THE TELANGANA VALUE ADDED TAX ACT, 2005.

(ACT NO. 5 OF 2005)

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THE TELANGANA VALUE ADDED TAX ACT, 2005.[1]

ACT No.5 OF 2005.

CHAPTER - I
PRELIMINARY

1. (1) This Act may be called the [2]Telangana Value Added Tax Act, 2005. Short title, extent and commencement.

(2) It extends to the whole of the state of [2]Telangana.

(3) (a) Sections 1, 2, 17, 18 and 78 shall be deemed to have come into force with effect from 31st January, 2005; and

(b) the remaining provisions shall come into force on such date as the Government may, by notification, appoint.

2. In this Act unless the context otherwise requires,- Definitions.

(1) „Additional Commissioner" means any person appointed to be an Additional Commissioner of Commercial Taxes under section 3-A;

(2) „Appellate Deputy Commissioner" means any person appointed under section 3-A to be an Appellate Deputy Commissioner or any other officer not below the

1. The Andhra Pradesh Value Added Tax Act, 2005 received the assent of the Governor on the 16th March, 2005. The said Act in force in the combined State, as on 02.06.2014, has been adapted to the State of Telangana, under section 101 of the Andhra Pradesh Reorganisation Act, 2014 (Central Act 6 of 2014) vide. the Notification issued in G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

2. Substituted by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

rank of Deputy Commissioner authorized by the Commissioner to be an Appellate Deputy Commissioner;

(3) „Appellate Tribunal" means the Appellate Tribunal appointed under section 3;

[3][(4) „Assessing authority" means any officer of the Commercial Taxes Department, authorized by the Commissioner or as may be prescribed, to make any assessment in such area or areas or the whole of the State of [4]Telangana;]

(5) „Assistant Commissioner" means any person appointed to be an Assistant Commissioner of Commercial Taxes under section 3-A;

(6) „Business" includes:

(a) any trade, commerce or manufacture or any adventure or concern in the nature of trade, commerce or manufacture whether or not such trade, commerce, manufacture, adventure or concern is carried on or undertaken with a motive to make gain or profit and whether or not any gain or profit accrues therefrom;

(b) any transaction in connection with, or incidental or

ancillary to, such trade, commerce, manufacture, adventure or concern; and

(c) any transaction in connection with commencement or incidental or ancillary to the commencement or closure of such trade, commerce, manufacture, adventure or concern;

3. Substituted by Act No.21 of 2011.

4. Substituted by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

Explanation:- For the purpose of this clause-

(i) the activities of raising of manmade forests or rearing of seedlings or plants shall be deemed to be business;

(ii) any transaction of sale or purchase of capital goods pertaining to such trade, commerce, manufacture, adventure or concern shall be deemed to be business;

(iii) a sale by a person whether by himself or through an agent of agricultural or horticultural produce grown by himself or grown on any land whether as owner or tenant in a form not different from the one in which it was produced, save mere cleaning, grading or sorting does not constitute business;

(7) „Casual trader" means a person who, whether as principal, agent or in any other capacity, carries on occasional transactions of a business nature involving the buying, selling or distribution of goods in the State; whether for cash or for deferred payment, or for commission, remuneration or other valuable consideration;

(8) „Commissioner" means any person appointed by the Government to be the Commissioner of Commercial Taxes under section 3-A;

(9) „Commercial Tax Officer" means any person appointed to be Commercial Tax Officer under section 3-A;

(10) „Dealer" means any person who carries on the business of buying, selling, supplying or distributing goods or delivering goods on hire purchase or on any system of payment by instalments, or carries on or executes any works contract involving supply or use of material directly or otherwise, whether for cash or for deferred payment, or for

commission, remuneration or other valuable consideration, and includes,-

(a) a company, a Hindu undivided family or any society including a co-operative society, club, firm or association which carries on such business;

(b) a society including a co-operative society, club, firm or association which buys goods from, or sells, supplies or distributes goods to its members;

(c) a casual trader, as hereinbefore defined;

(d) any person, who may, in the course of business of running a restaurant or an eating house or a hotel by whatever name called, sells or supplies by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink whether or not intoxicating;

(e) any person, who may transfer the right to the use of any goods for any purpose whatsoever whether or not for a specified period in the course of business to any other person;

(f) a commission agent, a broker, a delcredere agent, an auctioneer or any other mercantile agent, by whatever name called, who carries on the business of buying, selling, supplying or distributing goods on behalf of any principal 5[or principals];

Explanation I: Every person who acts as an agent of a non-resident dealer" that is, as an agent on behalf of a dealer residing outside the State, and buys, sells, supplies

5. Added by Act No.28 of 2008.

or distributes goods in the State or acts on behalf of such dealer as,-

(i) a mercantile agent as defined in the Sale of Goods Central Act III of 1930. Act, 1930;

or

(ii) an agent for handling goods or documents of title relating to goods;

or

(iii) an agent for the collection or the payment of the sale price of goods or as a guarantor for such collection or payment and every local branch of a firm or company situated outside the State; shall be deemed to be a dealer for the purpose of the Act;

Explanation II: Where a grower of agricultural or horticultural produce sells such produce grown by himself on any land in which he has an interest whether as owner, usufructuary mortgagee, tenant or otherwise, in a form different from the one in which it was produced after subjecting it to any physical, chemical or any process other than mere cleaning, grading or sorting, he shall be deemed to be a dealer for the purpose of the Act;

Explanation III: The Central Government or the State Government which, whether or not in the course of business, buys, sells, supplies or distributes goods, directly or otherwise, for cash or for deferred payment or for commission, remuneration or other valuable consideration shall be deemed to be a dealer for the purposes of the Act;

Explanation IV: Each of the following persons and bodies, whether or not in the course of business, who sells or disposes of any goods including unclaimed or confiscated or unserviceable goods or scrap, surplus, old, obsolete, or discarded material or waste products whether by auction or otherwise, directly or through an agent for

cash, or for deferred payment or for any other valuable consideration shall be deemed to be a dealer to the extent of such disposals or sales, namely,-

(i) Port Trust;

(ii) Municipal Corporations, Municipal Councils, and other local authorities;

(iii) Railway authorities;

(iv) Shipping, transport and construction companies;

(v) Air transport companies and air-lines including National Airport Authority;

(vi) Transporters holding permits for transport vehicles granted under the Motor Vehicles Act, 1988 which are used or adopted to be used for hire; Central Act 59 of 1988.

(vii) Telangana State Road Transport Corporation;

(viii) Customs Department of the Government of India Central Act 52 of 1962. administering the Customs Act, 1962;

(ix) Insurance and financial corporations or companies and Banks included in the Second Schedule to Central Act 2 of 1934. the Reserve Bank of India Act, 1934;

(x) Advertising agencies;

(xi) Any other Corporation, company, body or authority owned or set up by or subject to administrative control of the Central Government or any State Government;

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Explanation V:- Save as otherwise expressly provided for under the Act the word „dealer" shall include a VAT dealer and a TOT dealer;

(11) „Deputy Commercial Tax Officer" means any person appointed to be a Deputy Commercial Tax Officer under section 3-A;

(12) „Deputy Commissioner" means any person appointed to be a Deputy Commissioner of Commercial Taxes under section 3-A;

(13) „Exempt sale" means a sale of goods on which no tax is chargeable, and consequently no credit for input tax related to that sale is allowable;

(14) „Exempted Turnover" means the aggregate of sale prices of all goods exempted under the Act and full or part of the actual value or fair market value of all transactions not taxable under the provisions of the Act, including transactions falling under section 6A of the 6[Central Sales Tax Act, 1956]; Central Act 7 of 1956.

(15) „Fair market value" means the price that the goods would ordinarily fetch on sale in the open market on the date of sale or dispatch or transfer of such goods;

(16) „Goods" means all kinds of movable property other than newspapers, actionable claims, stocks, shares and securities, and includes all materials, articles and commodities including the goods as goods or in some other form, involved in the execution of a works contract or those goods used or to be used in the construction, fitting out, improvement or repair of movable or immovable property and also includes all growing crops, grass and things

6. Substituted by Act No.23 of 2005.

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attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale;

(17) „Goods vehicle" means any motor vehicle constructed or adapted for the carriage of goods, or any other motor vehicle not so constructed or adapted when used for the carriage of goods solely or in addition to passengers and also includes every wheeled conveyance;

(18) „Government" means the State Government of 7Telangana;

(19) „Input tax‟ means the tax paid or payable under the Act by a VAT dealer [8][whether directly by himself or through his agent on his behalf] to another VAT dealer on the purchase of goods in the course of business;

(20) „Joint Commissioner‟ means any person appointed to be a Joint Commissioner of Commercial Taxes under section 3-A;

(21) „Notification‟ means a notification published in the [7]Telangana Gazette and the word „notified‟ shall be construed accordingly;

(22) „Output tax‟ means the tax paid or payable by a VAT dealer [8][whether by himself or through his agent] on the sale of goods to another VAT dealer or any other person;

(23) „Place of business‟ means any place where a dealer purchases or sells goods and includes,-

7. Substituted by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

8. Inserted by Act No.28 of 2008.

(a) any warehouses, godown or other place where goods are stored or processed or produced or manufactured; or

(b) any place where a dealer keeps his books of accounts; or

(c) any place where business is carried on through an agent by whatever name called, the place of business of such agent;

(24) „Prescribed‟ means prescribed by the Rules made under the Act;

(25) „Purchase Price‟ means the amount of valuable consideration paid or payable by a person for any purchase made including any sum charged for anything done by the seller in respect of the goods at the time of or before delivery thereof;

Explanation I:- Where the purchase is effected by way of transfer of property in goods (whether as goods or in some other form) involved in the execution of works contract, purchase price shall mean the total consideration for the works contract, and for the purpose of levy of tax purchase price shall be taken to mean the price as may be determined in accordance with the rules, by making such deductions from the total consideration for the works contract as may be prescribed;

Explanation II: - The amount of duties levied or leviable on the goods under the Central Excise Act, 1944, or the Customs Act, 1962 shall be deemed to be part of the purchase price of such goods, whether such duties are paid or payable by or on behalf of the seller or the purchaser or any other person;

Central Act 1 of 1944.

Central Act 52 of 1962.

Explanation III: - Purchase price shall not include tax paid or payable by a person in respect of such purchase;

(26) „Return‟ means any return required to be furnished under the Act or the Rules made thereunder;

(27) „Rules‟ means rules made under the Act;

(28) „Sale“ with all its grammatical variations and cognate expressions means every transfer of the property in goods [whether as such goods or in any other

form in pursuance of a contract or otherwise] by one person to another in the course of trade or business, for cash, or tor deferred payment, or for any other valuable consideration or in the supply or distribution of goods by a society (including a co-operative society), club, firm or association to its members, but does not include a mortgage, hypothecation or pledge of, or a charge on goods;

Explanation I:- A delivery of goods on the hire purchase or any system of payment by instalments shall, notwithstanding the fact that the seller retains the title in the goods, as security for payment of the price, be deemed to be a sale;

Explanation II:- (a) Notwithstanding anything contained in the Indian Sale of Goods Act, 1930 a sale or purchase of goods shall be deemed, for the purpose of the Act to have taken place in the State, wherever the contract of sale or purchase might have been made, if the goods are within the State,- Central Act III of 1930.

(i) in the case of specific or ascertained goods, at the time the contract of sale or purchase is made; and

(ii) in the case of unascertained or future goods, at the time of their appropriation to the contract of sale or

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purchase by the seller or by the purchaser, whether the assent of the other party is prior or subsequent to such appropriation;

(b) Where there is a single contract of sale or purchase of goods situated at more places than one, the provisions of clause (a) shall apply as if there were separate contracts in respect of the goods at each of such places;

Explanation III:- Notwithstanding anything contained in the Act or in the Indian Sale of Goods Act, 1930 two Central Act III of 1930. independent sales or purchases shall for the purposes of the Act, be deemed to have taken place,-

(1) When the goods are transferred from a principal to his selling agent and from the selling agent to his purchaser, or

(2) When the goods are transferred from the seller to a buying agent and from the buying agent to his principal, if the agent is found in either of the cases aforesaid,-

(i) to have sold the goods at one rate and to have passed on the sale proceeds to his principal at another rate; or

(ii) to have purchased the goods at one rate and to have passed them on to his principal at another rate; or

(iii) not to have accounted to his principal for the entire collections or deductions made by him, in the sales or purchases effected by him on behalf of his principal; or

(iv) to have acted for a fictitious or non-existent principal;

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Explanation-IV:- A transfer of right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration shall be deemed to be a sale;

Explanation-V:- Notwithstanding anything contained in

Central Act III of 1930. the Act or in the Indian Sale of Goods Act, 1930 the sale of goods includes the supply, by way of or as part of any service or in any manner whatsoever, of goods, being food or other article for human consumption or any drink (whether or not intoxicating) where such supply or service, is for cash, deferred payment or other valuable consideration and such supply of any goods shall be deemed to be a sale of those goods by the person making the supply of those goods to the person to whom such supply is made;

Explanation-VI:- Whenever any goods are supplied or used in the executing of a works contract, there shall be deemed to be a transfer of property in such goods, whether or not the value of the goods so supplied or used in the course of execution of such works contract is shown separately and whether or not the value of such goods or material can be separated from the contract for the service and the work done;

Explanation-VII:- Notwithstanding anything contained in

Central Act III of 1930. the Indian Sale of Goods Act, 1930, a sale or purchase of goods shall, for the purposes of the Act be deemed to have taken place where in the course of any scheme whether called as "Lucky Gift Scheme" or by any other name, any goods are transferred by the person who runs such scheme to any other person who is a subscriber to that scheme, provided that all the subscribers to the scheme have agreed to contribute a specific sum periodically or otherwise, towards the cost of any article agreed to be sold or given to the winner of the draw held by the holder of the scheme;

and the turnover for the purpose of this Explanation shall be the amount which would have been payable by the subscriber had he not won the prize till the end of the series of draw;

Explanation-VIII:- Every transfer of property in goods by the Central Government or the State Government for cash or for deferred payment or for any other valuable consideration, whether or not in the course of business shall be deemed to be a sale for the purpose of the Act;

(29) „Sale Price" means,-

(a) the total amount set out in the tax invoice or bill of sale; or

(b) the total amount of consideration for the sale or purchase of goods as may be determined by the assessing authority, if the tax invoice or bill of sale does not set out correctly the amount for which the goods are sold; or

(c) if there is no tax invoice or bill of sale, the total amount charged as the consideration for the sale or purchase of goods by a VAT dealer or TOT dealer either directly or through another, on his own account or on account of others, whether such consideration be cash, deferred payment or any other thing of value and shall include,-

(i) the value of any goods as determined by the assessing authority,-

(a) to have been used or supplied by the dealer in the course of execution of the works contract; or

(b) to have been delivered by the dealer on hire purchase or any other system of payment by instalments; or

(c) to have been supplied or distributed by a society including a Co-operative Society, Club, firm or association to its members, where the cost of such goods is not separately shown or indicated by the dealer and where the cost of such goods is separately shown or indicated by the dealer, the cost of such goods as shown or indicated;

(ii) any other sum charged by the dealer for anything done in respect of goods sold at the time of, or before, the delivery of the goods;

(iii) any other sum charged by the dealer, whatever be the description, name or object thereof;

Explanation-I:- Subject to such conditions and restrictions, if any, as may be prescribed in this behalf, any cash or other discount on the price allowed in respect of any sale and any amount refunded in respect of articles returned by customers shall not be included in the sale price;

Explanation-II:- For the purpose of determination of sale price and levy of Value Added Tax, the Value Added Tax charged or chargeable shall not form part of sale price;

9[Explanation-III:- For the purpose of determination of sale price of Foreign Liquor imported by the Telangana Beverages Corporation Limited and levy of Value Added Tax, the „Customs Duty" charged or chargeable under the Customs Act, 1962 shall not form part of the sale price.]

(30) „Schedule" means a Schedule appended to the Act;

9. Added by Act No.9 of 2010.

10[(30-A) „SEZ" means Special Economic Zone as defined under the Special Economic Zones Act, 2005;]

Central Act 28 of 2005.

(31) „Special Rate of Tax" means the rates of tax specified in Schedule-VI;

(32) „State" means the State of 11Telangana;

(33) „State Representative" means an officer of the Commercial Taxes Department not below the rank of Assistant Commissioner appointed by the State Government to receive on their behalf notices issued by the Appellate Tribunal and generally to appear, act and plead on their behalf in all proceedings before the Appellate Tribunal and includes an officer authorized to act on his behalf in his absence;

(34) „Tax" means a tax on the sale or purchase of goods payable under the Act and includes,-

(a) a tax on the transfer, otherwise than in pursuance of a contract, of property in any goods for cash, deferred payment or other valuable consideration;

(b) a tax on the transfer of property in goods whether as goods or in some other

form involved in the execution of a works contract;

(c) a tax on the delivery of goods on hire purchase or any system of payment by instalments;

(d) a tax on the transfer of the right to use any goods for any purpose whether or not for a specified period for cash, deferred payment or other valuable consideration;

10. Inserted by Act No.28 of 2008.

11. Substituted by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

(e) a tax on the supply of goods by any un-incorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration;

(f) a tax on the supply, by way of or as part of any service or in any other manner whatsoever of goods, being food or any other article for human consumption or any drink whether or not intoxicating, where such supply or service is for cash, deferred payment or other valuable consideration;

(35) „Tax invoice" means a sale invoice containing such details as may be prescribed and issued by a VAT dealer to another VAT dealer;

(36) „Tax period" means a calendar month or any other period as may be prescribed;

(37) „Taxable Sale" means a sale of goods taxable under the Act and under the Central Sales Tax Act, 1956 and shall include sale of any goods exported outside the territory of India or sold in the course of export;

Central Act 74 of 1956.

(38) „Taxable turnover" means the aggregate of sale prices of all taxable goods;

Explanation-I:- For the purpose of a VAT dealer, it shall not include the amount of VAT paid or payable but shall include the sale price of zero-rated sales;

Explanation-II:- The sale price relating to second and subsequent sale of goods specified in Schedule VI shall not, form part of taxable turn over;

12[Explanation-III:- The Sale price, relating to loose liquor, served to customer in a bar/restaurant which was derived from the goods enumerated in item 1 of the Schedule-VI, on which tax at special rates has been levied and paid in the State, shall not form part of the taxable turnover;]

13[(39) „Total turnover" means the aggregate of sale prices of all goods, taxable and exempted, sold at all places of business of the dealer in the State, whether directly by himself or through his agent or agents, including the turnover of sales involved in the transactions falling under sections 3, 5, 6A and 8(6) of the Central Sales Tax Act, 1956 and shall also include the gross consideration received or receivable towards execution of works contract;]

(40) „Turnover tax" or „TOT" means a tax on the taxable turnover of dealers registered or liable to be registered for TOT;

(41) „Turnover Tax Dealer" or „TOT" dealer means any dealer who is registered or liable to be registered for TOT;

(42) „VAT" means Value Added Tax on sales, levied under the provisions of the Act;

(43) „VAT dealer" means a dealer who is registered for VAT;

(44) „Vessel" includes any ship, barge, boat, raft, timber, bamboos or floating materials propelled in any manner;

12. Added by Act No.21 of 2011.

13. Substituted by Act No.28 of 2008.

(45) „Works Contract" includes any agreement for carrying out for cash or for deferred payment or for any other valuable consideration, the building construction, manufacture, processing, fabrication, erection, installation, laying, fitting out, improvement, modification, repair or commissioning of any movable or immovable property;

(46) „Year" means the twelve-month period ending on the thirty first day of March;

(47) „Zero Rated Sales" for the purpose of the Act, means a sale of goods in the course of inter-State trade or commerce, exports to outside the territory of India including sale in the course of export and sale of goods to any unit located in Special Economic Zone as may be notified.

