

Government of West Bengal
Directorate of Commercial Taxes,
14, Beliaghata Road, Kolkata-700015

TRADE CIRCULAR NO. 19/2012

Dated: 26.12.2012

Sub: Mismatch cases of purchases and sales in returns for the years 2010-11 & 2011-12

Analysis of the information furnished by the dealers in returns, including revised returns and statements, for F.Y 2010-11 and 2011-12 reveals that there still is a very significant volume of mismatch cases between the purchase and sale figures disclosed by the corresponding dealers where appropriate action is required to be taken.

2. The dealer-wise mismatched purchase and sale data collated after submission of the returns including the revised returns or revised statements had already been uploaded in individual Dealer's Profile in the web site of the Directorate for their immediate information and taking appropriate corrective action within 31st December, 2012 in terms of Trade Circular No.18 dated 30.11.2012.

3. Representations have now been received from various trade organizations for extension of time beyond 31st December, 2012, and for allowing the dealers to furnish revised statements in the matter. Considering, the representations and the factors involved therein it has been decided that the dealers will be given **A LAST CHANCE FOR ONLINE RECONCILIATION OF THE MISMATCHED CASES** in the manner as detailed below:

A. Transactions between registered dealers:-

i. A revised information about mismatched cases, taking into consideration the tax involvement, shall be made available in the individual selling Dealer's Profile for recording his comments online about acceptance or denial, either in full or in part, of the transactions claimed by the corresponding purchasing dealers.

ii. If the selling dealer accepts the transactions for the amount as claimed by the corresponding purchasing dealers, the difference of tax, if any, short paid earlier along with interest payable thereon should be deposited immediately and the proof of payment should be furnished to the appropriate assessing authority immediately;

iii. If the selling dealer accepts the transaction for the amount as claimed by the corresponding purchasing dealer, and if

there is no further tax to be paid in respect of such transaction as the sale had already been included in the returns furnished by the selling dealer, the selling dealer should furnish the statement in the format of Annexure B as in the return along with a copy of the purchasing dealer's Party Ledger to the appropriate assessing authority immediately;

iv. If the selling dealer does not accept the transaction for the amount as claimed by the corresponding purchasing dealer, he should record his comments online accordingly and furnish written statement about such denial to the appropriate assessing authority immediately;

v. The information about the mismatched cases where the selling dealer has denied the sale, either in full or in part, as claimed by the purchasing dealer, will be automatically uploaded in the Purchasing Dealer's Profile for payment of the amount of ITC enjoyed earlier on such disowned transaction along with the relevant interest or for appropriate reconciliation at his end and furnish proof of such payment of tax and interest or document for reconciliation of the mismatched transaction to the appropriate assessing authority immediately.

B. Purchases shown from dealers whose RCs had been cancelled or from dealers who had paid tax under composition scheme:

The relevant information had already been uploaded in the Purchasing Dealer's Profile and the purchasing dealer should make payment of the amount of ITC enjoyed earlier, if any, on such transaction along with the relevant interest and furnish proof of such payment of tax and interest to the appropriate authority immediately, if not done already. In the appropriate cases purchase tax under section 12 of WBVAT Act, 2003 may also be required to be paid.

C. Incorrect RC Number furnished against purchases shown in returns etc:

The Purchasing Dealer should declare the correct RC Number of the seller in the online module and furnish the revised Annexure B in the format as in the return along with a copy of the selling dealer's Party Ledger to the appropriate assessing authority immediately.

4. Where there is tax difference to be made good, the relevant amount along with interest should be paid into appropriate Government Treasury and cannot be adjusted in returns by reversal of ITC or otherwise.

5. The last dates for compliance by the dealers in the above manner shall be as follows:-

For F.Y 2010-11

- For Selling Dealers in respect of mismatched sales - 15th February, 2013;
For Purchasing Dealers in respect of mismatched purchases - 28th February, 2013;

For F.Y, 2011-12 :

- For Selling Dealers in respect of mismatched sales - 31st March, 2013;
For Purchasing Dealers in respect of mismatched purchases - 15th April, 2013;

6. The dealers will be able to record their responses in stages in the online module to be made available to them and so all the dealers are directed to check their profile in the website of the Directorate regularly and act accordingly so that action in respect of all the mismatched cases may be taken by them strictly within the stipulate time period. In appropriate cases, unreconciled mismatches even after such online intimation to dealers shall be construed as wilful contravention for evasion of taxes and dealt accordingly.

(Binod Kumar)
Commissioner,
Sales Tax, West Bengal

Memo No. 925 CT/PRO
3C/PRO/2012

Dated: 26.12.2012

Copy forwarded for information and necessary action to :

- 1) The Secretary, Finance (Revenue) Department, Government of West Bengal.
- 2) Spl. Commissioner, Sales Tax, W.B./Addl. Commissioner, Sales Tax, W.B.
- 3) Spl. Officer, Bureau of Investigation.
- 4) Sr. Joint Commissioner, Sales Tax (H.Q.)
- 5) Sr. Joint Commissioner, Sales Tax.....Circle/Range/Central Section.
- 6) Jt. Commissioner, Sales Tax.....Circle/Charge.
- 7) Public Relations Officer, Directorate of Commercial Taxes, W.B.
- 8) Website HYPERLINK <http://www.wbcomtax.gov.in>

for Commissioner,
Commercial Taxes, W.B.