

From

The Excise & Taxation Commissioner,
Haryana, Panchkula.

To

All the Dy. Excise & Taxation Commissioner (ST),
In the State of Haryana.

Memo No. 1818 /AA-III,
Chandigarh, dated the 15-07-10

Subject: Instructions to curb the granting of RC's to Bogus dealers by the officers/officials of the Department.

Memo

Reference on the subject noted above.

It has been observed by the Govt. that the biggest loop hole of evasion of tax is granting of bogus Registration Certificates (RCs) by the officers of the department. The dealers obtain the RC in the name of their accountants or other servants with the connivance of the officers/officials of this department. After obtaining the RC they conduct large scale business. They have no fear of the department because the prop/partners have no moveable/immoveable properties in their names. They even pay surety amounts to the persons who stand surety for them in the event of absconding after playing fraud with the department. In this way the dealers evade the tax in a calculated manner. A huge amount of arrears are lying in many of the districts which have accrued on account of such transactions/dealers.

Now to curb such activities the Govt. has amended HVAT Rule 11 vide Notification dated 17.05.2010 wherein sufficient precaution has been laid down to curb the issuance of bogus RC's. These provisions are strictly to be adhered to while granting RC's to new dealers.

You are, therefore, directed to ensure that no bogus RC's have been/are to be issued in your district. If any bogus RC is detected, the concerned officer/official will be held responsible and you will send a report to the Head Office alongwith the name of the officer/T.I. who issued the said RC for taking strict disciplinary action against the defaulting officer/official.

[Signature]
Joint Excise & Taxation Commissioner (A)
for Excise & Taxation Commissioner, Haryana

Endst No. 1818 /AA-III, Panchkula, dated the 15-07-10

A copy is forwarded to the following for information :-

1. All Addl. Excise & Taxation Commissioners.
2. All JETCs (Appeals) and (Range) in the State of Haryana.
3. Superintendent (Computer) for sending E-mail to all the DETCs (ST) and uploading on website.
4. PS to FCET (for information of the Ld. FCET).
5. PA to ETC (for information of the Ld. ETC).

[Signature]
Joint Excise & Taxation Commissioner (A)
for Excise & Taxation Commissioner, Haryana

[Signature]
18/7
Anmit Prasad