

OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES  
ODISHA, CUTTACK

No. 3254/CT  
IV(CI) 15/2017

Dated 22/2/18

ORDER

Under various taxation Acts and Rules such as the Odisha Value Added Tax Act and Rules, the Odisha Entry Tax Act and Rules, etc, a limitation period has been prescribed for suo-motu revision as well as rectification of any order. There has been a doubt persisting for many years whether the suo-motu revision proceedings or rectification proceedings are to be concluded within the prescribed limitation period or whether such proceedings are to be initiated within the limitation period and can be concluded at any time beyond the limitation period.

This doubt has been finally set to rest by the Hon'ble Orissa High Court vide its order dated 10.01.2018 in O.J.C No. 9397 of 1999 (M/s Sagarmal Agarwalla Vrs. Commissioner of Sales Tax, Orissa, Cuttack & Others). The relevant extracts of the said order are furnished below.

"xxx

8. *The only question which remains for determination of this Court is as to whether under Rule 80 of the Rules, revisional proceedings are to be concluded from the date of passing of the final orders passed within a period of three years sought to be revised or the proceedings if initiated within three years can be concluded beyond the period of three years.*

9. *For the purpose of this case, the relevant Rule 80 can be read in the manner that the Commissioner may on his own motion at any time within three years from the date of passing of any order by the Sales Tax Officer....., call for records of the proceedings in which such order was passed and if he considers that any order passed therein is erroneous..... he may after giving the dealer an opportunity of being heard and after making or causing to be made such enquiry as he deems necessary revise any such order.*

10. *Any interpretation contrary to the above would mean that even though initiation of proceedings for revision may be done within three years, final order can be passed after years of such initiation which would keep the matter hanging for years together, which cannot be the intention of the Act. The purpose of Rule 80 is to give finality to the suo motu proceedings initiated by the Asst. Commissioner within a specified period and the same can be done after proper interpretation is given that the proceedings are to conclude and revision orders passed within a period specified in the Rule.*

xxx"

In view of this, it is hereby clarified for the benefit of all that suo-motu revision proceedings and rectification proceedings must be concluded (i.e. final order has to be passed) within the prescribed limitation period; as otherwise, the revision/rectification order passed beyond the prescribed limitation period, even though the proceeding is initiated within the limitation period, will be liable to be quashed in the eyes of law.



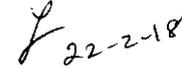
(Saswat Mishra)

Commissioner of Commercial Taxes  
Government of Odisha, Cuttack

Memo No. 3255/CT

Dated 22/2/18

Copy to all officers of Head Office including Addl. CCTs (Appeal).

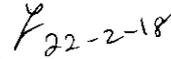


Dy. Commissioner of Commercial Taxes (Law)  
Odisha, Cuttack

Memo No. 3256/CT

Dated 22/2/18

Copy to all Addl.CCTs/JCCTs heading the Territorial Ranges.

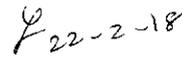


Dy. Commissioner of Commercial Taxes (Law)  
Odisha, Cuttack

Memo No. 3257/CT

Dated 22/2/18

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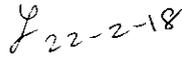


Dy. Commissioner of Commercial Taxes (Law)  
Odisha, Cuttack

Memo No. 3258/CT

Dated 22/2/18

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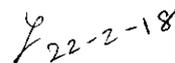


Dy. Commissioner of Commercial Taxes (Law)  
Odisha, Cuttack

Memo No. 3259/CT

Dated 22/2/18

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Dy. Commissioner of Commercial Taxes (Law)  
Odisha, Cuttack