CHAPTER - II
APPELLATE TRIBUNAL AND APPOINTMENT OF OFFICERS

Appellate Tribunal.

3. (1) The Government shall appoint an Appellate Tribunal consisting of a Chairman and two other members to exercise the functions conferred on the Appellate Tribunal by or under the Act. The Chairman shall be a judicial officer not below the rank of a 14[District Judge Super Time Scale/District Judge Selection Grade] and of the other two members, one shall be an officer of the State Government not below the rank of a Joint Commissioner of Commercial Taxes and the other shall be an officer of the Indian Revenue Service not below the rank of an Additional Commissioner.

(2) Any vacancy in the membership of the Appellate Tribunal shall be filled up by the Government.

14. Substituted by Act No.34 of 2006.

(3) Notwithstanding anything contained in sub-section (1), the Government may at any time, by order, constitute an additional Bench of the Tribunal, consisting of a Chairman who shall be a 15[District Judge Super Time Scale/District Judge Selection Grade] and two members of whom one shall be an officer of the State Government not below the rank of a Joint Commissioner of Commercial Taxes and the other shall be an officer of the Indian Revenue Service not below the rank of an Additional Commissioner to function at such place and for such period as may be specified herein.

(4) Where any orders passed by the Benches specified in sub-sections (1) and (3) are in conflict with each other on same issue the senior Chairman of the two Benches, on application or suo-motu shall constitute and preside over a full Bench of not less than five members in the manner specified in the regulations made under sub-section (5) and the decision of such Bench shall be final.

(5) The Appellate Tribunal shall, with the previous sanction of the Government make regulations consistent with the provisions of the Act and rules made thereunder, for

regulating its procedure and the disposal of its business. Such regulations shall be published in the [16]Telangana Gazette.

[17][(6) (a) The functions of the Appellate Tribunal may be exercised,-

(i) by a Bench consisting of all the members of the Appellate Tribunal; or

15. Substituted by Act No.34 of 2006.

16. Substituted by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

17. Added by Act No.34 of 2006.

(ii) by a Bench consisting of two members constituted by the chairman; or

(iii) by a Bench consisting of the Chairman and another member as constituted by the Chairman; or

(iv) by a Bench consisting of the other two members in case the Chairman is absent or on leave or transfer or in case of the office of the Chairman is vacant otherwise; or

(v) by a single member of the Appellate Tribunal constituted by the Chairman in cases where the turnover does not exceed rupees five lakhs;

Explanation:- The single member referred to in item (v) above may be either the Chairman himself or any other member;

(b) Where an appeal or application is heard by all the three members of the Appellate Tribunal, and the members are divided in opinion, on any point or points, such point or points shall be decided in accordance with the opinion of the majority;

(c) Where an appeal or application is heard by a Bench consisting of two members whether it consists of the Chairman or not, and the members are divided in opinion, on any point or points, such point or points shall be referred to the Appellate Tribunal consisting of all the three members;

(d) If any case which comes up before a single member (who is not the Chairman) or a Bench (of which the Chairman is not a member) involves a question of law, such single member or Bench may in his or its discretion, reserve

such case for decision by a Bench of which the Chairman shall be a member.]

Appointment of Officers.

3-A. The State Government, may, appoint a Commissioner of Commercial Taxes and as many Additional Commissioners of Commercial Taxes, Joint Commissioners of Commercial Taxes, Appellate Deputy Commissioners of Commercial Taxes, Deputy Commissioners of Commercial Taxes, Assistant Commissioners of Commercial Taxes, Commercial Tax Officers and Deputy Commercial Tax Officers as they think fit, for the purpose of performing the functions respectively conferred on them by or under the Act. Such officers shall perform the said functions within such area or areas or the whole of the State of [18]Telangana as the Government or any authority or officer empowered by them in this behalf may assign to them.

CHAPTER - III
INCIDENCE, LEVY AND CALCULATION OF TAX.

Charge to tax.

4. (1) Save as otherwise provided in the Act, every dealer

registered or liable to be registered as a Value Added Tax dealer shall be liable to pay tax on every sale of goods in the State at the rates specified in the Schedules.

19[(2) Every dealer Who has not opted for registration as a Value Added Tax dealer and who is registered or liable to be registered for Turnover Tax, shall pay tax at the rate of one percent (1%) on the taxable turnover in such manner as may be prescribed.]

18. Substituted by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

19. Substituted by Act No.4 of 2009.

(3) Every Value Added Tax dealer shall pay tax on every sale of goods taxable under the Act on the sale price at the rates specified in the Schedules III, IV and V subject to the provisions of section 13.

(4) Every Value Added Tax dealer, who in the course of his business purchases any taxable goods from a person or a dealer not registered as a Value Added Tax dealer or from a Value Added Tax dealer in circumstances in which no tax is payable by the selling Value Added Tax dealer, shall be liable to pay tax 20[at the rate of five percent (5%)] on the purchase price of such goods, if after such purchase, the goods are,-

(i) used as inputs for goods which are exempt from tax under the Act; or

(ii) used as inputs for goods, which are disposed of otherwise than by way of sale in the State or dispatched outside the State otherwise than by way of sale in the course of inter-State trade and commerce or export out of the territory of India; or

(iii) disposed of otherwise than by way of consumption or by way of sale either within the State or in the course of inter-State trade or commerce or export out of the territory of India:

21[Provided that wherever a common input is used to produce goods, the turnover, taxable under this sub-section, shall be the value of the inputs, proportionate to the value of the goods, used or disposed of in the manner as prescribed under this section:

20. Substituted by Act No.12 of 2012.

21. Substituted by Act No.28 of 2008.

Provided further that in respect of purchase of goods specified in Schedules III and VI, the VAT dealer shall be liable to pay tax at the rates specified for such goods in the respective Schedules.]

(5) Every dealer shall pay tax on the sale price of goods specified in Schedule VI at the special rates and at the point of levy specified therein.

(6) Every casual trader who sells goods within the State and any dealer covered under Explanation III and IV of clause (10) of section 2 shall pay tax on the sale price of such goods at the rates specified in the respective Schedules.

(7) Notwithstanding anything contained in the Act,-

(a) every dealer executing works contract shall pay tax on the value of goods at the time of incorporation of such goods in the works executed at the rates applicable to the goods under the Act:

Provided that where accounts are not maintained to determine the correct value of goods at the time of incorporation such dealer shall pay tax at the rate 22[specified in Schedule-V] on the total consideration received or receivable subject to such deductions as may be prescribed;

[23][(b) Every dealer executing works contract may in lieu of the amount of tax payable by him under clause (a) opt to pay by way of composition [24][at the rate of five percent (5%)] of the total amount received or receivable by himself towards execution of the works contract either by

22. Substituted by Act No.9 of 2010.
23. Substituted by Act No.21 of 2011.
24. Substituted by Act No.12 of 2012.

himself or though sub-contractor subject to such conditions as may be prescribed:

Provided that the sub-contractor, executing works contract on behalf of the contractor, who opts to pay tax under this clause, shall be exempted from levy of tax.]

[25][(c) [XXX]]

[26][(d) Every dealer engaged in construction and selling of residential apartments, houses, buildings or commercial complexes may, in lieu of the amount of tax payable by him under clause (a) opt to pay tax by way of composition [27][at the rate of five percent (5%)] on twenty five percent (25%) of the amount, received or receivable towards the composite value of both the land and building or the market value fixed therefor for the purpose of stamp duty, whichever is higher, subject to such conditions as may be prescribed:

Provided that, no tax shall be payable by the sub-contractor of a works contractor, who opts to pay and paid tax under this clause on the turnover relating to the amount received as a sub-contractor from such main contractor towards the execution of works contract, whether wholly or partly, subject to the production of evidence to prove that such main contractor has exercised such option in respect of the specific work and subject to such other conditions as may be prescribed.]

[28][(e) [XXX]]

25. Clause (c) omitted by Act No.21 of 2011. 26. Substituted by Act No.21 of 2011.
27. Substituted by Act No.12 of 2012.
28. Clause (e) omitted by Act No.21 of 2011.

[29][(f)] [30][any dealer registered or is liable to be registered] for Turnover Tax and executing any works contracts shall pay tax at the rate of 1% on total value of the goods at the time of incorporation of the goods used:

Provided that where accounts are not maintained to determine the correct value of the goods at the time of incorporation, such dealers shall pay tax at the rate of 1% the total consideration received or receivable subject to such deductions as may be prescribed;]

[31][XXX]

[32][(g) notwithstanding anything contained in clauses (a) to (f) above, no tax shall be leviable on the turnover of transfer of property in goods whether as goods or in some other

form involved in the execution of works contract, if such transfer from the contractor to the contractee constituted a sale in the course of inter-State trade or commerce under section 3 or a sale outside the State under section 4, or a sale in the course of import or export under section 5 of the Central Sales Tax Act, 1956;

(h) no tax shall be payable under [33][clause (a)] of this sub-section on the turnover relating to amounts paid to a sub-contractor as consideration for the execution of works contract whether wholly or partly subject to the production of proof that such sub-contractor is registered as a Value Added Tax dealer under the Act and the turnover of such amount is included in the return prescribed filed by such sub-contractor.]

29. Existing clause (e) renumbered as (f) and second proviso is added by Act No.23 of 2005.

30. Substituted by Act No.21 of 2011.

31. Second proviso omitted by Act No.5 of 2007.

32. Clauses (g) and (h) added by Act No.5 of 2007.

33. Inserted by Act No 39 of 2007 and substituted by Act No. 21 of 2011.

[34][(i) [XXX]]

(8) Every Value Added Tax dealer who transfers the right to use goods taxable under the Act for any purpose whatsoever, whether or not for a specified period, to any lessee or licensee for cash, deferred payment or other valuable consideration, in the course of his business shall, on the total amount realized or realizable by him by way of payment in cash or otherwise on such transfer of right to use such goods from the lessee or licensee pay a tax for such goods at the rates specified in the Schedules.

[35][(8A) Notwithstanding anything contained in sub-section (8), a producer of a feature film, who transfers the right to use the film to the distributors or the exhibitors for the purpose of exhibiting such films in the theatres, may opt to pay tax by way of composition as may be prescribed.

Explanation:- wherever tax is paid under sub-section (8A) by any producer in respect of any film, the subsequent transfer of right to use such film for exhibition in the theatre shall not be liable to tax under sub-sections (8) and (8A).]

[36][(8B) Any dealer other than the producer of a feature film may, in lieu of the tax payable by him under sub-section (8), opt to pay by way of composition an amount of tax [37][at the rate of five percent (5%)] of the total amount, received or receivable by him towards transfer of right to use any goods subject to the conditions, as may be prescribed:

Provided that, wherever the tax is paid under this sub-section, the subsequent transfer of right to use such goods shall not be liable to tax under sub-section (8).]

34. Clause (i) omitted by Act No.21 of 2011. 35. Inserted by Act No.4 of 2009.

36. Added by Act No.21 of 2011.

37. Substituted by Act No.12 of 2012.

[38][(9) Notwithstanding anything contained in this Act,-

(a) every dealer, being a star Hotel, having a status of three star and above, as recognized by competent authority prescribed by the Government of India, shall pay tax at the rate [39][specified in Schedule-V] of the taxable turnover of the sale or supply of goods, being food or any other article for human consumption or drink, served in restaurants, attached to such hotels or anywhere whether indoor or outdoor;

(b) every dealer, being a Hotel other than those mentioned in clause (a), shall pay tax [40][at the rate of five percent (5%)] of the taxable turnover of the sale or supply of goods,

being food or any other article for human consumption or drink, served in restaurants attached to such hotels or anywhere whether indoor or outdoor;

(c) every dealer, other than those mentioned in clause (a) and clause (b) and whose annual total turnover is rupees one crore and fifty lakhs (1.5 Crores) and above shall pay tax at the rate [39][specified in Schedule-V] of the taxable turnover of the sale of supply of goods, being food or any other article for human consumption or drink, served in restaurants, sweet-stalls, clubs, any other eating houses or anywhere whether indoor or outdoor or by caterers;

(d) every dealer, other than those mentioned in clause (a) and clause (b) and whose annual total turnover is more than [41][rupees seven lakhs and fifty thousand] and less than rupees one crore and fifty lakhs (1.5 Crore) shall pay tax [40][at the rate of five percent (5%)] of the taxable turnover of the sale or supply of goods being food or any

38. Substituted by Act No.4 of 2009.
39. Substituted by Act No.9 of 2010.
40. Substituted by Act No.12 of 2012.
41. Substituted by Act No.13 of 2012.

other article for human consumption or drink served in restaurants, sweet-stalls, clubs, any other eating houses or anywhere whether indoor or outdoor or by caterers.

Explanation:- For the purposes of the computing the total turnover under this sub-section, the sales turnover of all business units in common premises sharing the common kitchen or common employees shall be added to the sales turnover of the business unit having higher turnover:]

[42][Provided that tax at the rate mentioned in the Schedules against those goods shall be paid, where the eating establishments mentioned above, sell packaged items with Maximum Retail Price across the counter:

Provided further that no tax is payable by the hostels whether attached to educational institutions or run by charitable organizations, where such institutions and organizations charge less than Rs.1000/- (Rupees one thousand only) per student per month towards mess charges.]

[43][(10) (a) Notwithstanding anything contained in the Act or any other law for the time being in force, every person who, for an agreed commission brokerage, buys or sells on behalf of any principal who is a resident of the State shall be liable to tax under this Act at the rate or rates leviable thereunder in respect of such purchase or sale, notwithstanding that such principal is not a dealer or that the turnover of purchase or sale relating to such principal is less than the minimum specified in sub-sections (2), (3) and (4) of section 17:

42. Added by Act No.5 of 2007.
43. Added by Act No.28 of 2008.

[44][Provided that the agent selling agricultural produce on behalf of the agriculturist principal, shall be exempted from payment of tax subject to such conditions as may be prescribed;]

(b) The principal shall not be liable to tax on his turnover in respect of which the agent is liable to tax under clause (a) and the burden of proving that the turnover has been subjected to tax at the hands of his agent under the said clause shall be on such principal.]

[44][(11) Every dealer, who is engaged in the integrated activity of printing and supplying the printed materials may, in lieu of the amount of tax payable under the Act, opt to pay by way of composition an amount of tax [45][at the rate of five percent (5%)] on sixty percent (60%) of the total value of such supplies received or receivable, irrespective of the fact whether such supplies involve sale or works contract or job work subject to such conditions as may be prescribed.]

Act not to apply to sales or purchases outside the State, in the course of import or export, etc.,

5. Nothing contained in the Act shall be deemed to impose or authorise the imposition of a tax on the sale or purchase of any goods, where such sale or purchase takes place,-

(a) outside the State; or

(b) in the course of the import of the goods into, or export of the goods out of the territory of India; or

(c) in the course of inter-State trade or commerce.

Explanation:- The provisions of Chapter II of the Central Sales Tax Act, 1956, shall apply for the purpose of determining when a sale or purchase takes place in the course of inter-State trade or commerce or outside a State or in the course of import or export.

Central Act 74 of 1956.

44. Added by Act No.21 of 2011.

45. Substituted by Act No.12 of 2012.

Tax on packing material.

6. Where goods sold or purchased are contained in containers or are packed in any packing material liable to tax under the Act, the rate of tax applicable to such containers or packing material shall, whether the price of the containers or packing material is charged for separately or not, be the same as the rate of tax applicable to such goods so contained or packed, and where such goods sold or purchased are exempt from tax under the Act, the containers or packing material shall also be exempted.

Exemptions.

7. The goods listed in Schedule I to the Act shall be exempt from tax under the Act.

Exemption of Tax to an unit located in any Special Economic Zone.

[46][7-A. Notwithstanding anything contained in this Act, no tax under this Act shall be payable by any dealer in respect of sale of any goods made by such dealer to a registered dealer for the purpose of setting up operation, maintenance, manufacture, trading, production, processing, assembling, repairing, reconditioning, re-engineering, packaging or for use as packing material or packing accessories in an unit located in any Special Economic Zone or for development, operation and maintenance of Special Economic Zone by the developer of the Special Economic Zone, if such registered dealer has been authorized to establish such unit or to develop, operate and maintain such Special Economic Zone by the authority specified by the Central Government in this behalf.]

on sale of goods for certain purposes

Zero-rated sales.

8. Subject to the conditions in sections 9 and 13 of the Act, the following shall be zero-rated sales for the purpose of the Act and shall be eligible for input tax credit,-

46. Inserted with marginal heading by Act No.28 of 2008.

(a) sale of taxable goods in the course of inter-State trade and commerce falling within the scope of section 3 of the Central Sales Tax Act, 1956;

(b) sale of goods falling within the scope of sub-sections (1) and (3) of section 5 of the Central Sales Tax Act, 1956;

47[(c) [XXX]]

48[(d) the sale transactions of Soya Bean Deoiled Cake.]

Input tax credit for goods dealers for goods in Schedule VI.

9. Every dealer, who is liable to pay tax on the sale of specified in Schedule VI, shall be eligible for input tax credit subject to the conditions in section 13 of the Act and in the manner prescribed.

Turnover Tax. be

10. (1) Any dealer who is not registered or does not, opt to registered as VAT dealer shall not be entitled to claim input tax credit for any purchase, and shall not be eligible to issue a tax invoice.

(2) Any dealer who is registered as a VAT dealer shall not be liable to Turnover Tax from the effective date of such registration.

Calculation of Tax sale liable to payable.

11. (1) Subject to sub-section (2), the VAT payable on a VAT shall be calculated by applying the rate of tax specified in the Schedules, on the sale price of goods.

(2) Where the sale price of goods is inclusive of VAT, the amount of VAT shall be determined in accordance with the formula prescribed.

47. Omitted by Act No.28 of 2008.

48. Added by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

(3) Where a dealer is liable to pay turnover tax under sub section (2) of section 4, the tax shall be calculated by applying the rate of Turn over Tax specified therein on the taxable turnover.

VAT payable.

12. The VAT payable by a VAT dealer or VAT credit or refund due to a VAT dealer for a tax period shall be calculated in accordance with the formula prescribed.

Credit for input tax.

