

Dated: May 22, 2004

The Chairman and Managing Director/
Managing Director,
State Bank of India & its Associates,
All Nationalised Banks
HDFC Bank Limited/
ICICI Bank Limited/IDBI Bank Limited/
UTI Bank Limited
(as per list enclosed)

Dear Sir,

Accounting Procedure Relating to On-Line Tax Accounting System (OLTAS) - Clarifications

Please refer to our circular RBI/145/2004 (DGBA.GAD.No.H-1068/42.01.034/2003-04) dated April 16, 2004 forwarding therewith a copy of Accounting Procedure Relating to On-line Tax Accounting System (OLTAS).

2. It has become expedient to clarify certain procedure for smooth launch of OLTAS with effect from June 1, 2004.

a) **Challan Identification Number (CIN)**

A reference may please be made to paragraph 1.3.3 regarding numbering of challans. We clarify that running serial number will have to be given for all the challans tendered with cash, transfer cheque **as well as clearing cheques** on a particular day across all types of direct taxes. While the tear-off portion of the challan tendered with cash and transfer cheques (i.e. the cheque drawn on the collecting branch) needs to be returned to the tenderer with the prescribed rubber stamp indicating the date of tender, BSR code and CIN etc., the challans tendered with **clearing cheques** (i.e. drawn on other branches/banks) will have to be returned only on realisation of the instruments. The authorized official of the receiving bank branch is also required to sign the tear-off portion of the challan as well as original challan.

b) **PAN/TAN Numbers**

It has been clarified to us by the Income Tax Department that the banks are required to ensure invariably that in the absence of PAN/TAN numbers the name and address of the payee on the challan is required to be entered. The collecting branches, therefore, need not insist for the PAN/TAN Application number to be entered. (Please refer to para 1.2 (C) of the Accounting Procedure).

3. Banks are requested to visit Income Tax website (www.incometaxindia.gov.in) for Frequently Asked Questions (FAQs) on OLTAS.

4. Our interactions with certain banks indicate that the bank branches are not branding challans with rubber stamp containing CIN, BSR and Date of Tender etc. with effect from April 1, 2004 as advised. Please ensure that the stamp is branded invariably with immediate effect.

5. We also advise that State Bank of India as also NSDL established help-desks. The branches may directly mail to esetgad@mtnl.net.in and tininfo@nsdl.co.in (9892788899 / 9869275997 (SBI) and 022-24994650 (NSDL)).

Please arrange accordingly.

Yours faithfully,
sd/-

(Prabal Sen)
Chief General Manager