

CHAPTER VII

ACCOUNTS AND RECORDS

Maintenance
of accounts
and records,
etc.

61.(1) Every registered dealer or a dealer to whom a notice has been served to furnish return under sub-section (2) of section 33 shall maintain, in such form as may be prescribed, a true and up to date account of the value of goods purchased or manufactured and sold by him or goods held by him in stock.

(2) Every registered dealer shall keep, at his place of business as recorded in the certificate of registration, all accounts, registers and documents maintained in the course of business :

Provided that if any such dealer has established branch offices of the business at different places of the State other than the principal place of his business, the relevant accounts, registers and documents in respect of each such branch shall be kept by him at the concerned branch.

(3) If the Commissioner is of the opinion that the accounts maintained by any dealer or class of dealers are not sufficient for verification of the returns referred to in sub-section (1) of section 33 or that the assessment cannot be made on the basis thereof , he may require such dealer or class of dealers to keep such accounts, in such form and in such manner as he may, subject to rules, direct.

(4) If the Commissioner is satisfied that dealers of any class are not in a position to maintain accounts in accordance with the provisions of sub-section (1) , he may, for reasons to be recorded in writing , exempt such class of dealers from maintaining such accounts.

(5) If a dealer fails to make available the books of account as specified under sub-section (1) at his principal place of business or the branch office, as the case may be, to any officer appointed under section 3 to assist the Commissioner for inspection other than audit, the Commissioner may impose on such dealer a penalty of rupees five thousand, after giving him an opportunity of being heard.

Tax
invoice.

62.(1) Every registered dealer making a taxable sale to another registered dealer shall provide that purchaser, at the time of sale, with a tax invoice containing such particulars in such manner as may be prescribed and retain a copy thereof :

Provided that -

(i) a tax invoice shall not be issued by a registered dealer to a retailer registered under this Act who is paying turnover tax under section 16; and

(ii) not more than one tax invoice shall be issued for any taxable sale.

(2) Except when tax invoice is issued under sub-section (1), if a registered dealer sells any goods exceeding such amount in value as may be prescribed, in any

single transaction to any person, he shall issue to the purchaser a retail invoice containing such particulars in such manner as may be prescribed and retain a copy thereof.

(3) Tax invoice shall have both original and counterfoil of which the original shall be issued to the purchaser or the person taking delivery of the goods, as the case may be, and the counterfoil shall be retained by the selling dealer.

(4) Retail invoice shall have original and counterfoil of which the original shall be issued to the purchaser and the counterfoil shall be retained by the selling dealer.

(5) Every dealer as referred to in sub-section (1) shall preserve the books of account including tax invoice and retail invoice until the expiry of five years after the end of the year to which they relate or for such further period as may be prescribed, or until the assessment reaches its finality, whichever is later :

Provided that where such dealer is a party to any appeal or revision under this Act, the person shall retain , until the appeal or revision is finally disposed of , every record and accounts that pertain to the subject matter of the appeal or revision.

(6) If a registered dealer fails, without any reasonable cause, to issue tax invoice or retail invoice, as the case may be, in accordance with the provisions of sub-section (1) or sub-section (2), the Commissioner may, after giving an opportunity of being heard, direct the dealer to pay, by way of penalty, a sum of rupees one thousand or twice the amount of tax due in that invoice, whichever is higher, for each occasion of such failure.

(7) Where any tax invoice or retail invoice issued is found to be incorrect or false, the selling dealer shall be liable to pay the tax as passed on to the purchaser on the strength of such invoice with a penalty equal to twice the amount of such tax.

Electronic record.

63.(1) Every dealer required under this Act to keep or maintain records, may retain them in the form of electronic records for the period specified in sub-section (5) of section 62.

(2) The Commissioner may, for the purposes of sub-section (1), establish an electronic data processing system at the head quarters level and at any other level including the check-gates, as may be prescribed, for implementing the provisions of this Act and the rules.

(3) For the smooth functioning of the system referred to in sub-section (2) and effective regulation of the interactions between the dealers, authorities appointed under this Act and the Government Treasury, the Commissioner may issue appropriate instruction, from time to time.

(4) Subject to the procedure as may be prescribed, a dealer or a person may issue computer generated tax invoice or retail invoice containing the required particulars.

Requirement to provide document and information.

64. Notwithstanding anything to the contrary in this Act, the Commissioner may , for any purpose related to the administration or enforcement of the provisions of this Act, by notice, require any person to furnish to the Commissioner, within such reasonable time as may be specified in the notice, -

(a) any information or additional information including a return under this Act, or

(b) any document including electronic records.

Accounts to be audited in certain cases.

65.(1) If, in respect of any particular year, the gross turnover of a dealer exceeds rupees forty lakh or any other amount as the Commissioner may specify by notification in the Commercial Tax Gazette, then such dealer shall get his accounts in respect of such year audited by an Accountant within a period of six months from the date of expiry of that year and obtain within that period a report of such audit in the prescribed form containing the prescribed particulars duly signed and verified by such Accountant and, in every such case, a true copy of such report shall be furnished by such dealer to the Commissioner by the end of the month following the expiry of the said period of six months.

Explanation.- The expression "Accountant" means a chartered accountant within the meaning of the Chartered Accountants Act, 1949 or a cost accountant with 38 of 1949. the meaning of the Cost and Works Accountants Act, 1959 and includes a person who 23 of 1959. entitled to be appointed to act as an auditor of companies under sub-section (2) of section 226 of the Companies Act, 1956. 1 of 1956.

(2) If any dealer liable to get his accounts audited under sub-section (1) fails to furnish a true copy of such report within the time specified in sub-section (1), the Commissioner shall, after giving the dealer a reasonable opportunity of being heard, impose on him a penalty of rupees one hundred per each day of default.

Dealer to declare the name of manager, etc. of business.

66.(1) Every dealer, liable to pay tax, shall furnish a declaration at the time of registration or at such other time in any case, and in such manner, as may be prescribed, stating the name of the person or persons who shall be deemed to be manager or managers of the business of such dealer for the purposes of this Act and such declaration shall be subject to revision in the prescribed manner when there is any change of manager or managers of such business :

Provided that the declaration furnished under this sub-section shall also contain the name and address, with designation, of such other persons who are authorised to receive notice and other documents under this Act in relation to the business and when any notice is served on any such person it shall be binding on the dealer.