

CHAPTER X

AUDIT, INVESTIGATION AND ENFORCEMENT

58. (1) The Commissioner may, serve on any person in the prescribed manner, a notice informing him that an audit of the affairs of his business shall be conducted and in a case where an assessment had already been concluded under this Regulation, reassessment may be made or assessment already made may be confirmed.

*Explanation.*— A notice may be served notwithstanding the fact that the person may already have been assessed under sections 31 or section 32 or section 33.

(2) A notice served under sub-section (1) may require the person on whom it is served, to appear on a date and place specified therein, which may be at his business premises or at a place specified in the notice, to either attend and produce or cause to be produced the books of account and all evidence on which the dealer relies in support of his returns (including tax invoices, if any), or to produce such evidence as is specified in the notice.

(3) The person on whom a notice is served under sub-section (1) shall provide all co-operation and reasonable assistance to the Commissioner as may be required to conduct the proceedings under this section at his business premises.

(4) The Commissioner shall, after considering the return, the evidence furnished along with the returns, if any, the evidence acquired in the course of the audit, if any, or any information otherwise available to him, either—

(a) confirm the assessment; or

(b) serve a notice of the assessment or re-assessment of the amount of tax, interest and penalty, if any, pursuant to sections 32 and 33.

(5) Any assessment pursuant to an audit of the affairs of the business of the person referred to in sub-section (1) shall be without prejudice to prosecution for any offence under this Regulation.

59. (1) All records, books of account, registers and other documents, maintained by a dealer, transporter or operator of a warehouse shall, at all reasonable times, be open to inspection by the Commissioner.

(2) The Commissioner may, for the proper administration of this Regulation and subject to such conditions as may be prescribed, require—

(a) any dealer; or

(b) any other person, including a banking company, post office, a person who transports goods or holds goods in custody for delivery to, or, on behalf of, any dealer, who maintains or has in his possession any books of account, registers or documents relating to the business of a dealer, and, in the case of a person which is an organisation, any officer thereof—

(i) to produce before him such records, books of account, registers and other documents;

(ii) to submit such clarifications; and

(iii) to prepare and furnish such additional information,

relating to his affairs of business or to the activities of any other person connected with the affairs of his business, as the Commissioner may deem necessary.

(3) The Commissioner may require a person referred to in sub-section (2), to—

(a) prepare and provide any documents; and

(b) verify the clarifications submitted to the Commissioner,