

December 6, 2007

The Chairman/Chairman and Managing Director /
Managing Director
All Agency Banks including
Jammu and Kashmir Bank Ltd.

Dear Sir,

**Data quality concerns - Online Tax
Accounting System for Direct Taxes (OLTAS)**

As you are aware, uploading of challan details on OLTAS by an agency bank quoting the right 'Permanent Account Number' (PAN) is essential for giving the tax credit to the concerned assessee. Further, the Challan Identification Number (CIN) is quoted by the tax payer in his tax return, which is verified by the tax authorities with the data in Tax Information Network (TIN) based on which tax credit is confirmed. Therefore, any error either in PAN or CIN uploaded to OLTAS results in non-credit of tax to the proper assessee. Eventhough we have been continuously emphasizing the above issue, we notice that banks still continue to upload non-existing/invalid 'PAN' and upload 'CIN' which is different from that issued to the tax payer.

2. With a view to achieve cent per cent accuracy in the above areas, your bank branches may be advised to

- (i) use bulk PAN verification facility from TIN-NSDL site;
- (ii) insist on proof of PAN wherever necessary and
- (iii) ensure CIN given to customer is the one uploaded to OLTAS. Care be taken especially with reference to 'date of tender'.

3. Please note that even a single error committed by your bank results in tax payer grievance and as such there is a need to sensitise your branch staff of the importance of data quality and the reputational / operational risk your bank may face in this regard.

Yours faithfully,

(M.T. Varghese)
General Manager