

Trade Circular

No.ACST(VAT)-2/Registration/New Procedure/2015/B 450 Mumbai Dt. 14/08/2015

Trade Circular No. 137 of 2015 Dt 14/08/2015

Subject : Processing of Registration applications
submitted along with scanned documents

Reference : Trade Circular No.7T of 2015

Background:

The Process of granting new registration under the MVAT Act, 2002, the CST Act, 1956 and PT Act has been modified. The new process provides for uploading of necessary documents with the application of registration (Refer to the Trade Circular 7 T of 2015, Dt 19/05/2015) and thereby has removed the necessity of the tax payer to visit the sales tax offices for personal verification and the submission of the requisite documents. The change in process is line with the government directives about providing ease of doing business in the state of Maharashtra. This change in process has necessitated a change in procedure to be adopted by the departmental authorities while granting new registration. Accordingly following instructions are being issued:

The new office procedure for the grant of new registration under the MVAT Act, 2002, the CST Act, 1956 and the PT Act,1975:

1. Verification of the application:

i. Whether the appropriate documents are uploaded or not :

The applications uploaded by the applicants get auto allocated to the desks of the Registration Officers. After receiving the application in form 101 on his



desk, the Registration Officer shall access the application and the documents uploaded through the Link “**View Scanned Documents**”. He shall take print of the said application for registration (Form 101) and verify whether the documents uploaded with Form 101 are in order or not. The Registration Officer shall necessarily verify the PAN (of business and of the members of the business) submitted by the applicant.

ii. Mandatory visit to the place of business if the PAN relates to suspicious dealers or applicants dealing in risky commodities and subsequent actions:

If the PAN is found to be related to suspicious dealers declared by the department then the Registration Officer to whom the application is allotted shall visit the place of business of the applicant and verify the necessary documents. In case this verification fails, the Registration Officer shall immediately, through an e-mail, communicate the applicant that his application is not accepted being incorrect and incomplete. He shall also necessarily mention the defects noticed by him in the application and/or documents uploaded by the applicant and/or failure of the applicant to prove the identity and/or non-confirmation of the place of business of the applicant. The said e-mail will be sent on the e-mail address provided in the application by the applicant. Similar procedure shall be followed if the applicant deals in the risky commodities as declared by the department from time to time. The department is yet to declare the risky commodities.

iii. Grant of TIN after successful verification:

In case of correct and complete application supported with the proper documents the Registration Officer shall approve the application and shall generate the TIN within a day of allocation of such application to his desk. The

Registration Officer shall communicate the corresponding TIN on the e-mail address provided in the application by the applicant. The Registration Officer will follow the similar process where the identity and place of business are successfully verified (**Refer to para 1b**).

iv. Non acceptance of application in case of incomplete and/or illegible document:

The new system of Registration envisages grant of registration based upon online verification of application and documents uploaded by the applicant. This exercise is aimed at reducing the hardships of the applicants in visiting the Sales Tax Office for registration and make the process simpler & transparent. In order to achieve this objective, the applicant is needed to upload the legible and proper documents along with the application for registration. Wherever, this requirement is not followed, the Registration officer shall reject the application. Therefore, it is necessary for the applicants to ensure that they upload the Registration application with legible and proper documents and obtain registration in hassle-free manner. However, considering growing demand and to save time and effort of repeated uploading, the work of development facility to replace the documents or add other documents is in progress. An intimation of operationalizing this utility will be given to the trade at appropriate time.

2. Relaxation of some of the conditions of document verification:

The Registration Officer shall not reject the application only on the grounds that the

- i. Applicant has not uploaded the **registered agreement** as a proof of his place of business and residence. He shall accept the non-registered



agreement copy uploaded by the applicant as a proof of his place of business and residence (Refer to Point No.3 and 6 of Trade Circular No.7T 2015).

- ii. Applicant has not uploaded the copy of challan for the payment of fees and deposit. He shall accept the bank receipt and bank statement showing payment of fees and/or deposit uploaded by the applicant as the proof of payments. Where, as a result of subsequent verification it is found that the submission made by the applicant are not proper and applicant has misrepresented the facts, then the applicant shall be subjected to the penal provisions as per law and also the cancellation of Registration Certificate granted to him.

3. Allotment of new application on the PAN rejected earlier for grant of TIN:

The cases in which application for new registration has been rejected and the same applicant, using the same PAN applies again for registration then such an application shall preferably be forwarded, for necessary action, to the Registration Officer who had rejected the application earlier for the purpose of grant of registration.

