

## **IT department directs DCHL to re-audit accounts**

The income tax department has directed the management of the Deccan Chronicle Holdings Ltd (DCHL) to get the accounts of the company audited by an authorized auditor after receiving information about procedural irregularities in the company.

Since the cloud of doubts is centered around financial years 2010-11 and 2011-12, the company was directed to furnish fresh audit reports of the said years. The deputy commissioner of income tax gave the directive to DCHL in accordance with section 142 (2A) of the Income Tax Act, 1995. According to the section, at any stage of the proceedings, the assessing officer- with regard to the complexity of the accounts of the company and the interests of the IT wing, may after the approval of the Commissioner, direct the company to get its accounts audited by an accountant nominated by the commissioner and furnish a report duly verified by such an accountant.

Aggrieved by the directive, DCHL approached the AP High Court challenging the IT wing's proceedings and sought a stay on further proceedings of the IT wing. The matter came up for hearing before a bench of Chief Justice Kalyan Jyoti Sengupta and Justice P V Sanjay Kumar on Wednesday. However, following justice Sanjay Kumar's disinclination to hear the case, Chief Justice referred the matter back to the registry. The matter will now be posted before a different bench.

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