

Ref No.2BII/7445

3 Sep. 2008

Shri Deepak Kumar, I.A.S
Commissioner
Commercial Tax, U.P.
Vibhuti Khand, Gomti Nagar,
Lucknow

Subject: Issue of Notification under VAT Act Sec. 50 (1).

Sir,

Indian Industries Association (IIA) in its interaction with your goodself on the issue of fixing the measure/value upto which no form-38 will be required to be used.

IIA desire that since the Notification (to be issued) regarding minimum value exempt from the use of form-38 u/s 50 (1) of VAT Act 08 should be Rs.10000/- at least otherwise Rs. 50000/-. Because in urgent cases when raw material is required in smaller quantities for manufacturing or processing etc, it takes at least three days for form-38 to reach the seller & as such production is hindered. Therefore goods valued at less than Rs. 50000/- & or 5 Qt in weight may be exempt from form -38 use if needed, to avoid loss of production etc.

Thanking you,

Yours truly,

D.S. Verma
Executive Director