

**GOVERNMENT OF WEST BENGAL
DIRECTORATE OF COMMERCIAL TAXES,
14 BELIAGHATA ROAD, KOLKATA-700015**

**TRADE CIRCULAR NO : 08/2013
Dated 12.04.2013**

Sub: Assessment as such not to be made u/s 46 for the period 2010-11 when mismatch is unsettled

In the earlier Trade Circular no. 19/2012 dated 26.12.2012 and no. 03/2013 dated 13/02/2013, how the mismatch cases of purchases & sales in returns submitted by dealers for the periods 2010 -11 and 2011-12 would be settled, have elaborately been discussed.

In Trade Circular no.19 dated 26.12.2012, it is stated that following three cases may arise:—

- (i) Selling dealer may accept the transaction for the amount as claimed by the corresponding purchasing dealer and deposits the difference of tax , short paid earlier along with interest payable thereon and furnishes proof of payment to the appropriate assessing authority.
- (ii) Selling dealer may accept the transaction for the amount as claimed by the corresponding purchasing dealer , and if there is no further amount to be paid in respect of such transaction as the sale had already been included in the returns furnished by the selling dealer then the selling dealer should furnish the statement in the format of Annexure B of the usual return form along with a copy of the purchasing dealer's Party Ledger to the appropriate assessing authority immediately.
- (iii) 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.

In case, the selling dealer has denied the sale, either in full or in part, the mismatch details will be uploaded automatically in the purchasing Dealer's Profile for payment of the reversed 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 payment of tax and interest or document for reconciliation of the mismatched transaction to his appropriate assessing authority immediately.

Whatever be the case, the third alternative is important where the assessing officer shall have to initiate an assessment case. We should keep in mind that Directorate is trying its level best to minimise the assessment in every year. But it is evident that in the cases detected above, we have no other alternative than to take up the cases of those dealers falling under category (iii) for finding out the veracity of their declarations given in Part I of Annexure B of their returns purely as a special case. We want to avoid the normal assessment in all such cases. Rather it would be worthwhile for us if we take all these cases under the provision of special audit prescribed under section 43A.

It is therefore decided that for the assessment period 2010-11, when assessment u/s 46 is not otherwise necessary, all such unsettled mismatch cases shall be identified by the assessing authority first on war footing basis, those cases shall be taken up u/s 43A of the Act and same assessing authority shall continue the special audit in the respective cases. All assessing authorities shall keep in mind that assessment process would be confined to the examination and verification of unmatched details of the purchasing dealers and not to any other aspects which generally crop up in course of normal assessment.

In all such cases, a list of such erring dealers would be prepared by ISD and would be available in website of the Directorate. Assessing Officers are requested to consult this list and to start proceedings u/s 43A of the Act, provided prior approval of CCT/WB has been obtained.

Assessing officers will take all out effort for implementation of above procedure with immediate effect.

Sd/-
Binod Kumar
Commissioner,
Commercial Taxes, W.B.

Memo No. 344CT/PRO.
3C/PRO/2012

Date: 12.04.2013

Copy e-mailed to Addl. CCT/ISD for information and for taking necessary action for placing this circular in the Directorate's website for general information.

Sd/-
Additional Commissioner,
Commercial Taxes, W.B