

- **Forms or Notification to distinguish between sale to consumer & Industrial Input.**

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**Subject: Forms or Notification to distinguish between sale to consumer & Industrial Input.**

Sir,

IIA & its members are very much concerned about the modus-operandi of implementation of VAT. The Rates of Tax in VAT schedule of Rates prescribe different Rates of Tax for one & the same commodity when used as 'Industrial Inputs' or "other uses or consumption". The Act & Rules do not elaborate this point as how the mechanism of different Rates is to operate. No forms or specification of forms have been provided & the only Rule 77 leaves the specification, purpose & specimen of form blank, but the Dealer will be expected to envision the procedure & will not be let-off for this. How long will these purchases & sales remain suspended looking forward for clarifications or the Rules or circular or Notification to be released ? It is a big set-back for Industry to function & Revenue to generate.

Therefore it is requested that procedure for purchases of Industrial Inputs @4% & forms, notification, Rules or procedure whatever there is in the pipeline be released immediately. Meanwhile, we will request for an interim procedural reply as what is to happen & How that will happen?

Thanking You

Yours truly,

D.S. Verma  
Executive Director