13. 49[(1) Subject to the conditions, prescribed if any, an input tax credit shall be allowed to the TVAT dealer for the tax charged and paid by the seller in respect of all purchases of taxable goods, made by the purchaser VAT dealer during the tax period, if such goods are purchased within the State from a registered VAT dealer for the purpose of,-

(i) Resale by him within the State; or use as input in the manufacturing or processing of goods in the State; or

(ii) Use as containers, labels and other materials for packing of goods in the State; or

(iii) Use as capital goods in the manufacture of taxable goods; or

(iv) Sale in the course of inter-State trade or commerce falling under sub-section (1) of the Central Sales

Central Act 74 of 1956.

Tax Act, 1956:

Provided that no input tax credit shall be allowed in respect of the tax paid on the purchase of goods specified in Schedule - VI and input tax credit, if already allowed, shall be reversed in the manner, as may be prescribed.

49. Substituted by Act No.4 of 2015.

(1-A) Notwithstanding anything contained in this section, where any registered dealer has sold goods at a price lesser than the price of the goods purchased by him, the amount of the input tax credit shall be restricted to the amount of output tax.]

(2) (a) A dealer registered as a VAT dealer on the date of commencement of the Act, shall be entitled to claim for the sales tax paid under Telangana General Sales Tax Act, 1957 [50][on the stock held in any

form in the State] on the Act VI of 1957.
date of commencement of the Act subject to the conditions and in the manner as may be prescribed:

Provided that such goods should have been purchased from 01-04-2004 to 31-03-2005 and are goods eligible for input tax credit.

(b) Subject to the conditions if any, prescribed, input tax credit shall be allowed to a VAT dealer on registering as VAT dealer if any input tax is paid or payable in respect of all purchases of taxable goods, where such goods are for use in the business as VAT dealer, provided the goods are in stock on the effective date of registration and such purchase occurred not more than three months prior to such date of registration.

(3) A VAT dealer shall be entitled to claim-

(a) input tax credit under sub-section (1), on the date the goods are received by him, provided he is in possession of a tax invoice;

(b) input tax credit or sales tax credit under sub-section (2) on the date of registration, provided he is in possession of documentary evidence therefor.

50. Substituted by Act No.34 of 2006.

(4) A VAT dealer shall not be entitled for input tax credit or sales tax credit in respect of the purchases of such taxable goods as may be prescribed.

(5) No input tax credit shall be allowed on the following,-

(a) works contracts where the VAT dealer pays tax under the provisions of clauses (b) 51[XXX] and (d) of sub-section (7) of section 4;

(b) transfer of a business as a whole;

(c) sale of exempted goods except when such goods are sold in the course of export or exported outside the territory of India;

(d) exempt sale;

(e) transfer of exempted goods on consignment basis or to branches of the VAT dealer outside the State otherwise than by way of sale;

52[(f) the purchase of any goods by an agent for supply of such goods to his resident principal;]

53[(g) the transactions on which VAT dealer pays tax under sub-section (8A) 54[or sub-section (8B)] of section 4 of the Act;

(h) the supply or sale of goods, on which a VAT dealer pays tax under clause (b) and (d) of sub-section (9) of section 4 of the Act.]

51. Omitted by Act No.21 of 2011.
52. Added by Act No.28 of 2008.
53. Added by Act No.4 of 2009.
54. Inserted by Act No.21 of 2011.

55[(i) transactions on which tax is paid or payable under sub-section (11) of section 4.]

56[(5-A) Notwithstanding anything contained in sub-section (5), the resident principal, who receives the goods purchased on his behalf by his agent, is eligible to claim input tax credit on such goods subject to the possession of a declaration in the Form, as may be prescribed.]

(6) The input tax credit for transfer of taxable goods outside the State by any VAT dealer otherwise than by way of sale shall be allowed for the amount of tax [57][in excess of five percent (5%).]

(7) Where any VAT dealer pays tax under clause (a) of sub-section (7) of section 4, the input tax credit shall be limited to [58][75%] of the related input tax.

(8) Where goods purchased by a VAT dealer are partly for his business use and partly for other than his business use the amount of the input tax credit shall be limited to the extent of input tax that relates to the goods used in his business.

(9) A Turnover Tax dealer or a casual trader shall not be entitled to claim input tax credit.

(10) Any dealer covered by Explanations III & IV of clause (10) of section 2 shall not be eligible for input tax credit against or relatable to sale of un-serviceable goods or scrap, surplus, old, obsolete or discarded material or waste products whether by auction or otherwise.

55. Added by Act No.21 of 2011.

56. Inserted by Act No.28 of 2008.

57. Substituted by Act No.12 of 2012.

58. Substituted by Act No.21 of 2011.

(11) Any VAT dealer who purchases any taxable goods from a dealer covered under sub-section (10) above, shall be eligible for input tax credit on production of documentary evidence that tax has been charged.

Tax invoices.

14. A VAT dealer making a sale liable to tax to another VAT dealer shall issue at the time of sale, a tax invoice in such form as may be prescribed.

Power of State Government to grant refund of tax.

15. (1) The Government may, if it is necessary so to do in the public interest and subject to such conditions as it may impose, by a notification provide for grant of refund of tax paid to any person, on the purchases effected by him and specified in the said notification.

(2) Any notification under sub-section (1) may be issued so as to be retrospective to any day not earlier than the appointed day and such Notification shall take effect from the date of its publication in the Gazette or such other earlier or later date as may be mentioned therein.

(3) An application for refunds shall be made in duplicate to the Commissioner within a period of six months from the date of purchase or as the Government may prescribe in the notification and it shall be accompanied by the purchase invoice in original.

Burden of proof.

16. (1) The burden of proving that any sale or purchase effected by a dealer is not liable to any tax or is liable to be taxed at a reduced rate or eligible for input tax credit shall lie on the dealer.

(2) Where a dealer issues or produces a false bill, voucher, declaration, certificate or other document with a view to support or make any claim that a transaction of sale or purchase effected by him or any other dealer, is not liable to tax or liable to be taxed at a reduced rate, or eligible for

input tax credit is guilty of an offence under section 55 of the Act.

CHAPTER - IV
REGISTRATION

Registration of liable to be Dealers.

17. (1) Every dealer other than a casual trader shall be registered in accordance with the provisions of the Act.

(2) Every dealer commencing business and whose estimated taxable turnover for twelve consecutive months is more than [59][Rs.50,00,000 (rupees fifty lakhs only)] shall be liable to be registered as a VAT dealer before the commencement of business.

[60][(3) Every dealer whose taxable turnover in the twelve preceding months exceeds [59][Rs.50,00,000 (rupees fifty lakhs only)] shall be registered as a VAT dealer].

(4) Every dealer whose taxable turn over during the period from 1st January 2004 to 31st December 2004 is more than Rs.40,00,000 (rupees forty lakhs only) shall be liable to be registered as a VAT dealer.

(5) Notwithstanding anything contained in sub-sections (2), (3) and (4), the following classes of dealers shall be liable to be registered as VAT dealers irrespective of their taxable turnover namely,-

(a) every dealer importing goods in the course of business from outside the territory of India;

59. Substituted by Act No.13 of 2012.
60. Substituted by Act No.4 of 2009.

(b) every dealer registered or liable to be registered under the Central Sales Tax Act, 1956, or any dealer making purchases or sales in the course of inter-state trade or commerce or dispatches any goods to a place outside the State otherwise than by way of sale;

Central Act 74 of 1956.

(c) every dealer residing outside the State but carrying on business within the State and not having any permanent place of business;

(d) every dealer liable to pay tax on goods listed in Schedule VI;

(e) every commission agent, broker, delcredere agent, auctioneer or any other mercantile agent by whatever name called, who carries on the business of buying, selling, supplying or distributing goods [61][on behalf of any principal or principals] [62][except the agent, selling agricultural produce on behalf of agriculturist principals;]

(f) every dealer availing sales tax deferment or sales tax holiday;

(g) every dealer executing any works contract exceeding [63][Rs.7,50,000 (Rupees seven lakhs and fifty thousand only)] for the Government or local authority or every dealer opting to pay tax by way of composition on works contract;

[64][(h) every dealer liable to pay tax under sub-section (9) of section 4 of the Act.]

61. Substituted by Act No.28 of 2008.
62. Added by Act No.21 of 2011.
63. Substituted by Act No.13 of 2012.
64. Added by Act No.10 of 2006.

[65][(i) every dealer opting to pay tax under sub-section (8A) of section 4.]

(6) (a) any dealer effecting sale of goods liable to tax under the Act and who is not otherwise liable to register may also opt for registration as a VAT dealer and such registration shall be subject to such conditions as may be prescribed;

(b) any dealer intending to effect sale of goods liable to tax under the Act, and who is not otherwise liable to register, may also opt for registration as a VAT dealer and such registration shall be subject to such conditions as may be prescribed.

(7) Every dealer not registered or not liable for registration as VAT dealer and who sells any goods and has a taxable turnover exceeding [66][Rs.7,50,000 (Rupees seven lakhs and fifty thousand only)] in a period of twelve consecutive months or has reason to believe that his taxable turnover in a period of twelve consecutive months will exceed [66][Rs.7,50,000 (Rupees seven lakhs and fifty thousand only)] shall apply for registration as TOT dealer in the manner prescribed.

(8) Subject to the provisions contained in sub-section (5), every dealer who held a registration certificate under the Andhra Pradesh General Sales Tax Act, 1957 shall be deemed to be registered as TOT dealer under the Act provided the dealer had a taxable turnover exceeding Rs.5,00,000 (Rupees five lakhs only) but below Rs.40,00,000 (Rupees forty lakhs only) during the period from 1st January 2004 to 31st December 2004 and had not discontinued his

65. Added by Act No.4 of 2009.

66. Substituted by Act No.13 of 2012.

business or his registration certificate had not been cancelled during that period.

(9) Where a registered dealer dies or transfers or otherwise disposes of his business in whole, the successor or the transferee, unless already in possession of registration shall be liable to be registered under the Act.

(10) An application for registration shall be made to the authority prescribed in such manner and within such time as may be prescribed.

(11) If the authority to whom an application is made under sub-section (10) is satisfied that the application is bonafide and is in order and in conformity with the provisions of the Act and the rules made thereunder, he shall register the applicant and grant him a certificate of registration in the prescribed form.

Tax payer Identification Number and General Registration Number.

18. (1) The authority prescribed shall issue a registration identification number known as:

(a) Taxpayer Identification Number (TIN) to a dealer registered as VAT dealer;

(b) General Registration Number (GRN) to a dealer registered as TOT dealer.

(2) Every VAT dealer or TOT dealer who is allotted a Taxpayer Identification Number (TIN) or General Registration Number (GRN) shall indicate such number on all returns, forms, tax invoices or any other documents used for the purposes of the Act.

Cancellation and Amendment of Registration.

19. (1) Any VAT dealer or TOT dealer registered under section 17 of the Act shall apply for cancellation or amendment of registration, in such circumstances as may be prescribed.

(2) The authority prescribed may, for good and sufficient reasons cancel, modify or amend any certificate of registration issued by him:

Provided that no order shall be passed under this sub-section without giving the dealer a reasonable opportunity of being heard.

CHAPTER - V
PROCEDURE AND ADMINISTRATION OF TAX

Returns and Assessments

Returns and Self assessments.

20. (1) Every dealer registered under section 17 of the Act shall submit such return or returns, along with [67][the Annexures as may be prescribed and the] proof of payment of tax in such manner, within such time, and to such authority as may be prescribed.

(2) If a return has been filed within the prescribed time and the return so filed is found to be in order, it shall be accepted as self-assessment subject to adjustment of any arithmetical error apparent on the face of the said return.

(3) (a) Without prejudice to the powers of the authority prescribed under sub-section (3) of section 21, every return shall be subject to scrutiny to verify the correctness of calculation, application of correct rate of tax and input tax credit claimed therein and full payment of tax payable for such tax period;

67. Inserted by Act No.4 of 2015.

(b) if any mistake is detected as a result of such scrutiny made as specified in clause (a), the authority prescribed shall issue a notice of demand in the prescribed form for any short payment of tax or for recovery of any excess input tax credit claimed.

(4) Every dealer shall be deemed to have been assessed to tax based on the return filed by him, if no assessment is made within a period of [68][six years] from the date of filing of the return.

Assessments.

21. (1) Where a VAT dealer or TOT dealer fails to file a return in respect of any tax period within the prescribed time, the authority prescribed shall assess the dealer for the said period for such default in the manner prescribed.

[69][(1-A) (a) Every VAT dealer shall within such time as may be prescribed, furnish certificates of „Annual Consolidated Statement of Turnovers", along with other statements as may be prescribed, duly certified by a Charted Accountant within the meaning of the Charted

Central Act 38 of 1949.

Accountants Act, 1949 or Sales Tax Practitioner, enrolled with the Commercial Taxes Department:

Provided that the VAT dealer, whose turnover is less than Rs. 50 lakhs per annum, may opt to submit the statements as may be prescribed, by self certification, or certified by the Sales Tax Practitioner, enrolled with the Commercial Taxes Department;

(b) Any VAT dealer, who fails to furnish the certificates along with other statements under clause (a) on or before the prescribed date in the manner prescribed shall be liable to pay penalty as may be prescribed;]

68. Substituted by Act No.26 of 2017.
69. Inserted by Act No.26 of 2017.

(2) If a VAT dealer or TOT dealer submits a return along with evidence for full payment of tax, subsequent to the prescribed time the assessment made under sub-section (1) shall be withdrawn without prejudice to any interest or penalty leviable.

(3) Where the authority prescribed is not satisfied with a return filed by the VAT dealer or TOT dealer or the return appears to be incorrect or incomplete, he shall assess to the best of his judgment within 70[six years] of due date of the return or within 70[six years] of the date of filing of the return whichever is later.

(4) The authority prescribed may, based on any information available or on any other basis, conduct a detailed scrutiny of the accounts of any VAT dealer or TOT dealer and where any assessment as a result of such scrutiny becomes necessary, such assessment shall be made within a period of 70[six years] from the end of the period for which the assessment is to be made.

(5) Where any willful evasion of tax has been committed by a dealer, an assessment shall be made to the best of his judgment by the authority prescribed within a period of six years of date of filling of the return or the first return relating to such offence.

(6) The authority prescribed may reassess, where an assessment was already made under sub-sections (1) to (5) and such assessment understates the correct tax liability of the dealer, within a period of 70[six years] from the date of such assessment.

70. Substituted by Act No.26 of 2017.

71[(7) Where an assessment has been deferred by the Commissioner under sub-section (5) of section 32 or as the case may be, by the Appellate Tribunal under the proviso to sub-section (4) of section 33 on account of any stay granted by the Appellate Tribunal, or as the case may be the Andhra Pradesh High Court or Supreme Court respectively, or where an appeal or other proceedings is pending before the Appellate Tribunal or the High Court or Supreme Court involving a question of law having a direct bearing on the assessment in question, the period during which the stay order was in force or such appeal or proceedings was pending shall be excluded in computing the period of 72[six years] for the purpose of making the assessment.]

(8) Where an assessment made has been set aside by 71[any Court or as the case may be the Appellate Tribunal] the period between the date of such assessment and the date on which it has been set aside shall be excluded in computing the period of 72[six years] for making any fresh assessment.

Payment and Recovery of Tax

Due date for Payment of Tax.

22. (1) The tax payable in respect of a tax period along with a return and the tax assessed under the Act shall be payable in such manner and within such time as may be prescribed.

(2) If any dealer fails to pay the tax due on the basis of return submitted by him or fails to pay any tax assessed or penalty levied or any other amount due under the Act, within the time prescribed or specified therefor, he shall

pay, in addition to the amount of such tax or penalty or any other amount, [71][interest calculated at the rate of one and quarter

71. Substituted by Act No.21 of 2011.
72. Substituted by Act No.26 of 2017.

(1.25%) percent per month] for the period of delay from such prescribed or specified date for its payment. The interest in respect of part of a month shall be computed proportionately and for this purpose, a month shall mean a period of 30 days.

[73][(3) The Central Government or the State Government or an industrial, commercial or trading undertaking of the Central Government or of the State Government or a local authority or a statutory body or a company registered under the Companies Act, 1956 or any other person notified by the Commissioner, shall deduct from out of the amounts payable by them to a dealer in respect of works contract executed for them, an amount calculated at such rate as may be prescribed and such contractee deducting tax at source shall remit such amount in the manner prescribed:

Provided that no deduction shall be made from any amounts paid as consideration to any sub-contractor if tax was already deducted by the contractee.

[74][(3-A) Notwithstanding anything contained in sub-section (3), in the case of a dealer, executing works contract for Government or Local Authority, wherever tax [75][at the rate of five percent (5%)] is added separately to the estimated value of the contract, such tax shall be collected by the contractee and remitted in the manner as may be prescribed.]

[76][(3-B) Every Film Processing Laboratory by whatever name it is called shall collect tax at source at the rates as may be prescribed for this purpose, from the film producers opting for payment of tax under sub-section (8A) of section

73. Sub-sections (3) & (4) substituted by Act No.5 of 2007.
74. Inserted by Act No.28 of 2008.
75. Substituted by Act No.12 of 2012.
76. Inserted by Act No.4 of 2009.

4 and remit the tax so collected on the immediate next working day from the date of such collection in the manner as may be prescribed.]

[77][(3-C) The Food Corporation of India and the Civil Supplies Corporation, Telangana Unit, shall deduct tax at source on the sale of rice effected by the rice millers to them at the rates prescribed under the relevant Schedule under the Act and remit the tax so collected to the State Government within twenty (20) days from the date of deduction in the manner as may be prescribed.]

[78][(3-D) The Distilleries and Breweries, shall collect tax at source on the sale of old empty bottles effected by the dealers to them at the rates prescribed under the relevant Schedule under the Act and remit the tax so collected to the State Government on the immediate next working day from the date of collection in the manner as may be prescribed.]

[79][(3-E) In every lease transaction, that is liable to tax under sub-section (8) and sub-section (8-B) of section 4 of the Act, the person who is a transferee or lessee and who is responsible for making payment towards lease amount to a person, who is a transferor or lessor in pursuance of lease contract shall deduct tax on the lease consideration due thereon at the rate specified in sub-section (8) or as the case may be, sub-section (8-B) of section 4 of the Act and shall remit the tax so collected to the State Government on the

immediate next working day from the date of collection in the manner as may be prescribed.]

80[(3-F) Any person or authority, notified by the Commissioner, shall deduct from out of the amounts

77. Substituted by Act No.11 of 2016.
78. Inserted by Act No.4 of 2015.
79. Inserted by Act No.10 of 2016.
80. Inserted by Act No.9 of 2017.

payable by him to a dealer in respect of purchase of any goods from such dealer, an amount at the rate specified in such notification. The notified person or authority, deducting such tax at source, shall remit it in the manner as may be prescribed.]

(4) Any authority or person deducting any sum in accordance with 81[sub-section (3) or sub-section (3-A) or sub-section (3-B)] 82[or sub-section (3-C) or sub-section (3-D)] 83[or sub-section (3-E)] 84[or sub-section (3-F)] shall pay within the prescribed time, the sum so deducted to the credit of the State Government. If the authority or the person does not deduct or after deducting fails to pay tax as required by this section, he shall be deemed to have not paid the tax within the time under the provisions of the Act. In such case all the provisions of the Act including the provisions relating to interest shall apply mutatis mutandis to such unpaid tax.]