4. Actions after generation of TIN:

i. Postal dispatch of the TIN Certificate:

The Registration Officer will take printouts of Registration Certificate, which shall be dispatched by speed post to the principal place of business mentioned in the application form. If the Registration Certificate is returned un-served then the Registration Officer shall inform the **New Registration Follow up Branch** to immediately confirm the Place of Business of the applicant and the other bonafides as mentioned in para (4v) below. This confirmation shall be made on priority.

ii. Maintenance of Register of postal dispatch of TINs:

Registration Officer will maintain the “**Registration Certificate Dispatch Register**” as per the pro-forma mentioned in “**Annexure A**”.

iii. Replacing the default TIN used for payment of fees/deposit:

The registration fees and deposit, wherever applicable, is/are paid by the applicant using a default TIN. The Registration Officer shall replace the default TIN with newly generated TIN of the dealer through the **Challan Correction Utility** available in the Return Module following the relevant Circular instructions. The Mahavikas access rights for the same shall be given to the Registration Officers.

iv. Sending of new registration files to the New Registration Follow up Branch:

The Registration Officer shall send the application in Form 101 (which was used during verification) to the New Registration Follow up Branch through the Register to be maintained as per Annexure “C”.

v. Visit to the place of business by the New Registration Follow up Branch:

The allocation of cases for visits shall continue as per existing methodology of geographical distribution of new TIN’s.

The New Registration Follow up Branch Officer or the Sales Tax Inspector shall visit the place of business of the dealer. He shall be required to,

- a. Confirm the place of business mentioned in the registration application form by the applicant.
- b. Confirm the identity of the applicant.
- c. Take the signature of the applicant on registration application F-101

- d. Take the signature of the applicant on **Annexure "B"** (prescribed in the Trade Circular 7T of 2015) and also on the Photograph of the applicant affixed on Annex B.
 - e. Confirm the bank details mentioned in the registration application.
 - f. Submit the Visit Report about the findings of the visit to the supervisory officer.
- vi. **Actions post submission of visit report by the New Registration Follow up Branch:**

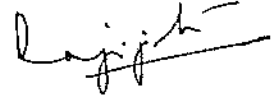
The Visit Report shall specifically mention the remarks as to whether the registration granted to the dealer is proper or not. Where the New Registration Follow up Branch Officer is of the view that the registration of the dealer should not have been given then he shall follow the due process of law for the cancellation of the registration granted. The approval of the supervisory officer for the same shall be obtained. The New Registration Follow up Branch Officer shall maintain a record of his visits in the Register as per **Annexure "D"**. The supervisory officers shall ensure that the priority has been accorded to the visits in the cases where the registrations have been granted after the **07 May 2015**. They shall see that the New Registration Follow up Branch Officers maintain a proper balance of visits between their existing cases and the visits in the cases mentioned above. In these cases the New Registration Follow up Branch Officer shall follow all the instructions given vide Circular No 2-A of 2014. However, he shall not visit to the place of business of the dealer again for obtaining information as per annexure A attached to the said circular.

vii. **Events of cancellation of registration:**

Where the place of business is not confirmed and/or the identity of the applicant is not confirmed and/or the applicant is not available for signature on the documents prescribed in **Annexure "E"** attached to this circular and/or the applicant fails to confirm the bank details provided in the registration application, the concerned

New Registration Follow up Branch Officer shall follow the due process of law for cancellation of the TIN granted to the dealer.

5. The instructions as above do not apply to the processing of applications for enrollment (PTEC) under the Profession Tax Act.
6. This circular cannot be made use of for legal interpretation of provisions of law, as it is clarificatory in nature. If any member of the trade has any doubt, he may refer the matter to this office for further clarification.



(Rajiv Jalota)
Commissioner of Sales Tax,
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Trade Circular No. 13^A of 2015, DT 14/08/2015

Copy forwarded to:

- 1) The Special Commissioner of Sales, Maharashtra State, Mumbai
- 2) The Special Inspector General of police, Vigilance, Maharashtra State, Mumbai
- 3) All the Additional Commissioners of Sales Tax in the state
- 4) All the Joint Commissioners of Sales Tax in the state
- 5) The Joint Commissioner of Sales Tax (Mahavikas) for uploading this internal circular in the employees corner section of the department's web site.
- 6) All the Deputy Commissioners of Sales Tax (Adm) and Registration in the state
- 7) All the Sales Tax Officers Registration in the state

B) Copy forwarded for information to:

- 1) The Deputy Secretary, Finance Department, Mantralaya, Mumbai
- 2) The Under Secretary Finance Department, Mantralaya, Mumbai
- 3) The Accounts Officer, Sales Tax Revenue Audit, Mumbai and Nagpur
- 4) Copy to all the Desks and the Desk Officers in the office of the Commissioner of Sales Tax, Maharashtra State, Mumbai



(L.K. GIRI)
Addl. Commissioner of Sales Tax,
(VAT-2), Mumbai

