

CHAPTER VI
ACCOUNTS AND RECORDS

59. Maintenance of Accounts and Records etc. —

- (1) Every registered dealer or a dealer to whom a notice has been served to furnish return under sub-Section (2) of Section 29 shall maintain 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, and, in addition to the books of account that a dealer maintains and keeps for the purpose referred to in this sub-Section, he shall maintain and keep such registers and accounts in such form in the manner prescribed.
- (2) Every registered dealer or dealer referred to in sub-Section (1) shall keep at his place of business all accounts, registers and documents maintained in the course of business.
- (3) Where a dealer as referred to in sub-Section (1) has established branch offices of the business in the State other than the principal place of business, the relevant accounts, registers and documents in respect of each such branch shall, without prejudice to the provisions of sub-Section (5), be kept by him at such branch.
- (4) If the prescribed authority is of the opinion that the accounts maintained by any dealer or class of dealers do not sufficiently enable him to verify the returns referred to in sub-Section (1) of Section 29 or the assessment can not be made on the basis thereof, he may by an order, require such dealer or class of dealers, to keep such accounts, in such form and in such manner as he may, subject to rules made under this Act, direct.
- (5) If the commissioner is satisfied that any dealer is 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 dealer from the operation of the provisions of the said sub-Section.

60. Tax Invoice —

- (1) Every registered dealer making a taxable sale to another dealer, shall provide to the purchaser, at the time of sale with a Tax Invoice or Retail Invoice, containing such-particulars as specified in sub-Section (2), and retain a copy thereof.
- (2) The tax invoice shall not be issued by a dealer in the following circumstances, -
 - (a) a retail registered dealer who is paying presumptive tax in lieu of Value Added Tax under Section 22 or Composition Tax under Section 58 or
 - (b) the sale in the course of export out of the territory of India; or
 - (c) the sale of goods exempt from tax
- (3) Not more than one tax invoice shall be issued for each taxable sale.
- (4) The tax invoice issued under sub-Section (1) shall contain the following particulars on the original as well as copies thereof –
 - (a) the word 'Tax Invoice' in bold letter at the top or any prominent place;
 - (b) the name, address and registration certificate number of the selling, registered dealer.
 - (c) the name, address and registration certificate number of the purchasing registered dealer;
 - (d) an individual serialized number and the date on which the tax invoice is issued.
 - (e) description, quantity, volume and value of goods sold and amount tax charged thereon indicated separately;
 - (f) statement of account, bill cash register, slip receipt or similar record, regardless of its forms be kept separately.
 - (g) signature of the selling dealer or his servant, manager or agent, duly authorised by him;
 - (h) the name and address of the printer, and first and last serial number of tax invoices printed and supplied by him to the dealer;
- (5) 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 anyone

transaction to any person, he shall issue to the purchaser a retail invoice and retain a copy thereof.

- (6) The retail invoice shall contain the following particulars on the original as well as copies thereof;
 - (a) the words 'Retail Invoice' or 'Cash Memo-random' or 'Bill' in bold letters at the top or in a prominent place;
 - (b) the name, address and registration certificate number of the selling registered dealer;
 - (c) in case the sale is in course of export out of the territory of India, the name, address and registration number, if any, of the purchasing dealer/ foreign buyer and the type of statutory form, if any against which the sale has been made;
 - (d) an individual serialized number and the date on which the retail invoice is issued;
 - (e) description, quantity, volume and value of goods sold inclusive of tax, charged thereon;
 - (f) signature of the selling dealer or his servant, manager or agent, duly authorised by him.
 - (g) the name and address of the printer, and last serial number of retail invoices printed and supplied by him to the dealer
- (7) Tax invoice shall be issued in triplicate. The original and the first copy shall be issued to the purchaser or the person taking delivery of the goods, as the case may be, and the second copy shall be retained by the selling dealer.
- (8) Retail invoice shall be issued in duplicate. The original shall be issued to the purchaser and the duplicate copy shall be retained by the selling dealer.
- (9) Every dealer referred to in sub-Section (1) shall preserve books of account including tax invoices and retail invoices until the expiry of five years after the end of the year to which they relate or for such other period as may be prescribed or until the assessment reaches its finality whichever is later.
- (10) Where such dealer is party to any appeal, or revision under this Act he 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.

61. Electronic Record —

Every dealer who maintains the records electronically shall retain them in electronically readable format for the period specified in sub-Section (9) of Section 60.

62. Requirement to Provide Information —

Notwithstanding anything contrary to the provisions of this Act, the prescribed authority may, for any purpose related to the administration or enforcement of the provisions of this Act, by notice, require any person to provide the prescribed authority, within such reasonable time as is stipulated in the notice, with any information or additional including a return under this Act, or any document including electronic records.

63. Audit of Accounts —

- (1) Where in any particular year, the gross turnover of a dealer exceeds 40 lakh rupees or such other amount as the prescribed authority may, by a Notification in the Official Gazette specify, then such dealer shall get his Accounts audited for the purpose of this Act, in respect to that year, by an "Accountant" or "Tax Practitioners", within nine months[#] from the end of that year and obtain a report of such Audit in the Prescribed Form, duly signed and verified by such "Accountant" or "Tax Practitioners", and setting forth such particulars, as may be prescribed.
- (2) A true copy of such report shall be furnished by such Dealer to the Prescribed Authority by the end of the month after expiry of the period of nine months during which the Audit would have been completed.
- (3) If any dealer liable to get his Accounts audited under sub-Section (1) fails to get his Accounts audited and furnish a true copy of the Audit Report within the time specified in sub-Section (2), the Prescribed Authority shall, after giving the Dealer a reasonable opportunity of being heard, impose on him, in addition to any Tax

Payable, a sum by way of penalty equal to 0.1% of the turnover as he may determine to the best of his judgment in his case in respect of the said period.

64. Dealer to declare the name of his Business Manager —

- (1) Every dealer, who is liable to pay tax, and who is a Hindu Undivided Family or an association of persons, club or society, firm or company, or who is engaged in business as the guardian or trustee or otherwise on behalf of another person, shall within the period prescribed, furnish a declaration in the manner prescribed stating the name of the person or persons who shall be deemed to be manager or managers of such dealer's business for the purposes of this Act.
- (2) Such declaration shall be furnished at the time of registration, wherever applicable and shall be revised from time to time,
- (3) The statement furnished under this sub-Section shall also contain the name and address with designation in relation to the business of such persons who are authorised to receive notice and other documents under this Act and such service on whom shall be binding on the dealer