(5) Where a VAT dealer paid entry tax on any goods under 85[Telangana Entry Tax on Entry of Motor Vehicles into Local Areas Act, 1996] and 85[Telangana Tax on Entry of Goods into Local Areas Act, 2001] such amount shall be adjusted against VAT payable provided the credit for input tax is not restricted under 86[XXX] section 13 of the Act.

Act 26 of 1996.

Act 40 of 2001.

(6) (a) The Deputy Commissioner, on an application, made by a VAT dealer or any other dealer, permit the payment of any tax, penalty or other amount due under the Act in such instalments within such intervals and subject to

81. Substituted by Act No.4 of 2009.
82. Inserted by Act No.4 of 2015.
83. Inserted by Act No.10 of 2016.
84. Inserted by Act No.9 of 2017.
85. Repealed by the Telangana Goods and Services Tax Act, 2017 (Act No.23 of 2017).
86. Omitted by Act No.23 of 2005.

such conditions, as he may specify in the said order, having regard to the circumstances of each case;

(b) where such payment in instalments is permitted the dealer shall pay in addition to such tax, penalty, instalment or other amount, 87[interest calculated at the rate of one and quarter (1.25%) percent per month] for the amount for the period from the date specified for its payment, on the instalments so permitted.

88[(7) [XXX]]

Liability of executor, administrator, legal representative.

23. (1) Where any dealer doing business in respect of which tax is payable under the Act is dead, the Executor, Administrator, Successor in title or other legal representative of the deceased dealer shall, in respect of such business, be liable to submit the returns due under the Act and to assessment under section 21 and to pay out of the estate of the deceased dealer, the tax, interest and any penalty assessed or levied as payable by the deceased dealer.

(2) The provision relating to appeals and revisions shall be applicable to assessment made under sub-section (1) as if the Executor, Administrator, Successor in title or other legal representative were himself the dealer.

(3) The provisions of sub-sections (1) and (2) shall apply mutatis mutandis to a partnership firm of which the managing partners have died.

Liability of partnership firms.

24. (1) Where any firm is liable to pay any tax or other amount under the Act, the firm and each of the partners of the firm shall be jointly and severally liable for such payment.

87. Substituted by Act No.21 of 2011.

88. Clause (7) inserted by Act No.23 of 2005 and subsequently omitted by Act No.5 of 2007.

(2) Where any business carried on by a firm or a Hindu Undivided Family or an Association has been discontinued or dissolved, the authority prescribed shall make an assessment on the taxable turnover and determine the tax payable as if no such discontinuance or dissolution had taken place and all the provisions of the Act including provisions relating to levy of penalty or any other amount payable under any of the provisions of the Act shall apply to such assessment.

(3) Every person who was at the time of such discontinuance or dissolution, a partner of the firm, or a member of such Hindu Undivided Family or Association and the legal representative of any such person who is deceased, shall be jointly and severally liable for the amount of tax, penalty or any other amount payable, and all the provisions of the Act shall apply to any such assessment or levy of penalty or any other amount.

(4) Where such discontinuance or dissolution takes place after any proceedings in respect of any year have commenced, the proceedings may be continued against the VAT dealer or TOT dealer referred to in sub-section (2) from the stage at which such proceedings stood at the time of such discontinuance or dissolution and all the provisions of the Act shall apply accordingly.

(5) When any private company is wound up and any tax assessed on the company under the Act for any period, whether before or in the course of or after its liquidation, cannot be recovered, then every person who was a director of the private company at any time during the period for which the tax is due, shall be jointly and severally liable for the payment of such tax, unless he proves that the non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company.

Tax as an arrear of land revenue.

25. If the tax assessed or penalty levied or interest payable under the Act, or any amount of tax including deferred tax which is treated as a loan extended by the Government to a dealer and any instalment thereof, are not paid by the dealer within the time specified therefor, the whole of the amount then remaining unpaid may be recovered as if it were an arrear of land revenue.

Preferential claims to assets.

26. Notwithstanding anything to the contrary contained in any law for the time being in force, any amount of tax, including deferred tax which is treated as a loan extended by the Government to the dealer, penalty, interest and any other sum payable by a VAT dealer or TOT dealer or any other dealer under the Act, shall be the first charge on the property of the VAT dealer or TOT dealer or any other dealer as the case may be.

Transfers to defraud revenue void and Provisional Attachment of Property.

27. (1) Where during the pendency of any proceedings under the Act, or after the completion thereof any VAT dealer or TOT dealer or any other dealer creates a charge on, or parts with the possession by way of sale, mortgage, gift, exchange or any other mode of transfer whatsoever, or any of his assets in favour of any other person such charge or transfer shall be void unless he proves that such charge or transfer was not with the intention to defraud any tax or any other sum payable.

(2) (a) Where, during the pendency of any proceeding for the assessment or reassessment of any tax or turnover tax which has escaped assessment, the authority prescribed is of the opinion that for the purpose of protecting the interests of the revenue it is necessary so to do, may with the previous approval of the Commissioner, by order in writing, attach provisionally in the prescribed manner any property belonging to the dealer;

[Act No.5 of 2005] 51

(b) every such provisional attachment shall cease to have effect after the expiry of a period of six months from the date of the order made under clause (a):

Provided that the Commissioner may, for reasons to be recorded in writing, extend the aforesaid period by such further period or periods as he thinks fit, so, however, that the total period of extension shall not in any case exceed two years.

Powers of Deputy Commissioner under Revenue Recovery Act.

28. (1) A Deputy Commissioner shall have the powers of a Collector under the Telangana Revenue Recovery Act, 1864 for the purpose of recovery of any amount due under the Act.

Act II of 1864.

(2) Subject to the provisions of sub-section (3) all Deputy Commercial Tax Officers shall, for the purpose of recovery of any amount due under the Act, have the powers of the Mandal Revenue Officer under the Telangana Rent and Revenue Sales Act, 1839 for the sale of property distrained for any amount due under the Act.

(3) Notwithstanding anything contained in the Telangana Rent and Revenue Sales Act, 1839 the Deputy Commercial Tax officer in the exercise of the powers conferred by sub-section (2) shall be subject to the control and superintendence of the Deputy Commissioner.

Act 7 of 1839.

Recovery of tax from third parties.

29. (1) The Commissioner or any other authority prescribed may at any time or from time to time, by notice in writing (a copy of which shall be forwarded to the dealer at his last address known to such authority) require any person from whom money is due or may become due to the defaulter, or any person who holds or may subsequently

hold money for, or on account of the defaulter, to pay to such authority, either forthwith if the money has become due or is so held, within the time specified in the notice but

not before the money becomes due or is held, so much of the money as is sufficient to pay the amount due by the defaulter in respect of arrears of tax, interest, penalty or the whole of the money when it is equal to or less than that amount:

89[Provided that in case of banks, the amount due to the defaulting dealer includes the amounts payable to the dealers by virtue of the overdraft facility.]

(2) The authority prescribed may, at any time, or from time to time, amend or revoke any such notice or extend the time of making any payment in pursuance of the notice.

(3) Any person making any payment in compliance with the notice under this section shall be deemed to have made the payment under the authority of the defaulter and the receipt of the authority prescribed shall constitute a good and sufficient discharge of the liability of such person to the extent of the amount referred to in the receipt.

(4) Any person discharging any liability to the defaulter after receipt of the notice referred to in this section, shall be personally liable to the authority prescribed to the extent of the liability discharged or to the extent of the liability of the defaulter for the amount due under the Act, whichever is less.

(5) Where any person to whom a notice under this section is sent proves to the satisfaction of the authority prescribed that the sum demanded or any part thereof is not due by him to the defaulter or that he does not hold any money for or on account of the dealer, then nothing contained in this section shall be deemed to require such

89. Added by Act No.28 of 2008.

person to pay the sum demanded or any part thereof, to the authority prescribed.

(6) Where any person to whom a notice under sub-section (1) is sent, fails to pay to the authority prescribed the sum demanded or any part thereof as required in the said notice, such sum shall be recoverable from such person as if it were an arrear of land revenue due from him.

(7) The provisions of this section shall be without prejudice to any action that may be taken for the recovery of the money due from the dealer.

Recovery of tax when business transferred.

30. Where ownership of the business of a dealer registered under the Act and liable to pay tax is transferred, any tax or any other amount payable under the Act in respect of such business and remaining unpaid at the time of the transfer, may without prejudice to any action that may be taken for its recovery from the transferor, be recoverable from the transferee as if the transferee were the dealer liable to pay such tax or other amount.

Appeals and Revisions

Appeal to Appellate authority.

31. (1) Any VAT dealer or TOT dealer or any other dealer objecting to any order passed or proceeding recorded by any authority under the provisions of the Act other than an order passed or proceeding recorded by an Additional Commissioner or Joint Commissioner or Deputy

Commissioner, may, within thirty days from the date on which the order or proceeding was served on him, appeal to such authority as may be prescribed:

90[XXX]

90. Proviso omitted by Act No.26 of 2017.

91[92[Provided that] an appeal so preferred shall not be admitted by the appellate authority concerned unless the dealer produces the proof of payment of tax, penalty, interest or any other amount admitted to be due, or of such instalments as have been granted, and the proof of payment of twelve and half percent of the difference of the tax, penalty, interest or any other amount, assessed by the authority prescribed and the tax, penalty, interest or any other amount admitted by the appellant, for the relevant tax period, in respect of which the appeal is preferred.]

(2) The appeal shall be in such form, and verified in such manner, as may be prescribed and shall be accompanied by a fee which shall not be less than fifty rupees but shall not exceed one thousand rupees as may be prescribed.

(3) (a) Where an appeal is admitted under sub-section (1), the appellate authority may, on an application filed by the appellant and subject to furnishing of such security or on payment of such part of the disputed tax within such time as may be specified, order stay of collection of balance of the tax under dispute pending disposal of the appeal;

(b) against an order passed by the appellate authority refusing to order stay under clause (a), the appellant may prefer a revision petition within thirty days from the date of the order of such refusal to the Additional Commissioner or the Joint Commissioner who may subject to such terms and conditions as he may think fit, order stay of collection of balance of the tax under dispute pending disposal of the appeal by the appellate authority;

91. Substituted by Act No.21 of 2011.

92. Substituted by Act No.26 of 2017.

(c) notwithstanding anything in clauses (a) or (b), where a VAT dealer or TOT dealer or any other dealer has preferred an appeal to the Appellate Tribunal under section 33, the stay, if any, ordered under clause (b) shall be operative till the disposal of the appeal by such Tribunal, and, the stay, if any ordered under clause (a) shall be operative till the disposal of the appeal by such Tribunal, only in case where the Additional Commissioner or the Joint Commissioner on an application made to him by the dealer in the prescribed manner makes specific order to that effect.

(4) The appellate authority may, within a period of two years from the date of admission of such appeal, after giving the appellant an opportunity of being heard and subject to such rules as may be prescribed,-

(a) confirm, reduce, enhance or annul the assessment or the penalty, or both; or

(b) set aside the assessment or penalty, or both, and direct the authority prescribed to pass a fresh order after such further enquiry as may be directed; or

(c) pass such other order as it may think fit.

93[(4A) Where any proceeding under this section has been deferred on account of any stay orders granted by the High Court or Supreme Court in any case or by reason of the fact that an appeal or other proceeding is pending before the High Court or the Supreme Court involving a question of law having a direct bearing on the order or proceeding in

question, the period during which the stay order is in force or the period during which such appeal or proceeding is pending, shall be excluded, while computing

93. Added by Act No.21 of 2011.

the period of two years specified in sub-section (4) for the purpose of passing appeal orders under this section.]

(5) Before passing orders under sub-section (4), the appellate authority may make such enquiry as it deems fit or remand the case to any subordinate officer or authority for an inquiry and report on any specified point or points.

(6) Every order passed in appeal under this section shall, subject to the provisions of sections 32, 33, 34 and 35 be final.

Revision by Commissioner and other prescribed authorities.

32. (1) The Commissioner may suo motu call for and examine the record of any order passed or proceeding recorded by any authority, officer or person subordinate to him, under the provisions of the Act including sub-section (2) and if such order or proceeding recorded is prejudicial to the interests of revenue, may make such enquiry, or cause such enquiry to be made and subject to the provisions of the Act, may initiate proceedings to revise, modify or set aside such order or proceeding and may pass such order in reference thereto as he thinks fit.

(2) Powers of the nature referred to in sub-section (1) may also be exercised by the Additional Commissioner, Joint Commissioner, Deputy Commissioner and Assistant Commissioner in the case of orders passed or proceedings recorded by the authorities, officers or persons subordinate to them:

94[Provided that the power under sub-section (1) or (2) shall not be exercised by the authority specified therein in respect of any issue or question which was decided on appeal by the Appellate Tribunal under section 33.]

94. Substituted by Act No.21 of 2011.

(3) In relation to an order of assessment passed under the Act, the powers conferred by sub-sections (1) and (2) shall be exercisable only within a period of 95[six years] from the date on which the order was served on the dealer.

(4) No order shall be passed under sub-section (1) or (2) enhancing any assessment unless an opportunity has been given to the dealer to show cause against the proposed enhancement.

(5) It shall be lawful for the Commissioner to defer any proceeding under this section by the reason of the fact that an appeal or other proceeding is pending before 96[the Appellate Tribunal or the High Court or the Supreme Court] involving a question of law having a direct bearing on the order or proceeding in question.

(6) Where an order passed under this section has been set aside by any court or other competent authority under the Act for any reason, the period between the date of such order and the date on which it has been so set aside shall be excluded in computing the period of 95[six years] specified in sub-section (3), for the purpose of making a fresh revision, if any, under this section.

(7) Where any proceeding under this section has been deferred on account of any stay order granted by 96[the Appellate Tribunal or the High Court or the Supreme Court] in any

case, or by reason of the fact that an appeal or other proceeding is pending before 96[the Appellate Tribunal or the High Court or the Supreme Court] involving a question of law having a direct bearing on the order or proceeding in question, the period during which the stay order was in force or such appeal or proceeding was pending shall be

95. Substituted by Act No.26 of 2017.
96. Substituted by Act No.21 of 2011.

excluded in computing the period of 97[six years] specified in sub-section(3), for the purposes of exercising the power under this section.

Appeal to the Tribunal.

33. 98[(1) Any dealer objecting to an order passed or proceeding recorded,- Appellate

(a) by any authority, on appeal under section 31;or

(b) by the Additional Commissioner or Joint Commissioner or Deputy Commissioner under sections 21 or 32 or 38; or

(c) by any authority following the ruling or order passed under section 67;

may appeal to the Appellate Tribunal within sixty days from the date of service of the order or proceeding on him.]

(2) The Appellate Tribunal may within a further period of sixty days admit the appeal preferred after the period of sixty days specified in sub-section (1), if it is satisfied that the dealer had sufficient cause for not preferring the appeal within that period:

98[Provided that no appeal against the order passed under section 31 shall be admitted under sub-section (1) or sub-section (2) of this section unless it is accompanied by satisfactory proof of the payment of fifty percent of the tax, penalty, interest or any other amount as ordered by the Appellate Authority under section 31:

Provided further that no appeal against the order passed under sub-section (2) of section 32 shall be

97. Substituted by Act No.26 of 2017.
98. Substituted by Act No.4 of 2009.

admitted under sub-section (1) or sub-section (2) unless it is accompanied by satisfactory proof of the payment of the tax, penalty, interest or any other amount admitted by the appellant to be due or of such instalments as might have become payable as the case may be, and twenty five percent of the difference of the tax, penalty, interest or any other amount ordered by the revisional authority under sub-section (2) of section 32 and the tax, penalty, interest or any other amount admitted to be due and paid by the appellant:

Provided also that no appeal against the order passed by any authority by following the ruling or order, issued under section 67, shall be admitted under sub-section (1) or sub-section (2), unless it is accompanied by satisfactory proof of the payment of the tax, penalty, interest or any other amount admitted by the appellant to be due or payable or of such instalments thereof, as might have become payable, as the case may be and the proof of payment of fifty percent of difference of the tax, penalty, interest or any other amount levied by the authority by following the ruling, issued under section 67, and the tax, penalty, interest or any other amount admitted to be due and paid by the appellant:

Provided also that the authority prescribed shall refund the said amount of twelve and half percent or twenty five percent or fifty percent of the difference of tax, penalty, interest or any other amount assessed by the authority prescribed or revisional authority as the case may be and the tax, penalty, interest or any other amount admitted and paid by the appellant, with interest calculated at the rate of 12% per annum, if the refund is not made within 90 days from the date of receipt of the order passed under section 31 or 33.]

(3) The appeal shall be in the prescribed form, shall be verified in the prescribed manner, and shall be accompanied by such fee which shall not be less than one

60 [Act No.5 of 2005]

hundred rupees but shall not exceed two thousand rupees as may be prescribed.

(4) The Appellate Tribunal may, after giving both parties to the appeal a reasonable opportunity of being heard,-

(a) confirm, reduce, enhance or annul the assessment or the penalty or both; or

(b) set aside the assessment or the penalty or both, and direct the authority prescribed to pass a fresh order after such further inquiry as may be directed; or

(c) pass such other order as it may think fit:

Provided that if the appeal involves a question of law, a decision on which is pending in any proceeding before the High Court or the Supreme Court, the Appellate Tribunal may defer the hearing of the appeal before it, till such proceeding is disposed of.

(5) (a) Before passing any order under sub-section (4), the Appellate Tribunal may make such inquiry as it deems fit or remand the case to the appellate authority against whose order the appeal was preferred or to the authority prescribed concerned, for an inquiry and report on any specified point or points;

(b) Notwithstanding anything contained in sub-section (4), where the VAT dealer or TOT dealer or any other dealer who has filed an appeal to the Appellate Tribunal fails to appear before the Appellate Tribunal either in person or by counsel when the appeal is called on for hearing, it shall be open to the Tribunal to make an order dismissing the appeal:

[Act No.5 of 2005] 61

Provided that the Appellate Tribunal may, on an application made by the dealer within thirty days from the date of communication of the order of dismissal and on sufficient cause being shown by him for his non-appearance when the appeal was called on for hearing, re-admit the appeal on such terms as it thinks fit, after giving notice thereof to the authority against whose order or proceeding the appeal was preferred.

(6) (a) Where a VAT dealer or TOT dealer or any other dealer, objecting to an order passed or proceeding recorded by a Deputy Commissioner under section 21 or 32 has preferred an appeal to the Appellate Tribunal, the Additional Commissioner, or the Joint Commissioner may, on an application filed by the dealer, subject to such terms and conditions, as he may think fit, order stay of collection of the tax under dispute pending disposal of the appeal by the Appellate Tribunal;

(b) the payment of tax and penalty, if any, due in accordance with the order of the first appellate authority or of the Deputy Commissioner under section 21 or in revision under section 32, in respect of which an appeal has been preferred under sub-section (1), shall not be stayed pending disposal of the appeal.

(7) Except as provided in the rules Appellate Tribunal shall not have the power to award costs to either of the parties to the appeal.

