



**आयकरनिदेशालय (पद्धति)
DIRECTORATE OF INCOME TAX (SYSTEM)
एआरएसेंटर, भू-तल, ई-2 झंडेवालानएक्स
ARA Center, Ground Floor, E-2, Jhandewalan Extension,
नईदिल्ली – 110055, New Delhi – 110055**

F.No.System/ITBA/Instruction/Audit/2017-18

Dated: 29/08/2017

To

**All Principal Chief Commissioners of Income Tax/ CCsIT (By Name),
All Principal Director Generals of Income Tax/DGIT (By Name),
All Principal Commissioner of Income Tax/CsIT/CsIT (Admin & TPS, CO) (By Name),
All Principal Directors of Income Tax/DsIT (By Name)**

Subject: Launch of Audit Module in Income Tax Business Application (ITBA)– Reg.

Sir/Madam,

This is in reference to the subject mentioned above. The functionality for Internal Audit and Revenue Audit is available in Audit module of ITBA w.e.f. 28.08.2017.

2. The Board in supersession of all existing instructions on audit in general and Instruction No. 3 of 2007, Instruction No. 15 of 2013, Instruction No. 4 of 2015, Instruction No. 6 of 2017 and Instruction No. 7 of 2017 in particular, has issued Instruction 06/2017 and 07/2017 for compliance by officers concerned.
3. Audit module of ITBA covers the entire process of Internal Audit and Revenue Audit in the Department. The process for Internal Audit starts from generation of list of Auditable Cases (assessments completed in a period) in descending order of Audit Potential Index, assignment of cases to auditors, raising objections, decision on acceptance/ non-acceptance of objection, initiation of remedial action if accepted and settlement of objection. The process of Revenue Audit in ITBA starts from receipt of LAR, decision on acceptance/ non-acceptance, remedial action if accepted and settlement of objection. Ledger card is maintained for all major audit objections which are accepted. Dynamic registers and statements have been provided to help the users plan their work. In the current phase, the functionalities for Internal Audit have been made available to the users in ITBA.

4. The Audit module of the ITBA can be accessed by entering the following URL in the browser:
<https://itba.incometax.gov.in>

The path for Audit module is: ITBA Portal → Login → Modules → Audit

INTERNAL AUDIT:

5. Following functionalities are available for Internal Audit through ITBA:

- a. **Generation of Auditable Cases:** The functionality of generation of auditable cases will be available from List for Internal Audit cases screen. The list will be generated in descending order of Audit Potential Index, introduced by Board's Instruction no. 6 of 2017 mentioned earlier. The CsIT(Audit) and their Headquarter will be able to generate the list for the auditable cases. From the list of available cases, the users can assign the cases to Addl. CIT/ JCIT (Audit), SAP and IAP. The users have been provided filters to generate list of auditable cases from entire pool of assessments completed in selected period in all the CCsIT assigned to a CIT (Audit) or select any of the CCIT/ PCIT/ Range/ AO and assign cases to Audit Officer.

To begin with, the assessments completed on or after 01.04.2017 in ITD or ITBA (when Assessment Module is rolled out) is being made available for the purpose of generation of list of auditable cases.

- b. **List of Assigned Internal Audit Cases:** The [Addl. CIT/ JCIT (Audit), SAP and IAP can view the list of cases assigned to them for Internal Audit on the screen from the List of Assigned Internal Audit Cases. The Audit units can send requisition for record to the Assessing Officers and the AOs, in turn, can generate forwarding letter from the System. Similarly, the Auditor can also generate forwarding letter for returning the record received. The auditor can generate Audit Memo for the relevant cases and mark 'Audit Complete' for cases in which audit has been completed. They have also been provided a link to view/ download the assessment orders for the cases assigned to them.
- c. **Audit Memo:** The Audit units have been provided with facility to generate Audit Memo for cases assigned to them. The classification of the Audit.Objection / as Major / Minor will be as per the definition in Board's Instructions supra. The Audit units need to generate separate Audit Memo for each objection for a case involving multiple objections. The process for approval of major objection by the CIT (Audit) and the Addl. CIT/ JCIT (Audit) online, as provided in Board's Instruction supra, has also been provided.

- d. **Acceptance/Non–Acceptance and Settlement of Objections:**The process for acceptance/non-acceptance of objections by the assessment authorities and their online settlement by the Audit Wing, as per the Board’s instruction supra, has been provided.
- e. **Remedial Action:** The Audit Module also provides facility for selection of appropriate action for remedial action (263/ 147/ 154) wherever objection is accepted and on such selection, a pendencyfor initiation of action under the relevant section shall be created.
- f. **Ledger Card:**Ledger Card will be maintained for each officer for assessment order(s) passed by them for major audit objections which are accepted.
- g. **Call for Explanation:** This process allows the PCIT to call for explanation from the concerned officer/ staff whenever a major audit objection is accepted.
- h. **Dashboard and MIS Reports:**The dashboard and MIS reports / registers for the module are accessible through Audit Home Page.
The path for the same is AuditHome Page→MIS Reports

6. **Pending Internal Audit Objections:** A separate instruction will be issued on the process to cover pending internal audit objections as on date and objections raised after issuance of this instruction on audit cases which have already been assigned to the Audit Officers.

