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Sub :- Rationalization of Sensitive/Vulnerable commodities list.

Sir,

Please refer to your circular no. 0910094, dt. 18.02.2010. This circular (Exhibit – 1) has been issued in the light of Rule 45 (1) (C) of VAT and a host of commodities have been declared to be sensitive /vulnerable.

In the above context it is to bring for your kind perusal that vide circular no. (07-08) – 495/vanijya kar, dated 25.3.2008 'Eight (8) commodities' were declared to be "sensitive/vulnerable". Another circular no. 2007-08/90/vanijya kar, dt. 17.4.2009 (Exhibit – 1) followed the cited circular of 25.3.2008 dropping two commodities out of eight (8) and selecting six (6) commodities as "highly sensitive" viz :-

(1) Iron Steel (2) Paper (3) Supari (4) Vanaspati (5) Paan Masala/Gutka (6) Coal. Both these circulars did not vary in contents but fixed up category of the "Sensitive" & "highly Sensitive" commodities only. This explains the criteria followed in declaring the goods as sensitive and more so that they do not go out of Eight commodities mentioned in circular of 25.3.2008.

During the deliberations and discussions in Tax Board as a consequence of which quarterly "Tax-period Returns" were agreed upon, only the same commodities as mentioned in above two circulars were identified. The circular dated 18.2.2010 has not been issued in suppression of circulars dated 25.3.2008 & 17.4.2008 and the previous both circulars are very much in existence till recinded. Logically two sets of commodities for one and the same commodity do not apparently

weigh in balance of natural justice. The final decision of Tax Board which is a statutory body does also have legal and binding significance. Therefore, it is requested that the circular dated 18.2.2010 be kindly be amended to the extent of circular dated 25.3.2008. Because of which all sets of Dealers who have been given the benefit of one liberal provision under the Rules may not be denied the benefit thereof.

Thanking you,

Yours faithfully,

D.S.Verma
Executive Director