

**GOVERNMENT OF THE NCT OF DELHI
DEPARTMENT OF TRADE AND TAXES
(POLICY BRANCH)
VYAPAR BHAWAN: I.P.ESTATE: NEW DELHI-02**

F.3 (750) POLICY/VAT/2017/04-10

DATED 3-4-17

CIRCULAR NO. 1 OF 2017-18

**SUB: Guidelines relating to downloading of
Statutory Forms**

It has been observed, of late, that some of the dealers esp. a majority of those who have been granted Registration Certificate provisionally i.e. whose credentials are yet to be fully established, are found engaged in downloading of higher amount of Statutory Forms by showing inter-state transactions. This is happening despite availability of a variety of checks and legal recourses, for the purpose of restraining such unscrupulous dealers from illegal downloading of statutory forms, nothing much seems to have been done on the ground.

Thus, in the best interest of the Department, it is considered appropriate to resort to a more pragmatic approach, to thwart any likelihood of such nefarious designs. All the officers, therefore, as reminded from time to time, shall strictly follow the Procedure laid down herein for allowing downloading of statutory Forms to the following class(es) of dealers :-

- 1) Those who have been granted Provisional Registration Certificate only.
- 2) Registered dealers who have been granted (Final) Registration Certificate after 01.04.2015.
- 3) All the above class (es) of dealers who have reflected High GTO and NIL/Negligible tax.
- 4) Dealers whose details in Form DVAT 04 (Parts A, B, C & D) are not filled properly including Unique Identification (AADHAAR) No.
- 5) Already registered dealers who have not provided the Bank Account details or have punched in fictitious digits (0000 or NIL etc.) in the column of Bank Accounts.
- 6) Dealers, who have made frequent changes in DP-1 and / or whose credentials, prima-facie, appear questionable.
- 7) Those dealers who frequently resort to revise returns.

Dealers falling in all or any of the above class(es) shall be barred from automatically downloading the statutory form(s) by the Ward In charge concerned by blocking/putting a check through the front end in the System.

The online permission for downloading the statutory form(s) may be granted by the Ward In charge concerned through the link available to them at the front end, to such blocked dealers who apply online and whose credentials are duly verified by the Ward Incharge/officer concerned.

Further, upon receiving an SMS/e-mail alerts by the VATOs regarding the statutory forms downloaded, in excess of Rs.10 Lakhs, by the above class(es) of dealers or the ones who are found to be involved in suspicious transactions, there should be a daily reporting concerning such transactions/dealers, to Zonal In charge concerned.

Furthermore, there must be an immediate blocking of the TIN of the dealer by the very next day, by VATO/Ward In charge, to be followed by a physical inspection of the firm by the VATI, as well as, an issue of notice u/s 59(2) of the DVAT Act, 2004 by the VATO concerned, directing the dealer to produce, within a period of 15 days, the requisite documents, to substantiate the transactions/purchase, that related to the form(s) downloaded.

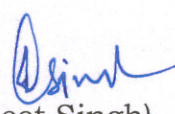
If the dealer fails to reply/respond within the time stipulated, the process should be initiated for declaring the Statutory forms obsolete and invalid, invoking the relevant provisions of the Statute/law and a notice to the effect be duly issued/served on the dealer in the manner envisaged in the law. The respective State authorities shall also be informed of the action taken.

If the dealer is not found functioning/existing at the given address, a Show Cause Notice may be issued/served forthwith, in Form DVAT 10, thereby affording the dealer an opportunity of being heard. If no response is forthcoming or reply received is not to the satisfaction of the VATO, then Form DVAT 11 may be issued /served, cancelling the registration of the dealer as well as initiating the other possible actions towards recovery of any amount of tax, interest, penalty and other amounts due.

All the ACs/VATOs/AVATOs/Ward In charges are hereby directed to check/examine, before granting their approval to the applicant dealer, whether all the columns of a new registration application i.e Form DVAT 04(parts A,B,C&D), are duly filled by the dealer and also, whether the scanned copies of all the requisite documents are attached/uploaded along with the Registration application i.e Form DVAT 4.

The above guidelines/procedures shall be followed, in addition to the existing notifications/orders/circulars in the matter, and non-compliance thereof shall be viewed seriously.

This issues with the approval of Commissioner VAT.

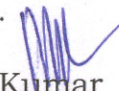

(Ranjeet Singh)
Joint Commissioner (Policy)

No F.3(750)/Policy/VAT/2017/04-10

Dated 3-4-17

Copy forwarded for information and necessary action to:

- 1) All Spl./Addl./Joint Commissioners, Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan I.P.Estate, New Delhi-02.
- 2) Joint Commissioner (Policy), Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi-02.
- 3) Programmer (EDP), Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi-02 for uploading the circular on the website of the department.
- 4) All Assistant Commissioners/AVATOs Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi-02.
- 5) The President/General Secretary, Sales Tax Bar Association (Regd.), Vyapar Bhawan, I.P.Estate, New Delhi.
- 6) PS to the Commissioner, VAT Department of Trade and Taxes, GNCT of Delhi Vyapar Bhawan, I.P.Estate, New Delhi-02.
- 7) Guard File.


Anil Kumar
A.C.(Policy)