

Ref.No. 2B/R-11/8339

30.04.2010

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Sub:- Despite liberal provisions of Rule 45 Circular date 17.4.2009 has undone the benefit. May be re-considered for restoration of liberal grant.

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 large bunch of commodities have been declared to be sensitive / vulnerable. By virtue of this circular facility under a rule contemplated to relieve the Dealers of monthly exercise of filing Returns has almost been withdrawn. Now almost every Dealer will file monthly Return and the provision of quarterly return will be confined to only books.

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 – 2) 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 previous 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 the meeting of U.P. Tax Board chaired by Principal Secretary in place of monthly Returns quarterly “Tax-period Returns” were agreed upon. Only the same commodities as mentioned in above two circulars were identified for exclusion. The circular dated 18.2.2010 has identified more than three fold of the commodities declared sensitive on 25.3.2008 & 17.4.2008. This 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in suppression of circulars dated 25.3.2008 & 17.4.2008 and the previous both circulars are very much in existence till rescinded. Logically two sets of commodities for one and the same purpose do not apparently weighs in balance of natural justice. The final decision of Tax Board chaired by Principal Secretary, Commercial Tax, which is a statutory body does also have legal and binding significance. Therefore, it is requested that circular dated 18.2.2010 may kindly be amended to the extent of circular dated 25.3.2008. Because of which all sorts of Dealers who have been given the benefit of one liberal provision under the Rules may not be denied the benefit thereof **only a minimum number of Dealers will reap this benefit whereas larger number will be deprived of it.** It is hoped that your goodself will consider & confirm circular dt. 17.4.2009 for the aforesaid Rule 45.

Thanking you,

Yours faithfully,

D.S.Verma
Executive Director