REVENUE AUDIT:

7. Following functionalities are available for Revenue Audit through ITBA:
- a. **Recording of LAR:** The functionality for recording of LAR will be available from Record LAR screen. Assessing Officer will be able to record the LAR in the system which is received in physical form by him. He can also attach a copy of the LAR. User will then submit the workitem to Range to provide his comments on the audit objection.**The users need to create separate workitem for each para in a LAR even if they relate to the same order to enable future workflows.**
 - b. **Acceptance/Non-Acceptance of Objection:** The PCIT can record whether the objection is accepted or not accepted.
 - c. **Explanation/clarification to C&AG office details:** A facility has been provided for the users to generate their response to C&AG office on System and take a print-out which can then be sent to the addressee.

- d. **Rejoinders:** A facility has been provided to record Rejoinders received from C&AG Office physically. The users can record gist of Rejoinder and attach copy of Rejoinder as an attachment.
- e. **Statement of Fact and Draft Para:** The users can also record Statement of Fact (SoF) whenever the same is received in a case. Whenever a Draft Para is received, the users have been provided a facility to generate report in Proforma A and Proforma B.
- f. **Remedial Action:** The Audit Module also provides facility for selection of appropriate remedial action (263/ 147/ 154) wherever objection is accepted and on such selection, a pendency for initiation of action under the relevant section shall be created.
- g. Besides the above mentioned functionalities, the functionality for **Call for Explanation, Ledger Card** is also provided for Revenue Audit in similarity with Internal Audit process.

It would be pertinent to mention here that the Directorate of Income-tax (Systems) is in the process of having an interface with the C& AG which is expected to save a large part of effort for officers on both ends.

- 8. **Pending Revenue Audit Objections:** A separate instruction will be issued on the process to cover pending revenue audit objections as on date.
- 9. Audit hierarchy users are requested to contact their respective RCC Administrator for necessary role tagging and hierarchy definition in ITBA HRMS in case the same has not been provided. The system role and description available are as below.

Level	Role Name	Role Description
01	IAP	Internal Audit Party
01	SAP	Special Audit Party
01	CITAUDHQ	CIT Audit Head Quarter
02	ADDLCITAUD	Additional CIT Audit
02	JCITAUD	Joint CIT Audit
03	CITAUD	Commissioner of Income-tax(Audit)

- 10. Relevant users will need their individual name based department email IDs and RSA tokens. The username and passwords will be communicated on their respective email ID. The log in to the system will be through the username and password (sent on individual email ID) along with the RSA token over the Taxnet nodes. Users are advised to contact their respective RCC Admin for name based department email ID.

ITBA-Audit Module -Instruction No.1

11. Users on Windows XP system are advised to download the Chrome (version 43) or Firefox (version 36) browser (if unavailable) from **ITBA Portal → Download Pre-Requisites** to access the new ITBA application.
12. Training material including user manual, help content and frequently asked questions (FAQs) are available on the Audit Module Home Page and on **ITBA Portal → Online Training on ITBA**. Users can refer to these online resources in case of any problem.
13. Users are advised to contact helpdesk in case of any issues in respect of the ITBA.
 - a. URL of helpdesk - <http://itbahelpdesk.incometax.net>
 - b. Help desk number – 0120-2811200
 - c. Email ID – itba.helpdesk@incometax.gov.in
 - d. Help desk Timings – 8.30 A.M. – 7.30 P.M. (Monday to Friday)

Yours faithfully,



(Ramesh Krishnamurthi)
Addl. DGIT(S)-3, CBDT, New Delhi

For any clarifications/difficulties user may be advised to contact helpdesk of ITBA.

Copy to:

1. PPS to Chairman, PPS to Member(Inv.)/ Member(P&V)/ Member(R)/ Member(IT)/ Member(L&C)/ Member(A&J) CBDT for information.
2. Pr. DGIT(Systems), New Delhi.
3. ADG(Audit) and Pr. DGIT(Admn.), New Delhi.
4. The Web Manager, for www.irsofficersonline.gov.in website with request to upload the instruction on the website.
5. ITBA Publisher (ITBA.Publisher@incometax.gov.in) for <https://itba.incometax.gov.in> portal with request to upload the instruction on the ITBA Portal.



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