

**CHAPTER VIII**  
**ACCOUNTS AND RECORDS**

- 48. Records and accounts.-** (1) Every –
- (a) dealer;
  - (b) person on whom a notice has been served to furnish returns under section 27 of this Act; shall prepare and retain sufficient records to allow the Commissioner to readily ascertain the amount of tax due under this Act, and to explain all transactions, events and other acts engaged in by the person that are relevant for any purpose of this Act.
- (2) Notwithstanding the generality of sub-section (1) of this section –
- (a) every registered dealer shall preserve a copy of all tax invoices issued by him;
  - (b) every dealer shall preserve the original of all tax invoices received by him; and
  - (c) every person who has paid an amount of tax, interest, penalty or other amount owed under this Act, shall preserve a copy of the *challan* evidencing the making of the payment.
- (3) The Commissioner may prescribe the manner and form in which accounts and records are to be prepared.
- (4) If the Commissioner considers that such records are not sufficiently clear and intelligible to enable him to make a proper check of the obligations required of the person under this Act, he may require such person by notice in writing to keep such accounts (including records of purchase and sales) as may be specified therein.
- (5) The Commissioner may, by notification in the official Gazette, direct any class of dealers, transporters or operators of warehouses to keep such accounts (including records of purchases and sales) as may be specified in the notification.
- (6) Every person required to prepare or preserve records and accounts shall retain the required records and accounts for, at least, seven years after the conclusion of the events or transactions which they record unless any proceedings in respect of that year are pending in which case they shall be preserved till the final decision in those proceedings. Any loss thereof shall be reported to the Police and the Commissioner within a period of fifteen days from the date of occurrence.

<sup>1</sup>[**49. Accounts to be audited in certain cases.-** If, in respect of any particular year, the gross turnover of a dealer exceeds forty lakh rupees or such other amount as may be prescribed, then, such dealer shall get his accounts in respect of such year audited by an accountant within a period of nine months from the end of that year and obtain within that period a report of such audit in the form duly signed and verified by such accountant and setting forth such particulars as may be prescribed under section 44 AB of the Income Tax Act, 1961 (43 of 1961), as amended from time to time, and a true copy of such report shall be furnished by such dealer to the Commissioner within twenty eight days from the end of the tax period ending on 31st December of the following year :

Provided that in a case where the dealer is required under section 44AB of the Income Tax Act, 1961 (43 of 1961) to get his accounts audited, it shall be sufficient compliance with the provisions of this section if such dealer gets his accounts audited under the said section 44AB of the Income Tax Act 1961 (43 of 1961) and the rules framed thereunder and furnishes to the Commissioner a true copy of the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed under section 44AB of the Income Tax Act, 1961 (43 of 1961):

Provided further that the Commissioner may require a dealer or class or classes of dealers to get his or their accounts audited by an accountant and obtain report of such audit duly signed and verified by such accountant and setting forth such particulars and in such format as may be notified by the Commissioner and furnish copy of such report to the Commissioner by the date notified by him.]

**50. Tax invoices.-** (1) A registered dealer making a sale liable to tax under this Act shall, at the request of the purchaser, provide the purchaser at the time of sale with a tax invoice containing the particulars specified in sub-section (2) of this section and retain a copy thereof:

Provided that a tax invoice shall not be issued by a dealer who –

- (a) is specified in the Fifth Schedule;
- (b) elects to pay tax under section 16 of this Act; or
- (c) is making the sale in the course of interstate trade or commerce or export:

Provided further that not more than one tax invoice shall be issued for each sale:

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<sup>1</sup> Substituted (w.e.f. 1-4-2005) by the Delhi Value Added Tax (Amendment) Act, 2005 (1 of 2005).

Provided further that if an invoice has been issued under the provisions of the Central Excise Act, 1944 (1 of 1944), it shall be deemed to be a tax invoice if it contains the particulars specified in sub-section (2) of this section.

**Explanation.-** For removal of doubts, a registered dealer shall be authorized to issue tax invoices only after a certificate of registration is issued by the Commissioner.

(2) The tax invoice issued under sub-section (1) of this section shall contain the following particulars on the original as well as copies thereof:-

- (a) the words 'tax invoice' in a prominent place;
- (b) the name, address and registration number of the selling registered dealer;
- (c) the name and address of the purchaser and his registration number, where the purchaser is a registered dealer;
- (d) an individual pre-printed serialised number and the date on which the tax invoice is issued;  
<sup>2</sup>[Provided that a dealer may maintain separate numerical series, with distinct codes either, as a prefix or suffix, for each place of business in case the dealer has more than one place of business in Delhi or for each product in case he deals in more than one product or both;]
- (e) description, quantity, volume and value of goods sold and services provided and the amount of tax charged thereon indicated separately;
- (f) the signature of the selling dealer or his servant, manager or agent, duly authorized by him; and
- (g) the name and address of the printer and first and last serial number of tax invoices printed and supplied by him to the dealer.

(3) A tax invoice in respect of a sale shall be issued in duplicate; the original shall be issued to the purchaser (or the person taking the delivery, as the case may be) and the duplicate shall be retained by the selling dealer.

(4) Except when a tax invoice is issued under sub-section (1) of this section, if a dealer sells any goods exceeding such amount in value as may be prescribed, in any one transaction to any person, he shall issue to the purchaser a retail invoice containing the particulars specified in sub-section (5) of this section and retain a copy thereof.

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<sup>2</sup> Inserted (w.e.f. 1-4-2005) by the Delhi Value Added Tax (Amendment) Act, 2005 (1 of 2005).

(5) The retail invoice issued under sub-section (4) of this section shall contain the following particulars on the original as well as copies thereof: –

- (a) the words ‘retail invoice’ or ‘cash memorandum’ or ‘bill’ in a prominent place;
- (b) the name, address and registration number of the selling dealer, if registered;
- (c) in case the sale is in the course of inter-state trade or commerce, the name, registration number and address of the purchasing dealer and type of statutory form, if any, against which the sale has been made;
- (d) an individual pre-printed serialized number and the date on which the retail invoice is issued;
- (e) description, quantity, volume and value of goods sold and services provided, inclusive of amount of tax charged thereon; and
- (f) the signature of the selling dealer or his servant, manager or agent, duly authorized by him.

(6) Retail invoice shall be issued in duplicate, the original shall be issued to the purchaser and the copy shall be retained by the selling dealer.

(7) The Commissioner may, by notification in the official Gazette, specify the manner and form in which the particulars on a tax invoice or retail invoice are to be recorded.

(8) If a purchaser claims to have lost the original tax invoice, the selling dealer may, subject to such conditions and restrictions as may be prescribed, provide a copy clearly marked as a duplicate.

**51. Credit and debit notes.-** Where a tax invoice has been issued in respect of a sale and –

- (a) the amount shown as tax in that tax invoice exceeds the tax payable in respect of the sale, the dealer shall provide the purchaser with a credit note, containing such particulars as may be prescribed; or
- (b) the tax payable in respect of the sale exceeds the amount shown as tax on the tax invoice, the dealer shall provide the purchaser with a debit note, containing such particulars as may be prescribed.