(8) Every order passed by the Appellate Tribunal under sub-section (4) shall be communicated by it to the dealer, the authority against whose order the appeal was preferred, the Commissioner and such other authorities as may be prescribed.

(9) Every order passed by the Appellate Tribunal under sub-section (4) shall, subject to the provisions of section 34 be final.

Revision by High Court.

34. (1) Within ninety days from the date on which an order under sub-section (4) of section 33 was communicated to him the VAT dealer or TOT dealer or any other dealer or the authority prescribed in this behalf may prefer a petition to the High Court against the order on the ground that the Appellate Tribunal has either decided erroneously or failed to decide, any question of law:

Provided that the High Court may admit a petition preferred after the period of ninety days aforesaid, if it is satisfied that the petitioner had sufficient cause for not preferring the petition within that period.

(2) The petition shall be in the prescribed form, shall be verified in the prescribed manner, and shall, where it is preferred by the dealer, be accompanied by a fee of rupees five hundred.

(3) If the High Court perusing the petition, considers that there is no sufficient ground for interfering, it may dismiss the petition summarily:

Provided that no petition shall be dismissed unless the petitioner has had a reasonable opportunity of being heard in support thereof.

(4) (a) If the High Court does not dismiss the petition summarily, it shall, after giving both parties to the petition, a reasonable opportunity of being heard, determine the question or questions of law raised and either reverse, affirm, or amend the order against which the petition was preferred or remit the matter to the Appellate Tribunal with the opinion of the High Court on the question, or questions

of law raised, or pass such other order in relation to the matter as the High Court thinks fit;

(b) Where the High Court remits the matter to the Appellate Tribunal under clause (a) with its opinion on the question or questions of law raised, the Appellate Tribunal shall amend the order passed by it in conformity with such opinion.

(5) Before passing an order under sub-section (4), the High Court may if it considers it necessary so to do, remit the petition to the Appellate Tribunal and direct it to return the petition with its finding on any specific question or issue.

(6) (a) Notwithstanding that a petition has been preferred under sub-section (1) tax shall be paid in accordance with the assessment made in the case:

Provided that the High Court may, in its discretion permit the petitioner to pay the tax in such number of instalments, or give such other direction in regard to the payment of tax as it thinks fit:

Provided further that if, as result of the petition, any change becomes necessary in such assessment, the High Court may authorize the authority prescribed to amend the assessment, and on such amendment being made the excess amount paid by the dealer

shall be refunded to him without interest, or the further amount of tax due from him shall be collected in accordance with the provisions of the Act, as the case may be;

(b) The payment of tax and penalty, if any due in accordance with the order of the Appellate Tribunal in respect of which a petition has been preferred under sub-section (1) shall not be stayed pending the disposal of the petition, but if such amount is reduced as a result of such

petition, the excess tax paid shall be refunded in accordance with the provisions of the Act.

(7) (a) The High Court may, on the application of the dealer or the authority prescribed review any order passed by it under sub-section (4) on the basis of facts which were not before it when it passed the order;

(b) the application for review shall be preferred within such time and in such manner as may be prescribed and shall, where it is preferred by the dealer, be accompanied by a fee of rupees one hundred.

(8) In respect of every petition or application preferred under sub-section (1) or sub-section (7) the costs shall be in the discretion of the High Court.

Appeal to High Court.

35. (1) Any VAT dealer or TOT dealer or any other dealer objecting to an order relating to assessment passed by the Commissioner suo-motu under section 32 or 38 may appeal to the High Court within sixty days from the date on which the order was communicated to him:

Provided that the High Court may admit an appeal preferred after the period of sixty days aforesaid, if it satisfied that the dealer had sufficient cause for not preferring the appeal within that period.

(2) The appeal shall be in the prescribed form, shall be verified in the prescribed manner and shall be accompanied by such fee which shall not be less than five hundred rupees but shall not exceed two thousand rupees as may be prescribed.

(3) The High Court shall, after giving both parties to the appeal, a reasonable opportunity of being heard, pass such order thereon as it thinks fit.

(4) The provisions of sub-sections (4), (7) and (8) of section 34 shall mutatis-mutandis apply in relation to appeal preferred under sub-section (1) as they apply in relation to petition preferred under sub-section (1) of section 34.

Petitions, applications to be heard by a Bench.

36. Every petition, application or appeal preferred to the High Court under sections 34 or 35 shall be heard by a Bench of not less than two Judges, and in respect of such petition, application or appeal the provisions of section 98 of the Code of Civil Procedure, 1908 Central Act V of 1908. shall, so far as may be, apply.

Limitation in respect of certain assessments or re-assessments ordered.

37. Notwithstanding anything contained in sections 21 and 32 where an assessment, re-assessment, rectification in or revision of an assessment is made in respect of a dealer or any person in pursuance or in consequence of or to give

effect to any finding or direction contained in an order under sections 31, 32, 33, 34 and 35 or in an order of any court in a proceeding otherwise than by way of appeal or revision, such assessment, re-assessment, rectification in or revision of an assessment shall be made within three years from the date of receipt of such order by the prescribed or revising authority as the case may be:

Provided that if such appeal, order or order of any court has been subjected to further appeal, either partially or entirely, and if there are orders of stay prohibiting the authority concerned to pass consequential orders, the period of three years shall get extended by the period during which such stay orders were in force:

Provided further that if the subsequent appeal results in modification of such appeal, order or order of any court which is subjected to further appeal, either partially or wholly, the period of three years shall be computed from the date of receipt of subsequent order of appeal but not from

the date of receipt of the original appeal, order or order of any court which was subjected to further appeal.

Refund of Tax

Refund of Tax.

38. (1) (a) A VAT dealer effecting sales falling under sub-section (1) or (3) of section 5 [99][XXX] of Central Sales Tax Act, 1956 in any tax period shall be eligible for refund of tax, if the input tax credit exceeds the amount of tax payable, subject to the condition that the exports have been made outside the territory of India. The excess of tax shall be refunded within a period of ninety days on a claim made on a VAT return prescribed to the authority prescribed subject to the provisions of the Act and the rules made thereunder;

(b) in all other cases, the VAT dealer may make a claim for refund of any excess credit available at the end of second year after the commencement of the Act and thereafter in the return to be filed for the month of March every year if registered as a VAT dealer for a minimum period of twelve months or in the event of cancellation of registration. The excess of input tax credit claimed as refund shall be refunded within ninety days of the date of receipt of the claim;

(c) the claim for refund under this section shall be made on the VAT return in the form prescribed;

(d) a VAT dealer, who has paid tax in excess of the amount due for a tax period, may claim a credit in the next tax return.

(2) Where a VAT dealer claiming a refund is required by authority prescribed to provide accounts or records to substantiate the claim but fails to do so in a manner

99. Deleted by Act No.28 of 2008.

satisfactory to the authority prescribed within seven days of issue of notice, the time period specified in sub-section (1) for making the refund shall not apply.

(3) Where a claim of a VAT dealer is not accepted either in full or in part, the authority prescribed, shall send a notice in writing, to the VAT dealer.

(4) A VAT dealer aggrieved by the decision under sub-section (3), may file an appeal as prescribed in the Act.

(5) The tax paid under the Act on the purchases made by specialized agencies of the UNITED NATIONS ORGANISATION and Consulates or Embassies of any country located in the State, or International Crop Research Institute for Semi Arid Tropics, Hyderabad shall be refunded in such manner as may be prescribed:

100[Provided that, Government may by notification denotify or exclude any of the Organizations, Consulates or Embassies or any other International Institutions from the purview of this sub-section making them not eligible for refund of tax under the Act on the purchases made by them.]

(6) Where the authority prescribed fails to make a refund within the time specified under sub-section (1), the amount of refund shall carry simple interest at the rate of one percent per month on the amount of the refund for the period of delay.

(7) A TOT dealer shall be eligible to adjust any excess tax paid by him in the subsequent returns or may claim refund at the time of cancellation of registration in the manner prescribed.

100. Added by Act No.14 of 2007.

101[(8) The Government may, by notification provide for grant of refund earlier than the period stipulated in this section, of any excess credit available, after adjusting the tax payable under the Act or any tax payable under the provisions of Central Sales Tax Act, 1956 in respect of any Value Added Tax dealer or any category of Value Added Tax dealers.]

102[(9) The tax paid under the Act, by the person who is not liable to be registered as Value Added Tax or Turnover Tax dealer and not liable to pay tax under the Act, may be refunded in the manner as may be prescribed.]

Interest on over payments and late refunds.

39. (1) Where the authority prescribed is required to refund an amount of tax to a VAT dealer or TOT dealer or any other dealer as a result of,-

(a) a decision under section 31; or

(b) a decision of the Appellate Tribunal under section 33; or

(c) a decision of the High Court under section 35;

such refund shall be made within a period of ninety days from the date of the receipt of the order.

(2) Where refund is not made within the stipulated time, as mentioned in sub-section (1) the amount of refund shall carry interest at the rate of one percent per month for the period of delay. The interest in respect of part of a month shall be computed proportionately and for this purpose, a month shall mean a period of 30 days.

101. Added by Act No.34 of 2006.
102. Added by Act No.28 of 2008.

Power to adjust, withhold refunds.

40. (1) The Commissioner or the authority prescribed shall have the power to adjust any amount due to be refunded against any tax, penalty and interest outstanding against a VAT dealer or a TOT dealer or any other dealer.

(2) Where an order giving rise to a refund is the subject matter of an appeal or further proceeding, or where any other proceeding is pending, and the authority prescribed is of the opinion that the grant of the refund is likely to adversely affect the revenue, the authority prescribed may, with the previous approval of the Deputy Commissioner, withhold the refund till such time as the Deputy Commissioner may determine.

(3) Where any demand of tax or penalty or both is disputed by a VAT dealer or TOT dealer before any appellate authority or Sales Tax Appellate Tribunal or High Court and the demand becomes finally due either partly or fully an [103][interest at the rate of one and quarter (1.25%) percent per month] shall be charged from the date such tax or penalty was originally due.

CHAPTER VI
RECORDS AND INVESTIGATION POWERS

Issue of Bills.

41. Every VAT dealer who makes a sale to a person other than a VAT dealer or every TOT dealer or any other dealer whose taxable turnover is not less than Rs.5,00.000 (Rupees five lakhs only) in a year, shall issue a bill or cash memorandum in such form and with such details of tax collected as may be prescribed, for every sale involving an amount not less than Rs.100 (Rupees one hundred only):

Provided that every VAT dealer or TOT dealer or any other dealer shall issue a sale bill in the proforma

103. Substituted by Act No.21 of 2011.

prescribed, irrespective of the amount of sale, when demanded by the buyer.

Records.

42. (1) Every VAT dealer or TOT dealer shall maintain the documents and records specified in the rules at the place of business so registered in the English language or in any of the languages specified in the Eighth Schedule to the Constitution.

(2) Every person registered under the Act, every dealer liable to get himself registered under the Act, every agent acting on behalf of a resident principal and every other dealer who is required so to do by the authority prescribed by notice served in the prescribed manner, shall keep and maintain a true and correct account promptly in any of the languages mentioned in sub-section (1) showing such particulars as may be prescribed; and different particulars may be prescribed for different classes of persons or dealers.

(3) The Commissioner may get the books of accounts maintained by any dealer audited by a Chartered Accountant or a Cost Accountant or an enrolled Sales Tax Practitioner for any tax period.

(4) Records required to be maintained under subsection (1) shall be retained for a period of six years after the end of the year to which they relate or where the assessment is subject matter of appeal or revision under sections 31, 32, 33, 34 or 35 the records shall be retained for a period of six years after the assessment has become final.

Access and seizure of goods,

43. (1) For the purpose of enforcing compliance of the provisions of the Act, any officer not below the rank of

Deputy Commercial Tax Officer shall have the power of entry, inspection, search and seizure and confiscation and he;-

books, records and computers.

(a) shall have, full and free access to any premises, place, goods, books, record, computer or any electronically stored data at any time during business hours prescribed under the relevant law for the time being in force and where no such hours are prescribed at all reasonable times without any prior notice to any dealer;

(b) may make an extract or copy from any book, record or computer-stored information to which access is obtained under clause (a);

(c) may seize and confiscate any goods not accounted for and seize any books or records that, in his opinion, affords evidence that may be material in determining the liability of any VAT dealer or TOT dealer or any other dealer under the Act;

(d) may retain any such book or record for a period of one month for determining the tax liability of a dealer or for any proceedings under the Act:

Provided that where such books or records are needed for more than one month, the permission of the next higher authority shall be obtained for each additional month;

(e) may seize and retain the computer for a period of one month where a hard copy or computer disk of information stored in a computer is not furnished to get the information required:

Provided that where such computer is needed for more than one month, the permission of the next higher authority shall be obtained for each additional month; and

(f) shall have power to enter and search any office, shop, godown, vessel, receptacle or vehicle or any other place of a carrier or bailee where goods are delivered to such carrier or bailee for transmission.

(2) For the purposes of sub-section (1), any such officer shall have power to enter and search at any time during the business hours prescribed under the relevant law for the time being in force, or where no such hours are prescribed, at all reasonable times, any office, shop, godown, vessel, vehicle or any other place of business or any building or place where such officer has reason to believe that the dealer keeps or is, for the time being, keeping any goods, accounts, registers or other documents of his business:

Provided that no residential accommodation not being a shop-cum-residence shall be entered into and searched by any officer below the rank of Deputy Commercial Tax Officer except on the authority of an order issued by any officer not below the rank of a Deputy Commissioner having jurisdiction over the area; or an officer not below the rank of Deputy Commissioner working in Vigilance and Enforcement Department having jurisdiction over the entire State of Telangana and all searches under this sub-section shall so far as may be, made in accordance with the provisions of the Code of Criminal Procedure, 1973 subject to the rules if any, made in this behalf.

Central Act 2 of 1974.

(3) The power conferred by sub-section (2) shall include the power to break open any box or receptacle in which any goods, accounts, registers or other documents of the dealer may be contained, or to break open the door of

any premises, where any such goods, accounts, registers or other documents may be kept:

Provided that the power to break open the door shall be exercised only after the owner or any other person in occupation of the premises, if he is present therein, fails or refuses to open the door on being called upon to do so.

(4) The power conferred by sub-section (2) shall also include the power to,-

(a) seal for a period of not exceeding twenty-four hours, any box, receptacle, godown or building where any goods, accounts, registers or other documents of the dealer are, or reasonably believed to be kept, if the owner or any other person in occupation, leaves the premises or refuses to open any box, receptacle, godown or building or is not readily available;

(b) search any person, other than customer or a visitor, who has got out of or is about to get into, or is in any building, vessel or vehicle, if the officer has reason to suspect that such person has secreted about any goods, accounts, registers or other documents.

(5) Any such officer shall have power to seize and confiscate any goods which are found in any office, shop, godown, vehicle, vessel or any other place of business or any building or place of the dealer, but not accounted for by the dealer in his accounts, registers and other documents maintained in the course of his business:

Provided that before taking action for the confiscation of goods under this sub-section, the officer shall give the person affected an opportunity of being heard and make an inquiry in the prescribed manner.

(6) The owner, manager, or any other VAT dealer or TOT dealer shall provide all reasonable facilities and assistance for the effective exercise of powers under this section by such officer.

(7) A VAT dealer or TOT dealer whose books, records, or computer have been removed and retained under sub-section (1) may examine them and make copies or extracts from them during regular office hours under such supervision as the Commissioner or inspecting authority as may be determined.

Fair Market Value.

44. (1) Where the authority prescribed has reason to believe that any goods of a fair market value exceeding Rs.5,000 (Rupees five thousand only) have been sold or purchased by a dealer, to or from another dealer or person, as the case may be, for a consideration which is less than fair market price of the goods and that consideration for such sale or purchase as agreed to between the parties has not been truly stated in the invoice or delivery challan or any other document relating thereto, with the object of facilitating the reduction or evasion of the tax payable under the Act, the authority prescribed may, subject to the provisions of this section, initiate proceedings for seizure and the acquisition of such goods.

(2) The powers conferred under sub-section (1) shall be exercised by the authority prescribed in respect of goods sold or purchased which are in transit or in the possession of the seller or buyer or his agent.

(3) In any proceedings under this section in respect of any goods which have been sold or purchased for a consideration which is less than its fair

market price, it shall be presumed, unless the contrary is proved, that the consideration for such sale as agreed to between the parties has not been truly stated in the invoice or sale bill or other

documents related thereto with such object as is referred to in sub-section (1).

(4) Before initiating such proceedings, the authority prescribed shall record his reasons for doing so and no orders shall be passed under sub-section (1) without giving the VAT dealer or TOT dealer an opportunity of being heard.

(5) No such proceedings shall be initiated unless the authority prescribed has reason to believe that the fair market price of the goods exceeds the consideration there for by more than twenty per cent.

(6) Where any goods are acquired under this section the authority prescribed shall pay for such acquisition compensation which shall be a sum equal to the aggregate of the amount of sale price of the goods mentioned in the invoice or delivery challan or any document related thereto and any expenditure incurred on freight or any other incidental expenses incurred by the VAT dealer or TOT dealer in relation to those goods.

CHAPTER - VII
Establishment of Check Posts

Establishment of necessary check posts.

45. (1) If the Government or the Commissioner considers it that with a view to prevent or check evasion of tax in any place or places in the State, it is necessary so to do, the Government or the Commissioner may, by notification, direct the setting up of a check post or the erection of a barrier, or both, at such place or places as may be notified.

(2) At every check post or barrier mentioned in sub-section (1), or at any other place when so required by any officer empowered by the Government in this behalf, the driver or any other person in charge of goods vehicle or vessel shall stop the vehicle or vessel as the case may be,

and keep it stationary as long as may reasonably be necessary, and allow the officer in charge of the check post or barrier, or the officer empowered as aforesaid, to examine the contents in the vehicle or vessel and inspect all records relating to the goods carried, which are in the possession of such driver or other person in charge for the purpose of ascertaining whether there has been any sale or purchase of goods carried and in case there was sale or purchase of the goods carried, whether such sale or purchase is liable to tax and if so,-

(a) whether such tax has been paid; or

(b) whether the sale or purchase of the goods carried has, for the purpose of payment of tax been properly accounted for in the bills of sale, or delivery notes or such other documents as may be prescribed.

(3) If on such examination and inspection it appears,-

(a) (i) that the tax, if any payable in respect of the sale or purchase of the goods carried, has been paid; or

(ii) that the sale or purchase of the goods carried has, for the purpose of payment of tax been properly accounted for in the documents referred to in clause (b) of sub-section (2);

the said officer shall release the goods vehicle or vessel with the goods carried;

(b) (i) that the tax, if any, payable in respect of the sale or purchase of the goods carried has not been paid; or

(ii) that the sale or purchase of the goods carried has, for the purpose of payment of tax not been properly

accounted for in the documents referred to in clause (b) of sub-section (2); and

if the said officer is satisfied, after making such enquiry as he deems fit, that with a view to prevent the evasion of tax payable in respect of the sale or purchase of the goods carried, it is necessary to detain the goods he shall detain the goods and direct the driver or any other person in-charge of the goods vehicle or vessel to pay such tax, or to furnish security for an amount equal to two times the amount of tax payable in such form and in such manner and to such authority as may be prescribed, on behalf of the person liable to pay such tax.

