fresh summons in the note file indicating the fact of non-appearance of the assessee.

**11) Initiation of Assessment proceedings after completion of process of visit :-** Consequent upon search/inspection of the premises and consequent visit to the business premises and gathering of required information/data/documents by the Authorised Officer and after consolidating his findings based on the material evidences gathered, the entire facts along with the proposals to issue Assessment authorisation shall be put up by the Authorised Officer to the Proper Officer in the same note file. The Proper Officer shall examine the entire material on record and findings of the Authorised officer and upon satisfying himself about the sustainability of the case, he may issue written permission to the same Authorised Officer or to any other Assessing Authority to initiate assessment proceedings. Only after obtaining such written permission from the Proper Officer, the Officer so authorised shall initiate assessment proceedings against such assessee. The assessment proceedings shall be continued by the Assessing Authority as per procedure.

Approved vide Circular dt.15.09.2020.

**Chief Commissioner (ST),  
A.P., Vijayawada.**

**Standard procedure to be followed**  
**while accessing business premises of a registered person based on access authorisation**  
**issued under Section 71 of APGST Act, 2017**

- 1) The Proper Officer may issue Access Authorisation to their subordinate officer to access and visit business premises of a registered person if he has reasons to believe that the conditions stipulated under Section 71 are satisfied to issue such authorisation. The Authorisation shall contain an annexure indicating the material evidences to be collected in the business premises of a registered person and also the points to be observed during the visit. Necessary entries shall be made in the appropriate Registers by the Proper Officer issuing Access Authorisation. He shall arrange all the facilities to the Authorised Officer viz., items to be carried to the authorised premises, arrangement of vehicles, white papers, stationary, etc., It is advisable to brief the Authorised Officer the purpose of issuing the Access Authorisation, documents to be collected, etc., in order to save time during visit. Utmost secrecy shall be maintained by the Proper Officer and also the Authorised Officer regarding the visit. The Authorised Officer shall also record the details of Access Authorisations received by him in a register.
  
- 2) **Conducting of visit proceedings** :- After obtaining Access authorisation the Authorised Officer shall prepare himself for the visit. He shall have a brief note on the relevant documents to be collected during the visit. The required material shall be kept ready by him viz., the white papers, seal, carbon papers, pens, lac, cloth, covers, file pad, Act Books, Identity cards of officers while visiting the business premises, etc., as will be useful for writing Panchnama. Before visiting the business premises the Panch witnesses shall be kept ready with him. Precaution should be taken to avoid those persons as panch witnesses who are dependent for their livelihood on the investigating Department viz., Department hired vehicle owners, department hired vehicle drivers, their family members, etc., Upon reaching the authorised premises, the Authorised Officer shall inform the person incharge of the premises about the purpose of their visit and show him their Departmental Identity Cards. The Authorised officer shall commence the proceedings at the premises only after showing the Access Authorisation to the person incharge of the premises. The signatures of Panchas, person incharge of the premises shall be taken on Access Authorisation in token of having shown it to the person incharge of premises. Before start of proceedings the visiting team shall offer themselves for their personal search to the person incharge of the premises in front of Panchas and the same shall be recorded in the Panchnama. Similarly after conclusion of visit the visiting team shall again offer themselves for their personal search to the person incharge of the premises in front of the Panchas and the same shall be

recorded in the Panchnama. The visit proceedings shall be conducted in a professional and peaceful manner. No religious sentiments shall be hurt during the visit. The honour of women present in the premises shall be respected. No damage to the property shall be done during the visit. All the documents/things gathered during the visit shall be kept at one place with proper numbering and it shall be entered in the annexure to the Panchnama. After completion of visit, the Panchnama shall be written in a proper format. In the Panchnama the signatures of Panchas, the person incharge of the premises visited and also the signature of the head of the visiting team shall be taken in every page. If the person incharge of the premises insists to have a copy of Access authorisation, a copy of it may be given to the person incharge of the premises. Before leaving the premises, a copy of Panchnama along with the copy of Annexure of items/documents/books received shall be handed over to the person incharge of the premises under proper acknowledgement. If quantification of goods is to be done then the same shall be done scientifically so as to arrive at the exact quantities. After completing the visit, the Authorised Officer shall come to office as soon as possible and he shall surrender the original Access authorisation to the Proper Officer who has issued Access Authorisation along with copy of original Panchnama & items/documents/books collected by duly mentioning in the backside of the Access Authorisation along with his observations made if any during the visit. Proper entries shall be made in the registers by both the Proper Officer and Authorised Officer.

## PANCHANAMA

Date & Time : 24-10-2020 & 11.00 hrs

Name & Address of the premises : M/s. XYZ Furniture (P) Limited,  
Door No. 4-2-205 to 216,  
Somasundaram Street, Lane beside Subhash Theatre,  
Patamata, Vijayawada – 512 072.

