

Ref.No. 2B/ R- 22/8693

06.9.2010

To,

Shri V.N.Garg, IAS
Executive Director,
Udyog Bandhu,
12-C, Mall Avenue,
Lucknow

Sub:- Clarification on the point of ITC of exporters and preceding transactions from Deptt.of Commercial TAX

Sir,

Exports outside India are not to be taxed as per provisions of constitution of India. Raw materials and packings were also exempt by issuing Form “ H” under Central Sales Tax Act. Yet there are some anomalies which require clarification. Moradabad Chapter of IIA ,which is the hub of Export industries organized a meeting and invited Additional Commissioner Commercial Tax , Shri A.C.Bajpai to address the meeting. During the discussion the only point of uncertainty emerged was the eligibility of ITC.

Therefore, the Additional Commissioner, Commercial Tax himself drafted a questionnaire for clarification to the Commercial Tax Deptt. vide his letter dt.28th April,2010 (**copy of the letter enclosed for your ready reference at Annexure-I**). But no clarification has been made so far by Commercial Tax Deptt. regarding this issue. We have also taken up this matter with Principal Secretary SSI and Export Commissioner, Export Promotion Bureau requesting them to intervene into the matter by our letter dt.22.06.2010 (**copy of letter enclosed at Annexure-II**)

The clarifications regarding this issue need to be provided soon . Therefore, you are requested to kindly get the matter expedited at the earliest.

Thanking you,

Yours faithfully,

D.S.Verma
Executive Director