

OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES, ODISHA, CUTTACK
No. 16718 /CT., Dated. 15.11.17
Pol-56/3/2017

To

The General Manager
Indian Oil Corporation Limited
Indian Oil Bhavan, Odisha State Office
Consumer Sales Department, 3rd Floor
Plot No. A/2, Chandrasekharpur
Bhubaneswar-751024

Sub: Issue of C Form for purchase of Non-GST Products on Inter-State basis

Ref: Your letter dated 10.11.2017

Sir,

In inviting a reference to the letter referred to above, I am directed to say that the communications annexed thereto were examined and the issues raised therein are clarified as follows:-

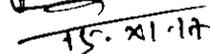
1. It was clarified very clearly in para 9 of the Circular No. 12539/CT dated 17.08.2017 that dealers including works contractors, dealers undertaking manufacture of goods other than the goods defined in Section 2(d) of the CST Act, dealers undertaking generation and/or distribution of electricity and dealers undertaking mining or maintaining telecommunication network are no more eligible to make inter-state purchase of the non-GST goods including HSD against Form C for the simple reason that they are no more eligible for registration under the CST Act.
2. The rate of tax prescribed in Sub-section(1) of Section 8 of the CST Act is applicable only to a dealer registered under the said Act in respect of inter-state purchase of goods as described in sub-section (3) of Section 8.
3. Thus, the primary qualifying condition for availing the rate of tax prescribed under sub-section (1) of Section 8 is registration under the CST Act. Consequent upon migration to the GST regime, the registration granted earlier under the CST Act became automatically invalid.
4. New registration can be granted under Section 7(1) of the Act only if a dealer is liable to pay tax on account of inter-state sales of the goods enumerated in

- clause (d) of Section 2 of the CST Act. Similarly, registration can also be granted to dealers who are liable to pay tax under the OVAT Act. Under no other circumstances, grant of registration can be considered.
5. Without registration, making inter-state purchase availing the concessional rate prescribed under sub-section (1) of Section 8 is simply not possible.
 6. The recent clarification issued by Government of India vide OM No.28011/03/2014 dated 07.11.2017 merely reiterates that the meaning of 'goods' as appearing in Section 8 (3) (b) shall have the same meaning as assigned to it in clause (d) of Section 2 of the Act. In other words, the reference to 'goods' as appearing in Section 8 (3) (b) of the Act means only those six goods as defined in Section 2 (d) of the Act. It means goods other than these six goods are not goods under the CST Act.
 7. In the said clarification, it is also clarified that the restricted definition of goods as appearing in clause (d) of Section 2 does not affect the application of Section 8(3) (b) of the Act relating to telecommunication network or mining or generation or distribution of electricity or any form of power. On the other hand, the said clarification does not dispense with the requirement of registration under the Act for availing the rate prescribed in Section 8 (1). It is reiterated that registration under the Act is the primary condition for a dealer to avail the rate prescribed in Section 8 (1). Therefore, the dealers who are no more liable to pay tax under the CST Act or under the OVAT Act cannot be considered for grant of registration. Consequently, they cannot make inter-state purchase of any of these six goods against Form C.

Therefore, it is hereby re-iterated that all the instructions contained in the CCT Circular No.12539/CT dated 17.08.2017 stand intact even after issue of the above said clarification by Government of India.

This is issued with the approval of CCT (Odisha).

Yours faithfully


15. 11. 17

Addl. Commissioner of Commercial Taxes
(Policy)

Memo No. 16719 /CT., Dated. 15-11-12
Copy to all Joint Commissioners in charge of Territorial Ranges for information.

[Signature]
15-11-12
Addl. Commissioner of Commercial Taxes
(Policy)

Memo No. 16720 /CT., Dated. 15-11-12
Copy to all Deputy/Asst. Commissioners in charge of Circles for information.

[Signature]
15-11-12
Addl. Commissioner of Commercial Taxes
(Policy)