Name of panchas :

- |   |  |
|---|--|
| 1. Shri P.Anil kumar S/o P.Kishore Kumar<br>aged 43 years,<br>Resident of H. No. 42-2-39, M. K. Lane,<br>Near Ganesh Temple, PWD Grounds,<br>Vijayawada – 64.<br>Mobile No. | 2. Shri V.Khageswara Rao S/o V. Ramaiah<br>aged 25 years,<br>Resident of H.No. 2-34/B,<br>Opp ; Hanuman Temple, SN Puram,<br>Vijayawada – 512 078.<br>Mobile No. |
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Today i.e., on 24-10-2020 at around about 10.45 hrs., some officers approached us and introduced themselves as Officers from Enforcement Wing of Commercial Taxes Department, Government of Andhra Pradesh, Vijayawada. The officers requested us to witness certain official proceedings that are going to take place in a nearby premises. On being accompanied, we were informed that they are going to visit and access the business premises of M/s. XYZ Furniture (P) Ltd., in Patamata, Vijayawada. At the time of our visit, one person was available in the said premises who identified himself as Sri. Kalluri Ramesh Rao, alias Shri. K. Ramesh Rao, Managing Director of M/s. XYZ furniture (P) Ltd.,. There after the officers, in our presence, informed Sri. K. Ramesh Rao, about the purpose of their visit and showed the Access Authorisation signed by Special Commissioner of Commercial Taxes, Enforcement Wing/Joint Commissioner of State Taxes, Division of Andhra Pradesh Commercial Taxes Department. Sri. K. Ramesh Rao has gone through the said Access Authorisation and signed on it in token of having seen the same and we too appended our signatures on it in token of having seen the same. There upon immediately the officers have shown their official Identity Cards to Shri. K. Ramesh Rao who has gone through them and satisfied himself about the bonafides of the officers. The officers before commencement of the visit proceedings offered themselves for personal check, for which Sri. K. Ramesh Rao, had politely declined. The officers then in our presence commenced the visit proceedings in the entire premises consisting of cellar, ground, 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> floor. Office of M/s.XYZ Furniture (P) Ltd is located in the 1<sup>st</sup> floor of the building. The officers during inspection proceedings found some incriminating documents pertaining to purchase, stock transfer, sale of furniture, GST returns, Balance Sheet copies in the office premises and certain loose papers in the said premises. Then, the officers on reasonable belief that the said documents are useful for the purposes of carrying out audit/scrutiny/verification/checks and necessary to safeguard the interest of revenue, expressed their intention to take along with them these documents

for further verification, for which Sri. K. Ramesh Rao has readily accepted. Then the officers in our presence segregated these documents and detailed them serially numbered from 1 to 174 in the Schedule/Annexure enclosed to this Panchanama. We have appended our signatures on the first and last page of the records collected and also on the Schedule/Annexure. The officers have not collected anything other than those records mentioned in the Schedule/Annexure. After completion of the visit proceedings, just before leaving the premises, the officers once again offered themselves for personal check, for which Sri. K. Ramesh Rao politely declined. Proceedings under this Panchanama are conducted in a calm and peaceful manner and there is no harm or damage is caused by the officers either to person or property during the visit proceedings. No religious sentiments were hurt during the visit proceedings conducted by the officers. The Panchanama was typed by one of the officers as narrated by Shri. K. Ramesh Rao in our presence. Proceedings under this Panchanama are concluded at 21.00 hours on 24-10-2020. Before leaving the premises, a copy of the Panchanama along with the copy of Schedule containing the details of records/documents/material collected were given to Shri. K. Ramesh Rao who has gone through the same and satisfied himself about the contents.

*Gone through the panchanama and agree that it is as per our narration.*

Scribe :

(I. Bhaskar),  
Assistant Commissioner  
Enforcement Wing,  
Commercial Taxes Department  
[signature with seal]

In my presence

( M.Srinivas )  
Deputy Commissioner  
Enforcement Wing,  
Commercial Taxes Department  
[signature with seal]

Witnessed :

1) P. Anil Kumar

2) V. Khageswararao

( K.Ramesh Rao )

**SCHEDULE/ANNEXURE**

[Inventory of items collected during the access/visit  
to the business premises of registered person as per the authorization issued  
under Section 71 of APGST Act, 2017]

Panch witnesses :

- |   |  |
|---|--|
| 1. Shri P.Anil Kumar S/o P.Kishore Kumar<br>aged 43 years,<br>Resident of H. No. 42-2-39, M. K. Lane,<br>Near Ganesh Temple, PWD Grounds,<br>Vijayawada – 64. | 2. Shri V.Khageswara Rao S/o V. Ramaiah<br>aged 25 years,<br>Resident of H.No. 2-34/B,<br>Opp ; Hanuman Temple, SN Puram,<br>Vijayawada – 512 078. |
|---|--|

[signature with date]

[Signature with date]

- 1.....
- 2.....
- 3.....
- .....
- .....
- .....
- .....

[Signature of the person incharge of the premises visited]

(Authority)  
Signature with seal

(Received copy)  
[Signature of the person incharge of the premises visited]

1) Access Register to be maintained by the Proper Officer :-

Sl. No.	Access Authorisation Number (ARN Number) generated by System	Date of issue of permission to the Authorised Officer for accessing a business premises of a registered person	Name & Designation of Authorised Officer to whom the permission was issued	Name of the assessee/ person against whom access authorisation was issued	GSTIN of the assessee/ person	Date of visit of the Authorised Person to the business premises of a registered person	Date of submission of the report by the Authorised Officer after accessing the business premises of registered person	Brief description of the findings of the Authorised Officer after visit to the business premises of registered person
1	2	3	4	5	6	7	8	9

2) Access Register to be maintained by the Authorised Officer :-

Sl. No.	Access Authorisation Number (ARN Number) generated by System	Date of issue of permission to the Authorised Officer for accessing a business premises of a registered person	Name & Designation of the Proper Officer who has issued permission for access the business premises of the registered person	Name of the assessee/ person against whom access authorisation was issued	GSTIN of the assessee/ person	Details of books of accounts/ documents/ computers/ computer programs/ things inspected during the visit to the business premises	Date of submission of the report by the Authorised Officer after accessing the business premises of registered person	Brief description of the findings of the Authorised Officer after visit to the business premises of registered person
1	2	3	4	5	6	7	8	9