(4) If the tax is paid or the security is furnished, then the goods so detained shall be released forthwith.

(5) The driver or any other person in charge of the goods vehicle or vessel shall, if so required, give his name and address and the name and address of the owner of the goods vehicle or vessel as well as those of the consignor and the consignee of the goods.

(6) If the tax directed to be paid or the security directed to be furnished under sub-section (3) is not paid and furnished and if the said officer is satisfied, after making such enquiry as he deems fit, that with a view to prevent the evasion of tax payable in respect of the sale or purchase of the goods carried. It is necessary to detain the goods, he shall detain so much of goods as are approximately equal in value to the amount of tax directed to be paid or security directed to be furnished under sub-section (3) as long as may reasonably be necessary:

Provided that no such goods shall be detained by the said officer for more titan three days except with the permission of the next higher authority.

(7) (a) Where goods are carried without paying tax, if any, payable or goods are carried without being properly accounted for in the documents referred to in clause (b) of sub-section (2), the said officer shall collect the tax payable on the goods so carried and in addition levy a penalty not exceeding two times the amount of tax payable on such goods after giving a reasonable opportunity to the person likely to be affected, against the proposed penalty;

(b) any such officer shall have power to seize and confiscate any goods where such goods are carried in the goods vehicle without any documents or covered by fictitious documents:

Provided that before taking action for the confiscation of goods under this sub-section, the officer shall give the person affected an opportunity of being heard.

(8) In case the goods detained under sub-section (6) are subject to speedy and natural decay, and in the case of the goods, where no claim is made within the prescribed period, the said officer shall, subject to such conditions as may be prescribed, sell such goods in open auction and remit the sale proceeds thereof in a Government treasury:

Provided that if the said officer is an officer below the rank of a Deputy Commercial Tax Officer, the sale under this sub-section shall be effected by the Deputy Commercial Tax Officer having jurisdiction.

(9) Any person entitled to such sale proceeds shall, on application to the authority prescribed and upon sufficient proof, be paid the sale proceeds mentioned in sub-section (8), after deducting the expenses of the sale and other incidental charges and the amount of tax and penalty due in respect of the sale or purchase of the goods in question.

[Act No.5 of 2005] 79

Explanation: For the purpose of this section, the explanation „said officer" means the officer-in-charge of the check-post or barrier or the officer empowered under sub-section (2).

Power to inspect carrier"s places.

46. (1) Where a carrier or bailee, to whom goods are delivered for transmission, before delivery is taken from him, keeps the said goods in any office, shop, godown, vessel, receptacle, vehicle or any other place, any officer not below the rank of Deputy Commercial Tax Officer, shall have power to enter into and search such office, shop, godown, vessel, receptacle, vehicle or other place of business or building or place, and to examine the goods and inspect all records relating to such goods. The carrier or bailee or the person in-charge of the goods and records shall give all facilities for such examination or inspection and shall if so required produce the bill of sale or delivery note or such other document as may be prescribed regarding the goods and give his name and address and the name and address of the carrier or the bailee and the consignee.

Explanation: For the purpose of this section, where goods are delivered to a carrier or a bailee for transmission, the movement of goods shall be deemed to commence at the time of such delivery and terminate at the time when delivery is taken from such carrier or bailee.

(2) Any such officer shall have power to seize and confiscate any goods which are found in any office, shop, godown, vehicle, vessel or any other place of business or any building or place of a carrier or a bailee for transmission where such goods are not covered by any document or covered by fictitious documents:

Provided that before taking action for the confiscation of goods the officer shall give the person affected an opportunity of being heard.

80 [Act No.5 of 2005]

Transit Pass.

47. Where a vehicle carrying goods coming from any place outside the State and bound for any other place outside the State, pass through the State, the driver or other person-in-charge of such vehicle shall obtain in the prescribed manner a transit pass from the officer-in-charge of the first check post or barrier after his entry into the State and deliver it to the officer-in-charge of the last check-post or barrier before his exit from the State, failing which it shall be presumed that the goods carried thereby have been sold within the State by the owner or person-in-charge of the vehicle and accordingly the tax shall be assessed and penalty, if any shall be levied in accordance with the provisions of the Act:

Provided that where the goods carried by such vehicle are, after their entry into the State, transported outside the State by any other vehicle or

conveyance, the burden of proving that the goods have actually moved out of the State shall be on the owner or person-in-charge of the vehicle.

Explanation:- If a vehicle is hired for transportation of goods by any person, the hirer of that vehicle shall be deemed to be the owner of the vehicle.

Possession and submission of certain records by owners etc., of goods vehicles.

48. The owner or other person in charge of goods vehicle or vessel shall carry with him,-

(a) bill of sale or tax invoice or delivery note,

(b) log book or goods vehicle record or trip sheet, and

(c) such other documents as may be prescribed,

relating to the goods under transport and containing such particulars as may be prescribed and shall submit to the Commercial Tax Officer having jurisdiction over the area in which the goods are delivered, the documents aforesaid or copies thereof within such time as may be prescribed.

CHAPTER VIII
Offences and Penalties

Penalty for failure required to register.

49. (1) Any VAT dealer who fails to apply for registration as under section 17 before the end of the month the application was due and applies during the subsequent month shall be liable to pay a penalty of Rs.5,000 (rupees five thousand only).

(2) Any dealer who fails to apply for registration as required under section 17 before the end of month subsequent to the month in which the obligation arose shall be liable to pay penalty of 25% of the amount of tax due prior to the date of the registration by the Registering Authority. There shall be no eligibility for input tax credit for sales made prior to the date from which the registration is effected.

(3) Any dealer who fails to notify any change in the circumstances as required under the provisions of the Act or the rules made thereunder, or who fails to apply for cancellation of registration as required under section 19 shall be liable to a penalty of Rs.2,000 (Rupees two thousand only) for each offence:

Provided that before levying penalty under this section the authority prescribed shall give the dealer a reasonable opportunity of being heard.

Penalty for failure tax is due, to file a return.

50. (1) Any VAT dealer, who fails to file a return where no by the end of the month in which it was due, shall be liable to pay a penalty of Rs.2,500 (Rupees two thousand five hundred only).

(2) Any dealer registered under sub-section (7) of section 17 who fails to file a return where no tax is due shall

be liable to pay a penalty of Rs.500 (Rupees five hundred only).

(3) Where a dealer files a return, after the last day of the month in which it is due, he shall be liable to pay a penalty of fifteen percent of the tax due:

Provided that before levying penalty under this section the authority prescribed shall give the dealer a reasonable opportunity of being heard.

Penalty for failure to pay tax when due.

51. (1) Where a dealer who fails to pay tax due on the basis of the return submitted by him by the last day of the month in which it is due, he shall be liable to pay tax and a penalty of ten percent of the amount of tax due:

Provided that before levying such penalty the authority prescribed shall give the dealer a reasonable opportunity of being heard.

(2) If a dealer pays the tax, penalty and interest under sub-section (1) and subsequently it is found that the tax is not due, then such tax, penalty and interest shall be refunded to that dealer.

Penalty for assessment issued for failure to file a return.

52. (1) Where an assessment is made under the provisions of sub-section (1) of section 21 for the failure to file a return, a penalty of fifty percent of the assessed amount shall be imposed.

(2) Where an assessment has been made under sub-section (1) of section 21, and the dealer subsequently furnishes a return for the period to which the assessment relates, the authority prescribed may withdraw the assessment but the dealer shall be liable to pay penalty under sub-section (3) of section 50 and interest as applicable.

Penalty for failure to declare Tax Due.

53. (1) Where any dealer has under-declared tax, and has not been established that fraud or willful neglect has been committed and where under-declared tax where it is,-

(i) less than ten percent of the tax, a penalty shall be imposed at ten percent of such under-declared tax;

(ii) more than ten percent of the tax due, a penalty shall be imposed at twenty five percent of such under-declared tax.

(2) Where any dealer, prior to the detection by any authority prescribed, voluntarily declares that tax due for a tax period is under-declared and he pays the tax due along with interest, no penalty shall be imposed provided that such declaration is made within the time limit and in the manner prescribed.

(3) Any dealer who has under-declared tax, and where it is established that fraud or willful neglect has been committed, he shall be liable to pay penalty equal to the tax under-declared; besides being liable for prosecution:

Provided that before levying penalty under this section, the authority prescribed shall give the dealer a reasonable opportunity of being heard.

Penalty for failure to use or misuse of TIN & GRN.

54. Any dealer who is registered under section 17 and who fails to use a TIN or GRN or misuses a TIN or GRN contrary to the requirements of the Act or rules made thereunder shall be liable to pay a penalty of Rs.1,000 (Rupees one thousand only) for each offence:

Provided that before levying penalty, the authority prescribed shall give the dealer a reasonable opportunity of being heard.

Penalty for issue of tax invoice and for the use of false tax invoices.

55. (1) Any VAT dealer, who fails to issue a tax invoice or an invoice or a bill or cash memorandum as required by sections 14 and 41 shall be liable to pay a penalty of Rs.5,000 (Rupees five thousand only) or 100% of the tax whichever is lower, for each offence.

(2) Any VAT dealer, who issues a false tax invoice or receives and uses a tax invoice, knowing it to be false, shall be liable to pay a penalty of 200% of tax shown on the false invoice.

(3) Any TOT dealer or any other dealer who fails to issue a bill or cash memorandum as required by section 41 shall be liable to pay a penalty of Rs.250 (Rupees two hundred and fifty only):

Provided that before levying penalty under this section the authority prescribed shall give the dealer a reasonable opportunity of being heard.

104[(4) (a) Any dealer, who purchases any goods by furnishing a declaration and uses such goods contrary to such declaration, shall be liable to pay a penalty of 200% of the tax leviable in the absence of such declaration on the value of such goods so purchased;

(b) any dealer, who claims that any sale of any goods is liable to tax at a reduced rate is found to be in possession of any false or fabricated declaration and pays tax at a reduced rate under the Act, shall be liable to pay a penalty of 200% of the tax leviable in the absence of such declaration on the value of the goods, so sold:

104. Added by Act No.28 of 2008.

Provided that before levying penalty under this sub-section, the assessing authority shall give the dealer a reasonable opportunity of being heard.]

Penalty for failure to maintain records.

56. Any VAT dealer or TOT dealer who fails to maintain proper records in accordance with the provisions of the Act is liable to pay a penalty at the rate of Rs. 5,000 (Rupees five thousand only) for each subsequent offence committed after a warning is issued in writing for the first offence, without prejudice to the payment of tax, penalty and interest if any due under the provisions of the Act:

Provided that before imposing such penalty the authority shall give the dealer a reasonable opportunity of being heard.

Penalty for unauthorized/ excess collection of tax.

57. (1) No dealer shall collect any sum by way of tax, in respect of sale or purchase of any goods which are not liable to tax under the Act.

(2) No person, other than a dealer, shall collect on the sale or purchase of any goods any sum by way of tax from any other person and no dealer shall collect any amount by way of tax at a rate or rates exceeding the rate or rates at which he is liable to pay tax under the provisions of the Act.

(3) Nothing in sub-section (2) shall apply to a person where he is required to collect separately any amount of tax under the provisions or any other law for the time being in force.

(4) If any person collects tax in contravention of the provisions of sub-section (1) or (2) any sum so collected shall be forfeited either wholly or partly to the Government and in addition he shall be liable to pay a penalty of an amount equal to the amount of tax so collected:

Provided that the authority prescribed shall not levy penalty if it is evident that due to bonafide mistake the dealer collected tax in contravention of sub-section (1) or (2) and the tax so collected in excess has been remitted to the Government along with the tax payable for that month:

Provided further that the authority prescribed shall while imposing the penalty or forfeiture, take into consideration the amounts refunded to the purchaser from out of the amounts collected, by way of tax in contravention of sub-section (1) or (2) or for the refund of which satisfactory arrangement has been made.

(5) No order for the forfeiture under this section, shall be made after the expiration of [105][six years] from the date of collection of the amount referred to in sub-section (4):

Provided that in computing the said period of [105][six years], the period during which any stay order was in force or any appeal or other proceeding in respect thereof was pending shall be excluded.

(6) If the authority prescribed in the course of any proceeding under the Act, or otherwise has reason to believe that any person has become liable to penalty with or without forfeiture of any sum under sub-section (4) such authority shall serve on such person a notice requiring him on a date and at a place specified in the notice to attend and show cause why a penalty with or without forfeiture of any sum as provided in sub-section (4) shall not be imposed on him.

(7) The authority prescribed shall thereupon hold an enquiry and shall make such order as he thinks fit.

105. Substituted by Act No.26 of 2017.

(8) No prosecution for an offence under this section shall be instituted in respect of the same facts on which a penalty has been imposed.

Prosecutions for Offences.

58. Any dealer or person who fails to comply with the requirements under sections 14, 16, 17, 21, 29, 42, 43, 64 or any other provisions of the Act shall on conviction be punishable with imprisonment for a term which may extend to three months or with fine or with both.

Offences of obstructing the authority.

59. Any dealer who obstructs the authority prescribed in the performance of his duties under the Act shall on conviction be punishable with imprisonment for a term which shall not be less than one month but which may extend to six months and with fine.

Offences by Companies.

60. (1) Where an offence under the Act has been committed by a Company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the Company for the conduct of the business of the Company, as well as the

Company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that, nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under the Act has been committed by a Company, and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the Company such director, manager, secretary or other officer shall also be

deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation:- For the purpose of this section,-

(a) „Company" means a body corporate and includes a firm, association or persons or body of individuals whether incorporated or not; and

(b) „Director" in relation to a firm means a partner in the firm, and in relation to any association of persons or body of individuals, means any member controlling the affairs thereof.

Compounding of offences.

61. (1) The authority prescribed may accept, from any dealer who has committed an offence under the Act by way of composition of such offence,-

(a) where the offence consists of the evasion of tax, in addition to such tax, a sum of money equal to the amount of tax subject to a minimum of Rs.3,000 (Rupees three thousand only), and

(b) in other cases a sum of money not exceeding Rs.3,000 (Rupees three thousand only).

(2) Any order passed or proceeding recorded by the authority prescribed under sub-section (1) shall be final and no appeal or application for revision shall lie therefrom.

Court for prosecution.

62. (1) No court other than the Court of a Magistrate of the First Class shall take cognizance of or try an offence under the Act.

(2) No prosecution for any offence under the Act shall be instituted except with the written consent of the Commissioner.

Power to summon witnesses and production of documents.

63. (1) An authority prescribed or an appellate or revising authority or an inspecting authority or any officer of the Commercial Taxes Department not lower in rank than an Assistant Commercial Tax Officer shall, for the purposes of the Act, have all the powers:-

(a) to summoning and enforcing the attendance of any person and examining him on oath or affirmation; and

(b) compelling the production of any document.

(2) Without prejudice to the provisions of any other law for the time being in force, where a person to whom a summon is issued either to attend to give evidence, or produce accounts, registers, records or other documents at a certain place and time intentionally omits or fails to attend or produce accounts, registers, records or other documents at such place or time the authority or officer mentioned in sub-section (1) may after giving the person concerned a reasonable opportunity of being heard impose upon him by way of penalty a sum not exceeding five hundred rupees as it or he thinks fit.

(3) Any officer of the Commercial Taxes Department not lower in rank than an Assistant Commercial Tax Officer shall have powers to call for such information, particulars or records as he may require from any person for the purpose of assessment, levy and collection of tax under the Act.

Power to get information.

64. (1) Any authority prescribed or appellate or revision authority may by writing, require any person or authority to furnish such information, particulars or records available with the person or authority as will be useful or relevant to any proceeding under the Act.

(2) The person or authority from whom such information, particulars or records are required under sub-

section (1) shall furnish, within a reasonable time, the information, particulars or records available.

Bar of Jurisdiction.

65. Save as otherwise expressly provided in the Act no Court shall entertain any suit, or other proceeding to set aside or modify or question the validity of any assessment, order or decision made or passed by any officer or authority under the Act or any rules made thereunder, or in respect of any other matter falling within its scope.

Appearance before authority.

66. Any person who is entitled to appear before any authority other than the High Court in connection with any proceedings under the Act, may be represented before such authority,-

(a) by his relative or a person regularly employed by him, if such relative of person is duly authorized by him in writing in this behalf; or

(b) by a legal practitioner; or

(c) by a Chartered Accountant within the meaning of the Chartered Accountants Act, 1949; or

Central Act 3 of 1949.

(d) by a Cost Accountant within the meaning of the Cost and Works Accountant Act, 1959;

Central Act 23 of 1959.

(e) subject to such conditions as may be laid down by the rules in that regard by a person who was enrolled as a Sales Tax Practitioner by such authority on payment of such fees and possessing such qualification as may be prescribed.

If such Chartered Accountant or Cost Accountant or Sales Tax Practitioner is duly authorized in writing in this behalf.

CHAPTER - IX
GENERAL PROVISIONS

Clarification and Advance Rulings.

67. (1) The Commissioner may constitute a State level „Authority for Clarification and Advance Rulings“ comprising

of three officers not below the rank of Joint Commissioner to clarify, in the manner prescribed any aspect of the implementation of the Act.

(2) No application shall be entertained where the question raised in the application,-

(i) is already pending before any officer or authority of the Department or Appellate Tribunal or any Court;

(ii) relates to a transaction or issue which is designed apparently for the avoidance of tax:

Provided that no application shall be rejected under this sub-section unless an opportunity has been given to the applicant of being heard and where the application is rejected, reasons for such rejections shall be recorded in the order.

(3) No officer or any other authority of the Department shall proceed to decide any issue in respect of which an application has been made by an applicant under this section and is pending.

(4) The order of the authority shall be binding,-

(i) on the applicant who had sought clarification;

(ii) in respect of the goods or transaction in relation to which a clarification was sought; and

(iii) on all the officers other than the Commissioner:

Provided the dealer does not file an appeal before Sales Tax Appellate Tribunal within 30 days of the Ruling in the manner prescribed.

(5) The authority for clarifications shall have power to review, amend or revoke its rulings at any time for good and sufficient cause by giving an opportunity to the affected parties.

An order giving effect to such review or amendment or revocation shall not be subject to the period of limitation.

(6) The Commissioner may also refer any matter for opinion of the Authority for clarification without prejudice to his authority.

Ongoing contracts.

68. (1) Where a contract or an agreement was concluded between two or more parties before the commencement of the Act and no provision for tax under the Act was made in the contract, the selling dealer shall pay tax due on any sale liable to tax made under such contract after the commencement of the Act.

(2) Where a contract is concluded after the commencement of the Act, and no provision relating to tax was made in the contract, the contract price shall be deemed to include tax due under the Act and the selling dealer shall account for the tax due.

Tax Deferment.

69. (1) Notwithstanding anything contained in the Act, any industrial unit availing a tax holiday or tax exemption on the date of commencement of the Act shall be treated as a unit availing tax deferment.

