

**GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI**  
**DEPARTMENT OF TRADE AND TAXES**  
**VYAPAR BHAWAN, I.P.ESTATE, NEW DELHI-110 002**

No. F.3(556)/Policy/VAT/2015/ 1028-34

Dated: 18-11-15

**CIRCULAR NO. 39 OF 2015-16**

The department had started issuing central statutory forms online without any manual intervention since the middle of year 2012. Central statutory forms/declarations are mainly required by the dealers for making inter-state purchases at concessional rate or for inward stock transfer. The details of such inward supplies are recorded by dealers in Annexure 2A filed along with return. The system is functioning smoothly as all facilities have been provided on the portal for downloading the forms according to the need of the buyers.

2. The system of auto downloading of statutory forms works on the premise that purchases or inward stock transfers made by the dealers are resulting into local or inter-state sale or stock transfer. Of course, the inward supplies may not be exactly equal to outward supplies in a quarter, but the supplies should commensurate. It may happen in some cases that purchases have been made towards the fag end of the quarter and goods so acquired are to be disposed of in the next tax period only. In such cases, purchase and sale made during a tax period does not commensurate.

3. Recently, it has been noticed that some dealers are downloading the statutory forms amounting to crores of rupees without showing any sale or stock transfer during the relevant tax period or showing negligible sale and there is a growing tendency of misuse of the facility by unscrupulous persons.

4. Therefore, to curb such practices, it has now been decided that the facility of auto-downloading of the forms shall not be available for a tax period in cases where the ratio of purchase and sales, including stock transfer and local transactions falls below 60%. The statutory forms in such cases shall be available for auto-downloading on the basis of sale and purchase of next quarter. In other words, ratio of purchase and sale shall be worked out for both the quarters cumulatively. If the ratio still falls below 60%, then forms shall be allowed to be downloaded only after scrutiny of returns by the ward officer concerned. It has further been decided that factum of purchase of capital goods shall be kept out of the proposed mechanism which shall be available only to eligible dealers. However, purchase of capitals goods shall be allowed to dealers eligible to make such purchases only. Validation checks already in place for downloading of forms shall continue in the usual manner.

5. Further, the dealers who have applied for cancellation of registration or ward officer has issued show cause notice for cancellation or whose registration has been cancelled for any reason, shall not be able to download the forms without the approval of concerned ward officer.



6. It is, therefore, directed that the ward officers shall keep a watch on the status of forms downloaded by the dealers, especially high value forms, to prevent its misuse and the system branch shall provide a report listing cases of high value forms downloaded by the dealers for a tax period.

7. This issues with the prior approval of Commissioner, Value Added Tax.

*R K Mishra*  
(R. K. Mishra)

Spl. Commissioner (Policy)

No.F.3( 556 )/Policy/VAT/2015/ 1028-34

Dated: 18-11-15

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. Dy. Director (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. The President/General Secretary, Sales Tax Bar Association (Regd.), Vyapar Bhawan, I.P.Estate, New Delhi.
5. All Assistant Commissioners/AVATOs Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi-02.
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.

*Rajesh Bhatia*  
(Rajesh Bhatia)

Assistant Commissioner (Policy)