

GOVERNMENT ENTITIES TO FILE GE-II UNDER DVAT

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Recently the DVAT Department has issued a Notification No. **F3(619)/Policy/VAT/2016/1291-1304** dated **12.01.2016** which will mandate the Government Entities to enroll themselves with DVAT by filing Form GE-I and to file the quarterly returns in Form GE-II. Relevant provisions related to the notification have been described below:

Applicability



According to the Notification as mentioned above, the following classes of entities are required to file Form GE-I and GE-II:

- All Govt. Entities having their offices functioning within the National Capital Territory of Delhi; and
- The purchases of goods must be for self consumption or use by them and
- The purchase should not be for resale as defined in section 2(1) (zc) of DVAT Act, 2004; and
- The purchase is made from the dealers registered under VAT act and having a valid TIN.

Meaning of “Government Entity”:-

For the above purpose, “**Government Entity**” shall mean a State Government or the Central Government or a Company, Corporation, Board, Authority, Undertaking or any other body owned, financed or controlled either wholly or partly by any State Government or the Central Government.

NOTE:

This aim of notification is to capture the information about the sales made by unorganized sectors to the Govt. departments which are collecting VAT from these Govt. entities but not paying taxes to exchequer on time. The crosschecking of data may reveal huge differences in payments made by these sellers and purchases reported by these Govt. entities in form GE-II quarterly.

Important points of the Notification

While adhering to this notification following important points need to keep in mind to avoid the consequences of heavy penalties under Delhi VAT:

- Separate GEID would be required to be generated in respect of each Drawing and Disbursing Officer (DDO)/person responsible for release of payment in respect of purchases where the number of such DDOs/persons is more than one.
- After generation of GEID, the Government Entity shall convey the same to the dealers who will be selling or supplying goods to the Government Entity for mentioning the same on the sale invoices. The Government Entity shall also verify the TIN of the seller/supplier from the **website www.dvat.gov.in**.
- The return should be filed on **quarterly basis in Form GE-II by 28th day of the month** following the quarter to which the return pertains. To begin with, return for the first three quarters of the current financial year (**i. e. 1st April, 2015 to 30th June, 2015; 1st July, 2015 to 30th September, 2015 and 1st October, 2015 to 31st December, 2015**) is required to be filed by **15th February, 2016**.
- The return should be uploaded on the above said portal of the Department by logging on to the website of the **Department** using the **GEID and password**.
- While filing the return in Form GE-II for a quarter, the Government Entities are required to furnish details of all such purchases in respect of which, the date of issuing invoice or bill by the respective supplying dealer falls within the said

quarter, irrespective of whether or not the payment has been released to the supplying dealer during the said quarter.

- The person authorized to file **GE-II** shall obtain a certificate from the seller that **due VAT has been deposited**. This certificate shall be enclosed with the bill submitted to the authority competent to release the payment.
- The details furnished in **Form GE-I** shall be required to be updated **within 30 days** in case of any change.

Due Date of Filing Return

Notification No. F3(619)/Policy/VAT/2016/1291-1304 dated 12.01.2016

The quarterly return is to be filed by 28th day of the month following the quarter to which the return pertains. To begin with, return for the first three quarters of the current financial year is required to be filed by **15th February, 2016** as discussed earlier.

Notification No. F3(619)/Policy/VAT/2016/1437-47 dated 11.02.2016

Due date of filing quarterly returns for the first three quarters of the current financial year has been extended to **29th February, 2016**.

Further, in case of any discrepancy is notice after filing of return, the same can be revised up to the end of financial year following the financial year of the quarterly period of the return.

Notification No. F3(619)/Policy/VAT/2016/1496-1506 dated 15.02.2016

Due date of filing quarterly returns for the first three quarters of the current financial year has been extended to **7th March, 2016**.

Penalty for Non-Compliance of the Notification

Non compliance of the notification would be treated as violation and penalty provisions under Section 86(9) will become applicable. The amount of penalty is Rs. 500 per day from the date immediately the due date until the failure is rectified subject to a maximum of Rs. 50,000/-.