(2) The unit availing tax deferment as specified in sub-section (1) shall be eligible to issue tax invoices and to claim input tax credit subject to provisions of section 13 of the Act.

(3) The period of eligibility, the method of debiting eligibility amount, the repayment and any other benefits for all units availing tax deferment shall be in the manner prescribed.

Protection of acts done in good faith.

70. (1) No suit, prosecution or other proceeding shall lie against any officer or servant of the Government for any act done or purporting to be done under the Act without the previous sanction of the Government, and no such suit, prosecution or other proceeding shall be instituted after the expiry of six months from the date of the act complained of.

(2) No officer or servant of the Government shall be liable in respect of any such act in any civil or criminal proceeding if the act was done in good faith in the course of the execution of duties imposed on him or the discharge of functions entrusted to him by or under the Act.

Submission of returns by Banks.

71. Every scheduled bank including any branch of such bank or any banking institution in the State shall, at the request of the assessing authority concerned, submit in each month a return in the prescribed form, of all bills relating to goods discounted, cleared or negotiated and the payment and receipts relatable to the sale or purchase of goods transacted by or through it during the preceding month, in such manner and within such period as may be prescribed.

Provision in the case of defective or irregular proceedings.

72. No assessment made, penalty or compounding fee levied or other order passed by any officer or authority under the Act, shall be set aside merely on account of any defect or irregularity in the procedure relating thereto, unless it appears that such defect or irregularity has in fact occasioned material hardship or failure of justice.

Rounding of turnover.

73. The amount of turn over for any tax period or for any calendar quarter shall be rounded off to the nearest multiple of Rs.10 (Rupees ten only) and for this purpose if such amount is not a multiple of Rs.10 (Rupees ten only), but is Rs.5 (Rupees five only) or more, the amount shall be increased to the next higher amount which is a multiple of Rs.10 (Rupees ten only) and if such amount is less than Rs.5 (Rupees five only), the amount shall be reduced to the next lower amount which is a multiple of Rs.10 (Rupees ten only); and the amount so rounded off shall be deemed to be the turnover of the dealer for the purposes of the Act.

Rounding off of tax etc.

74. The amount of tax, input tax, output tax, net tax, interest, penalty, or any other sum and the amount of refund due under the provisions of the Act, shall be rounded off to the nearest rupee and for this purpose, if such amount is fifty paise or more it shall be increased to the next rupee and if such amount is less than fifty paise, it shall be ignored.

Powers of subordinate officer to be exercised by higher authorities.

75. The powers conferred by the Act and the rules made thereunder on any of the officers appointed under section 3-A may also be exercised by any of the officers superior to the officers so empowered, subject to any instructions issued by the Commissioner.

Power to remove difficulties.

76. (1) If any difficulty arises in giving effect to the provisions of the Act in consequence of the transition to the said provisions

from the corresponding provisions of the Act in force immediately before the commencement of the Act, the Government may, by order in the [106]Telangana Gazette, make such provisions as appear to them to be necessary or expedient for removing the difficulty.

106. Substituted by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

(2) If any difficulty arises in giving effect to the provisions of the Act (otherwise than in relation to the transition from the provisions of the corresponding Acts in force before the commencement of the Act), the Government may, by order make such provisions, not inconsistent with the purposes of the Act, as appear to it to be necessary or expedient for removing the difficulty.

77. The Commissioner may, from time to time, issue such orders, instructions and directions not inconsistent with the provisions of the Act or the rules made thereunder to his subordinate officers as he may deem fit, for the proper administration of the Act and such officers and all other persons employed in the enforcement of the Act, shall comply with such orders, instructions and directions: Instructions to Subordinate Officers.

Provided that no such orders, instructions or directions shall be such as to interfere with the discretion of any appellate authority in exercise of its appellate functions.

78. (1) The Government may by notification, make rules to carry out the purposes of the Act. Power to make rules.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for,-

(a) all matters expressly required or allowed by the Act to be prescribed;

(b) the manner of determination of the amount payable by the dealer in respect of,-

(i) any transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract;

(ii) any delivery of goods on hire purchase or any system of payment by instalments;

(iii) any transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration;

(iv) any transfer of property in goods involved in lucky gift scheme;

(c) the term of office, and the conditions of service, of the members of the Appellate Tribunal;

(d) the issue of registration to persons engaged in the sale or purchase of goods, the fees payable therefor and the imposition of conditions in respect of the same for the purpose of enforcing the provisions of the Act;

(e) the rectification of mistakes apparent from the record of any assessment, appeal or revision and the period within which such rectification may be made;

(f) the administration of the check posts set up and barriers erected under the Act and the regulation of the work therein;

(g) the disposal of goods confiscated under the Act and of the proceeds thereof;

(h) the issue of bills or tax invoices or cash memoranda, the class or classes of dealers who should maintain counterfoils for the same and the particulars to be shown in and the manner of maintenance of such counterfoils and the time for which they should be preserved;

(i) the maintenance of purchase bills or accounts of purchases and sales by dealers carrying on business in specified goods and the time for which they should be preserved;

(j) the issue of delivery notes in respect of goods delivered, or transported to retail dealers in pursuance of sales effected to them, the form and manner of their issue and the time for which they should be preserved;

(k) the application of the provisions of the Code of Civil Procedure, 1908 to the extent specified in respect of applications, appeals and other proceedings under the Act; Central Act V of 1908.

(l) securing that returns furnished or accounts or documents produced, or evidence of any kind given under the Act before any assessing authority or on appeal or revision from any decision of such authority are kept confidential;

(m) the duties and powers of officers appointed for the purpose of enforcing the provisions of the Act;

(n) the circumstances in which and the extent to which, fees paid in pursuance of section 33 may be refunded;

(o) generally regulating the procedure to be followed and the forms to be adopted in proceedings under the Act;

(p) the assessment and recovery of tax under the Act in respect of business which is discontinued or the ownership of which has changed or in respect of business of a deceased person;

(q) the assessment and recovery of tax under the Act in respect of business owned by minors or other incapacitated persons or by persons residing outside the State;

(r) the assessment and recovery of tax under the Act in respect of business owned by any person whose estate or any portion of whose estate is under the control of the Court of Wards, the Administrator-General, the Official Trustee, or any receiver or manager appointed by or under any order of a Court.

(3) Any rule under the Act, may be made so as to have retrospective effect.

(4) In making a rule under sub-section (1) or (2), the Government may provide that a person guilty of a breach thereof, shall, on conviction by a Magistrate of the First Class, be liable to be punished with fine which may extend to Rs.2,000 (Rupees two thousand only).

(5) Every rule made under the Act, shall immediately after it is made, be laid before the Legislature of the State if it is in session and, if it is not in session, in the session immediately following, for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if before the expiration of the session in which it is so laid or the session immediately following, the Legislature agrees in making any modification in the rule or in the annulment of the rule, the rule shall, from the date on which the modification or annulment is notified have effect only in such modified form or

shall stand annulled as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

[Act No.5 of 2005] 99

79. (1) The Government may, by notification, alter, add to or cancel any of the Schedules. Power to amend Schedules.

(2) Where a notification has been issued under sub-section (1) there shall, unless the notification is in the meantime rescinded, be introduced in the Legislature as soon as may be, but in any case during the next session of the Legislature following the date of the issue of the notification, a Bill on behalf of the Government, to give effect to the alteration, addition or cancellation, as the case may be, of the Schedule specified in the notification, and the notification shall cease to have effect when such Bill becomes law, whether with or without modifications, but without prejudice to the validity of anything previously done thereunder:

Provided that if the notification under sub-section (1) is issued when the Legislature is in session, such a Bill shall be introduced in the Legislature during that session:

Provided further that where for any reason a Bill as aforesaid does not become law within six months from the date of its introduction in the Legislature, the notification shall cease to have effect on the expiration of the said period of six months.

(3) All references made in the Act to any of the Schedules shall be construed as relating to the Schedules in force for the time being amended in exercise of the powers conferred by this section.

CHAPTER - X
REPEAL

80. (1) The Andhra Pradesh General Sales Tax Act, 1957 is hereby repealed: Repeal. Act VI of 1957.

100 [Act No.5 of 2005]

Provided that such repeal shall not affect the previous operation of the said Act or section or any right, title, obligation or liability already acquired, accrued or incurred thereunder, and subject thereto, anything done or any action taken (including any appointment, notification, notice, order, rule, form, regulation, certificate, licence or permit) in the exercise of any power conferred by or under the said Act or section shall be deemed to have been done or taken in the exercise of the powers conferred by or under this Act, as if this Act was in force on the date on which such thing was done or action was taken; and all arrears of tax and other amounts due at the commencement of this Act may be recovered as if they had accrued under this Act.

(2) Notwithstanding anything contained in sub-section (1), any application, appeal, revision or other proceeding made or preferred to any officer or authority under the said Act or section and pending at the commencement of this Act, shall, after such commencement, be transferred to and disposed of by the officer or authority who would have had jurisdiction to entertain such application, appeal, revision or other proceeding

under the Act if it had been in force on the date on which such application, appeal, revision or other proceeding was made or preferred.

(3) Upon such repeal of the Andhra Pradesh General Sales Tax Act, 1957 the provisions of sections 8, 8A, 9 and Act I of 1891. 18 of the Telangana General Clauses Act, 1891 shall apply.

Repeal of Ordinance 1 of 2005.

81. The Andhra Pradesh Value Added Tax Ordinance, 2005 is hereby repealed.

SCHEDULE – I

(See section 7)

List of goods exempt from tax under section 7

Sl.No. Name of the Commodity

[107][1. Agricultural implements manually operated or animal driven, hand operated sprayers including knapsack/backpack power sprayers (powered upto 35cc engines developing 0.8 to 1.4 HP), dusters and parts thereof.]

2. Aids and implements used by handicapped persons

3. Aquatic feed, poultry feed and cattle feed including grass, hay and straw [108][and feed supplements or nutrients.] [109][XXX]

4. Betel leaves

5. Books, periodicals and journals [110][including maps, charts, globes and atlases].

6. Charkha, Ambar Charkha and Gandhi Topi

7. Charcoal

8. Jowar, Maize, Ragi, Bajra, Kodan, Kutki, Barley, Varigalu or variga Rice, Korralu or Korra Rice.

9. Condoms and contraceptives

10. Cotton yarn in hank and silk yarn in hank

11. Curd, Lassi, Butter Milk and separated milk

12. Earthen pot

13. Electrical energy

107. Substituted by Act No.28 of 2008.

108. Substituted by Act No.5 of 2007.

109. The words (and soya bean deoiled cake) omitted by G.O.Ms.No.32, Revenue (C2) Department, dated 15.10.2014.

110. Added by Act No.23 of 2005.

Sl.No. Name of the Commodity

14. Firewood other than casuarina poles, eucalyptus logs and cut sizes thereof

15. Fishnet and fishnet fabrics

16. Fresh milk and pasteurized milk other than UHT milk and skimmed milk powder

17. Fresh plants, saplings and fresh flowers

18. Vegetables and fruits other than those cured, frozen, preserved, processed, dried, dehydrated or canned.

19. Garlic and Ginger

111[20. Bangles made of shells, Glass, Lac or any other material other than those made of precious metals.]

21. Handlooms, parts and accessories thereof and goods produced from handlooms

22. Human blood and blood plasma

23. Kumkum, Bindi, alta and Sindur

112[24. Meat, Flesh of Poultry, Fish including dry fish, Prawns, Prawn Seed, Lobsters, Crabs, Shrimps and other sea food except when they are sold in frozen state or in a sealed container, eggs, Livestock and animal hair.]

25. National Flag

113[26. Organic manures excluding deoiled-cakes]

111. Substituted by Act No.10 of 2006.

112. Substituted by Act No.40 of 2007.

113. Substituted by Act No.4 of 2009.

Sl.No. Name of the Commodity

27. Non-judicial stamp paper sold by Government Treasuries; postal items like envelope, post card etc. Sold by Government; rupee note 114[and coins] when sold to the Reserve Bank of India and cheques, loose or in book form

28. Raw wool

29. Semen including frozen semen

30. Silk worm laying, cocoon and raw silk 115[other than raw silk imported from outside the country]

31. Slate and slate pencils

116[32. Coconut, Tender green coconut and Copra]

33. Toddy, Neera and Arak

34. Unbranded bread 117[and unbranded rusk]

118[35. Salt including processed and branded salt]

36. Water other than-

(i) aerated, mineral, distilled, medicinal, ionic, battery, de-mineralised, water, and

(ii) water sold in sealed container

37. Prasadam, Bhog or Maha Bhog by Religious Institutions

38. Plantain Leaves

39. Bamboo Matting

40. Puffed Rice, Parched Rice, Murmuralu and Atukulu

114. Inserted by Act No.13 of 2013.

115. Added by Act No.34 of 2006.
116. Substituted by Act No.28 of 2008 (w.e.f.01.04.2008 & 01.08.2008).
117. Added by Act No.13 of 2013.
118. Substituted by Act No.5 of 2007.

Sl.No. Name of the Commodity

41. Husk of pulses, paddy, groundnut and wheat bran

42. Leaf plates and leaf cups-pressed or stitched and loose and unstitched vistarakulu

43. Unbranded broomsticks

119[44. Seeds for sowing and gardening purpose including the seed or grain corresponding to the seed sold to the nodal agencies, namely, Andhra Pradesh State Seeds Development Corporation (APSSDC), Andhra Pradesh State Co-operative Marketing Federation (Andhra Pradesh Markfed), Andhra Pradesh State Co-operative Oilseeds Growers Federation (OILFED), the Hyderabad Agricultural Co-operative Association Limited (HACA), National Seeds Corporation Limited 120[National Agricultural Co-operative Marketing Federation of India Limited (NAFED)] and also including the seed or grain procured by the seed companies duly following the Seed Certification or Labelling Procedure.]

121[45. [XXX]

46. [XXX]]

122[47. (a) Un-manufactured tobacco covered under tariff heading No.2401 of the Central Excise Tariff Act, 1985;

(b) Bidis (biris) covered under tariff item No.24031031, 24031039, 24031090 of Central Excise Tariff Act, 1985.]

123[48. Rakhi]

119. Substituted by Act No.28 of 2008.

120. Inserted by Act No.4 of 2009.
121. Substituted by Act No.9 of 2010 and omitted by Act No.11 of 2012.
122. Substituted by Act No.38 of 2007.
123. Added by Act No.23 of 2005.

Sl.No. Name of the Commodity

124[49. 125[Fabrics, made ups] and garments made of khadi cloth]

126[50. Sugarcane

51. Crochet laces]

127[52. Jaggery]

127[53. Tamarind]

128[54. Mesta or Bimli extracted from plants of the species Hibiscus cannabinus and Hisbiscus sabdariffa var altissima;

55. Pippalamodi;

56. Coir and Coir Products excluding rubberized Coir mattresses;

57. Khandasari Sugar.]

Explanation:- The Goods mentioned in entries 45 129[& 46] of this schedule shall be goods included in the relevant heads and sub-heads of the 1st Schedule to the Additional Duties of Excise (Goods of special importance) Act, 1957, but does not include goods where no additional duties of excise are levied under that schedule.

124. Added by Act No.10 of 2006.
125. Substituted by Act No.11 of 2012.
126. Added by Act No.5 of 2007.
127. Added by Act No.14 of 2007.
128. Added by Act No.38 of 2007.
129. Substituted by Act No.37 of 2007.

Sl.No. Name of the Commodity

130[58. The following goods, sold by Canteen Stores Department or the Indian Naval Canteen Services, either directly or through their unit-run Canteens, to the Army, Navy/Air force personnel both working and retired and who are eligible for purchasing goods from them:-

1. All kinds of cereals and pulses and products thereof, which are used for cooking food.

2. Spices used in Cooking including Chillies Powder, Turmeric Powder and other similar powders, used in cooking.

3. Biscuits, Beverages, Confectionery and Soft Drinks.

4. Soups, Squashes, Snacks and Cornflakes.

5. Tea and Coffee.

6. Pickles, Sauces, Jams and Jellies.

7. Milk Powders, Baby Food, Food Beverages and Food Energizers.

8. Vermicelli and instant Foods.

9. Cooking Oils, Vanaspathi and Ghee

10. Honey, Chyavanprash, Eno, Antiseptic Cream, and lotions.

11. Starch and Sago.

12. Copra, Coconuts and Ground-nuts.

13. Shaving Blades and Razor sets.

14. Shaving Creams and After Shave Lotions.

130. Added [Entry 58-(1-52)] by Act No.15 of 2008.

15. Tooth Brushes, Shaving Brushes, Shoe Brushes and Toilet Brushes.

16. Face Creams; Hair Creams and Body Creams.

17. Dental Cream and Tooth Powders.

18. Perfumes and Deodorants including Agarbatti, Dhoopsticks.

19. Toilet Soaps and Detergent Soaps.

20. Toilet Powder and Detergent Powder.

21. Hair Oils and Shampoos.

22. Hair Dye, Sanitary Towels and Toilet Papers.

23. Fabric Care, Starch, Robin Blue and Ranipal.

24. Dish Washing Soap, Powder and Scrubber. 25. Wax Candles and Agarbatti.

26. Pressure Cookers, Milk Boiler and Rice Cooker.

27. Vaccum Flask, Casserole, Crockery and Glass Ware.

28. Electrical Bulbs, tube Light and CFL Lamp.

29. Mosquito Repellent, Coil, Mat and Liquid.

30. Torch Cells, torch Cases.

31. Room Fresheners, Toilet/Floor Cleaners and Insecticides.

32. Shoe Polish, Cloth Clips and Metal Clips.

33. Gas Stoves, Gas Lighters and Safety Matches, Cooking Ware including cups, plates and glasses made of Aluminium paper or plastic.

34. Ceiling Fans, Table Fans, Wall Fans, Pedestal Fans.

35. Exhaust Fans, Mixers, Juicer Mixer Grinders, irons.

36. Coffee Makers, Ovens, Immersion Heater, Toasters.

37. Instant Geysers, Transistors.

38. Water Filters and Filter Candles.

39. Plastic Buckets, Basins, Drum and Mugs.

40. Water Bottles and Water cans.

41. Suit cases, Moulded and Soft luggage.

42. Sports Wear, Golf Balls, Shoe, Track Suit, Umbrellas and Padlock.

43. Helmets.

44. Wrist Watches.

45. Food Processor Microwave Ovens.

46. Coir Products, Coir Mattress.

47. Water Heaters Vaccum Cleaners Water Purifiers.

48. Mono Block Pumps.

49. Sewing Machines (Hand and Foot).

50. Sun-glasses, Room Coolers.

51. Ready-made Garments and Hosiery Goods.

131[52. Indian Made Foreign Liquor as defined in the Telangana Excise Act, 1968 with basic price not exceeding Rs. 500/- per case of 9 Nos. of 1000 ml or 12 Nos. of 750 ml / 650 ml (Beer) or 24 Nos. of

131. Substituted by Act No.9 of 2010.

375 ml / 330 ml (Beer) or 48 Nos. of 180 ml or 96 Nos. of 90 ml bottles.

Note : For the purpose of this entry basic price means:

Ex-factory price + cost of bottles + cost of packing material + Freight + Insurance + Handling charges and import Fee, if any;]

132[53. Cartridges for rajor set.

54. Shaving Foam / Gel / Soap.

55. Fabric Care brush / Scrubbers.

56. Baby care lotion/cream/oil.

57. Clip for Cloth.

58. Toothpastes.

59. Liquid Soap.

60. Face Tissue Paper.

61. Body care Talcum Powder, Body Care Jelly, Medicated powder / Face powder.

62. Face Gel / Lotion, Hair Gel / Lotion, Hair Fixer / Hair remover.

63. Cosmetic Lotion / Cream and Make-up Requisites and Winter care products.

64. Disinfectants.

65. Kitchen Accessories and Cooker Accessories.

66. Lunch Box and refill for vaccum flasks.

67. Knives.

68. Lighting Devices.

132. Added [Entry 58 - (53-99)] by Act No.9 of 2010.

69. Oven Grillers.

70. Storage Water Heater.

71. Household Electric Accessories/Voltage Stabilizers.

72. Sewing Machine Accessories.

73. Cloth Hangers.

74. Floor/Metal Polishes.

75. Mirrors.

76. Radio / Cassette Player / CD Player / Recorder / Walkman.

77. Water Containers / Jug.

78. Kitchen Jar, Containers / Plastic Trays, Table / Door Mats / Plastic Mats / Carpets and Plastic Items.

79. Plastic Chair / Moulded Furniture, Stool, Pedal Bin.

80. Hair Comb / Hair Brush.

81. Holdalls /Travel Bags / School Bags / Hot Water Bag.

82. Rubber Chappal.

83. Bed Sheet / Covers, Pillow / Pillow Cover, Bath Towels / Hand Towels / Napkin.

84. Polishing cloth / Duster.

85. Socks / Blankets / Lungi / Hand Kerchiefs.

86. Mosquito nets.

87. Trouser / Pant-Shirt Pieces.

Sl.No. Name of the Commodity

88. Sports Goods.

89. Rope Floor Wiper.

90. Juices.

91. Sharbat, Squashes and Cordials, Tinned food, Mixers.

92. Ketchup, Baking Powder, Vinegar, Food Additives, Custard powder.

93. Noodles.

94. Antiseptic Liquid.

95. Note Books, Registers, Pens / Markers / Greeting Cards / Fevicol.

96. Balms, Antiseptic Applications, Medicines, Tonics, Band Aid and Digestives.

97. Cutleries.

98. Brief Cases.

99. Instant foods]

133[59. [XXX]

59-A. [XXX]]

134[60. Nawar

61. Goods sold to transit passengers both incoming and outgoing, at the duty free shops established at the Rajiv Gandhi International Airport, Shamshabad, Ranga Reddy District]

135[62. Zari

133. 59 & 59-A added by Act No.28 of 2008 and deleted by Act No.13 of 2013.

134. 60 & 61 added by Act No.20 of 2009. 135. 62 & 63 added by Act No.11 of 2012.

Sl.No. Name of the Commodity

63. Fabrics, Made-ups and garments produced and sold by the Powerloom units in the State to dealers

registered under the Act, only at the point of sale in the hands of powerloom units.]

[136][64. Fertilizers, at the point of sale by the Primary Agricultural Co-operative Societies (PACS) directly to the farmers]

[137][65. Transfer of right to use feature films (in digital or physical form) by film producers to distributors or exhibitors.]

[138][66. Nutritious Foods (Ready to Cook Food Mixes and Ready to eat food) supplied by M/s. Telangana Foods to the Director, Women Development and Child Welfare Department, Government of Telangana through ICDS (Integrated Child Development Services) Projects meant for malnourished Pre-School & School going children, Pregnant Women and Lactating mothers under the Supplementary Nutrition Programme sponsored by Central and State Governments.

Note: M/s. Telangana Foods is not entitled to claim Input Tax Credit on the relevant inputs.]

136. Added by Act No.11 of 2013.

137. Added by Act No.13 of 2013.

138. Added by Act No.9 of 2017.

SCHEDULE - II

(See section 8)

Transactions Zero-Rated and Eligible for Input Tax Credit

Sl.No.	Description
1.	Sale of taxable goods in the course of inter-state Trade or Commerce falling within the scope of section 3 of the Central Sales Tax Act, 1956.
2.	Sale of goods falling within the scope of section 5(1) and section 5(3) of the Central Sales Tax Act, 1956.
[139][3.	[XXX]
3A.	[XXX]]
[140][4.	Goods or products specifically marked with brand "[141]Telangana Girijan Co-operative Corporation Limited."]
[142][5.	[XXX]]
[143][6.	the sale transactions of Soya Bean Deoiled Cake.]

139. 3-A inserted by Act No.15 of 2008. Entries 3 & 3-A omitted by Act No.28 of 2008.

140. Added by Act No.34 of 2006.

141. Substituted by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

142. Entry 5 added by Act No.5 of 2007 and omitted by Act No.15 of 2008.

143. Sl. No.6 added by G.O.Ms.No.32, Revenue (C.T.II) Department, dated 15.10.2014.

SCHEDULE - III

(See sub-section (3) of section 4)

List of goods taxable @ 1%

Sl.No.	Name of the Commodity
[144][1.	Bullion, Specie, Platinum and other precious Metals]
[145][2.	Articles and Jewellery made of bullion or specie or any other precious metals and jewellery embedded with precious stones and semi-precious stones.]
3.	Precious stones, that is to say, Diamonds, Emeralds, Rubees, Sapphires and semi-precious stones and pearls.

144. Substituted by Act No.10 of 2006.

145. Substituted by Act No.23 of 2005.

SCHEDULE - IV

(See sub-section (3) of section 4) List of goods taxable @ [146][5%]

Sl.No. Name of the Commodity

1. Agricultural implements not operated manually or not driven by animal

[147][2. Goods of intangible or incorporeal nature as may be notified from time to time by the State Government and including,-

(i) Patents

(ii) Trade Marks

(iii) Import licenses including exim scrips, special import licenses and duty free advance licenses.

(iv) Export Permit or license or quota

(v) Software packages

(vi) Credit of Duty Entitlement Pass Book (vii) Technical know-how

(viii) Goodwill

(ix) Copyright

(x) Designs registered under the Designs Act, 1911

(xi) SIM cards used in Mobile Phones

146. 5% substituted for 4% by Act No.11 of 2012. 147. Substituted by Act No.28 of 2008.

Sl.No. Name of the Commodity

(xii) Franchise, that is to say, an agreement by which the franchisee is granted representational right to sell or manufacture goods or to provide service or undertake any process identified or associated with the franchisor, whether or not a trade mark, service mark, trade name or logo or any symbol, as the case may be, is involved.]

3. All kinds of bricks including fly ash bricks, refractory bricks

4. Asphaltic roofing sheets

5. Earthen tiles other than ceramic and glazed tiles

6. All types of yarn and sewing thread other than cotton yarn in hank and silk yarn in hank.

[148][7. All utensils including pressure cookers and pans excepting utensils made of precious metals.]

[149][8. Areca nut, betel nut, betel nut powder with additives, supari and mouth fresheners made of somph (Ani seed) and coriander powder with additives.]

9. Bamboos, [150][Cane (Rattan)], Casuarina poles,

eucalyptus logs and cut sizes thereof

10. Bearings of all kinds

11. Beedi leaves

12. Transmission rubber belts

148. Substituted by Act No.23 of 2005.

149. Substituted by Act No.5 of 2007.

150. Inserted by Act No.9 of 2010.

Sl.No. Name of the Commodity

13. 151[Bicycles, E.Bikes,] tricycles, cycle rickshaws & parts and accessories thereof

14. Bitumen 152[of all varieties]

15. Branded bread

16. Bulk Drugs

153[17. Electric Motors and Oil Engines upto a capacity of 10 HP, Centrifugal, Monobloc and submersible pumpsets, Starters of electric motors and pumpsets, parts and accessories thereof.]

154[18. Coffee including Coffee Seeds, roasted seeds and coffee powder, Cocoa powder, Chicory, blended or French coffee.]

19. 144[Chemical fertilizers, Bio fertilizers] and Bone Meal including mixtures or Nutrient elements such as Iron, Zinc, Copper and biological derivatives such as Enzymes, Co-enzymes and 155[Plant Harmones, Gibberllines, Auxines and plant growth promoters or regulators.]

20. Pesticides, Insecticides, fungicides, herbicides, weedicides and other plant protection equipment and accessories thereof 156[including drip and sprinkler irrigation systems but excluding mosquito repellants in any form].

157[21. [XXX]]

151. Substituted by Act No.34 of 2006.

152. Added by Act No.13 of 2013.

153. Substituted by Act No.23 of 2005.

154. Substituted by Act No.5 of 2007.

155. Substituted by Act No.21 of 2011.

156. Added by Act No.23 of 2005.

157. Omitted by Act No.38 of 2007.

Sl.No. Name of the Commodity

22. Cotton waste and Cotton yarn waste

23. Crucibles

24. Electrodes including welding electrodes and welding rods.

25. Exercise Note books including Graph books and laboratory note books, Office stationery including computer stationery, writing pads and Account Ledgers

26. Fibres of all types and fibre waste

27. Ferrous and non-ferrous metals and alloys and extrusions thereof

28. Flour, Atta, Maida, Suji, Besan, [158][Ravva, Vermicelli, [159][Macaroni] and Semiya.]

29. Parched and fried grams or dhalls

[160][30. [XXX]]

31. Hand Pumps, parts and fittings thereof

32. Herb, bark, dry plan, dry root, commodity known as jari booti and dry flower

33. Hose Pipes [161][and fittings thereof]

34. Hosiery goods of all kinds

35. Rice bran including de-oiled rice bran

36. Ice

37. Incense Sticks commonly known as, Agarbathi, dhupkathi or dhupati

158. Substituted by Act No.23 of 2005.

159. Inserted by Act No.13 of 2013.

160. Omitted by Act No.14 of 2007.

161. Added by Act No.23 of 2005.

Sl.No. Name of the Commodity

38. Industrial cables, (High voltage cables, XLPE Cables, Jelly filled cables, optical fibre cables)

[162][39. IT Products that is to say,-

(1) Word Processing Machines and Electronic Typewriters

(2) Electronic Calculators

(3) Computer Systems and Peripherals, Electronic Diaries

(4) Parts and Accessories of items (1), (2) and (3) above

(5) DC Micromotors/Stepper motors of an output not exceeding 37.5 Watts

(6) Parts of items (5) above

(7) Uninterrupted Power Supplies (UPS) and their parts.

(8) Permanent magnets and articles intended to become permanent magnets (Ferrites)

(9) Electrical Apparatus for line telephony or line telegraphy, including line telephone sets with cordless handsets and telecommunication apparatus for carries current line systems or for digital line systems; videophones.

(10) Microphones, Multimedia Speakers, Headphones, Earphones and Combined Microphone/Speaker Sets and their parts.

(11) Telephone answering machines

162. Substituted Sl.No.39 (1-29) by Act No.23 of 2005.

Sl.No. Name of the Commodity

(12) Parts of Telephone answering machines

(13) Prepared unrecorded media for sound recording or similar recording of other phenomena, Video and Audio CDs, Casettes and DVDs (recorded and unrecorded).

(14) IT software on any media

(15) Transmission apparatus other than apparatus for radio broadcasting or TV broadcasting, transmission apparatus incorporating reception apparatus, digital still image video cameras

(16) Radio communication receivers, Radio pagers

(i) Aerials, antennas and their parts

(ii) Parts of items (15) and (16) above

(17) LCD Panels, LED Panels and parts thereof

(18) Electrical capacitors, fixed, variable or adjustable (Pre-set) and parts thereof

(19) Electrical resistors (including rheo-stats and potentiometers) other than heating resistors

(20) Printed circuits

(21) Switches, Connectors and Relays for upto 5 AMPS at voltage not exceeding 250 Volts, Electronic fuses

(22) Data/Graphic Display tubes, other than TV Picture tubes and parts thereof

Sl.No. Name of the Commodity

(23) Diodes, transistors and similar semi-conductor devices; Photosensitive semi-conductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; Light emitting diodes; Mounted piezo-electric crystals.

(24) Electronic Integrated Circuits and Micro assemblies

(25) Signal generators and parts thereof

(26) Optical fibre cables

(27) Optical fibre and optical fibre bundles and cables

(28) Liquid Crystal Devices, Flat Panel display devices and parts thereof

(29) Cathode ray oscilloscopes, Spectrum Analysers, Cross-talk meters, Grain measuring instruments, Distortion factor meters, Psophometers, Network & Logic analyzer and Signal analyzer.]

40. Kerosene sold through public distribution system

163[41. [XXX]]

42. Napa Slabs (Rough and polished flooring stones)

164[43. All kinds of Ores and all kinds of minerals excluding Marble and Granite.]

44. Paper of all kinds 165[(excluding Wall paper)] and news print

163. Omitted by Act No.20 of 2009.
164. Substituted by Act No.13 of 2013.
165. Inserted by Act No.13 of 2013.

Sl.No. Name of the Commodity

166[45. Pipes of all varieties including GI, CI, PVC, Ductile, RCC and PCC pipes, fittings thereof and Cement Poles.]

167[46. Moulded Plastic foot wear and Hawai chappals and straps thereof;]

168[47. Diaries, calenders, annual reports, application forms, Stationery items like letterheads, visiting cards, bill books, leaflets, flyers, folders, soft bound books, center pinned books, hard case books, computer stationery, posters, Brochures, CD/DVD covers, visual aids, danglers, streamers, envelopes, labels telephone recharge coupons, report cards, Tickets, Cheque Books, Demand Drafts, Coupons and all kinds and classes of forms including tender and bid documents and similar printed materials.]

48. Printing Ink excluding toner and cartridges

169[49. [XXX]]

50. Pulp of bamboo, wood, waste paper and bagasee

170[51. Rail Coaches, Engines, Wagons and Parts thereof]

171[52. Readymade garments, 172[XXX].]

166. Substituted by Act No.11 of 2012.
167. Substituted by Act No.28 of 2008.
168. Substituted by Act No.20 of 2009.
169. Omitted by Act No.5 of 2007.
170. Substituted by Act No.40 of 2007.
171. Substituted by Act No.23 of 2005.
172. Omitted by Act No.20 of 2009.

Sl.No. Name of the Commodity

173[53. Renewable energy devices and spare parts including the following:-

Sl.No.	Description of goods	HSN Code
(i)	Portable electrical lamps designed to function by their own source of energy (for example, dry batteries, accumulators, magnetos) other than lighting equipment of heading 8512	8513
(ii)	Lamps	8513.1
(iii)	Torch	8513.10.10
(iv)	Other flash lights excluding those for photographic purpose	8513.10.20
(v)	Miners safety lamps	8513.10.30
(vi)	Magneto lamps	8513.10.40
(vii)	Other	8513.10.90
(viii)	Parts	8513.90.00
(ix)	Pedal Power Generator]	

54. Safety Matches
55. Sewing Machines and parts and accessories thereof
56. Ships and other vessels
57. Silk fabrics other than Handloom silk fabrics
58. Skimmed Milk Powder and UHT Milk

173. Substituted by Act No.38 of 2007.

Sl.No. Name of the Commodity

59. Spices of all varieties and forms including cumin seed, aniseed, turmeric and dry chillies
60. Sports goods excluding apparels and footwear
61. Starch and Sago

62. [174][XXX] Tamarind seed, dhall, kernel, powder and husk

[175][63. Tractors and Threshers, Harvesters, Tractor trailers, Tyres, Tubes, attachments and parts thereof]

64. Transmission towers

65. Umbrellas

66. Vanaspathi, Hydrogenated Vegetable Oil.

67. Vegetable Oils - All kinds of vegetable Oils including solvent oils and Coconut Oil

[175][68. Writing Instruments, writing ink, Geomentry Boxes, Colour Boxes, Pencil Sharpeners and Erasers;]

69. Coal Including coke in all its forms, but excluding charcoal

70. Iron and steel, that is to say:

(i) Pig Iron, Sponge Iron, and cast iron including ingot moulds, and bottom plates;

(ii) Steel semis, ingots, slabs, blooms and billets of all qualities, shapes and sizes;

(iii) Skelp bars, tin bars, sheet bars, hoe-bars and sleeper bars;

174. Omitted by Act No.14 of 2007.

175. Substituted by Act No.23 of 2005.

Sl.No. Name of the Commodity

(iv) Steel bars, rounds, rods, squares, flats, octagons and hexagons; plain and ribbed or twisted, in coil form as well as straight length;

(v) Steel structures, angles, joints, channels, tees, sheet piling sections, Z sections or any other rolled sections;

(vi) Sheets, hoops, strips and skelp, both black and galvanized, hot and cold rolled, plain and corrugated in all qualities, in straight lengths and in coil form as rolled and in revitted condition;

(vii) Plates, both plain and chequered in all qualities;

(viii) Discs, rings, forgings and steel castings;

(ix) Tool, alloy and special steels of any of the above categories;

(x) Steel tubes, both welded and seamless, of all diameters and lengths including tube fittings;

(xi) Tin-plates, both hot dipped and electrolytic and tin free plates;

(xii) Fish plate bars, bearing plate bars, crossing sleeper bars, fish plates, bearing plates, crossing sleepers and pressed steel sleepers, rails - heavy and light crane rails;

(xiii) Wheels, tyres, axies and wheel sets;

(xiv) Wire rods and wires rolled, drawn, galvanized, aluminized, tinned or coated such as by copper.

Sl.No.	Name of the Commodity
71.	Iron and Steel scrap, that is to say,-
	(i) Iron scrap, cast-iron scrap, runner scrap and iron skull scrap
	(ii) Steel melting scrap in all forms including steel skull, turnings and borings
	(iii) Defectives, rejects, cuttings or end pieces of any of the categories of item (i) to (xiv) of entry 70
72.	Oil Seeds, that is to say,-
	(i) Sesamum or Til (orientale)
	(ii) Soyabeen (Glycine seja)
	(iii) Rape seed and mustard
	1. Toria (Brassica campestris vartoria) 2. Rai (Brassica Juncea)
	3. Jamba - Taramira (Eruca sativa)
	4. Sarcon - yellow and brown (brassica compestris varsarson)
	5. Banarasi Rai or True mustard (Brassica nigra)
	(iv) Linseed (linum usitatissimum)
	(v) Sunflower (Helianthus annus)
	(vi) Nigar seed (Guizotia abyssinica)
	(vii) Neem, vepa (Azadi rachta indica)
	(viii) Mahua, illupai, ippe (Madhuca indica, M. latifolia), Bassia, Latifolia and Madhuca Longifolia Syn. M. Longifolia)
	(ix) Karanja, Pongam, Honga (Pongamia pinnata syn. P glabra)

Sl.No.	Name of the Commodity
	(x) Kusum (Schleichera Oleosa, syn.S.trijuga)
	(xi) Punna undi (Calophyilum inophyllum)
	(xii) Kokum (Carcinia indica)
	(xiii) Sal (Shorearobusta);
	(xiv) Tung (Aleurite Jordi and A.Montana)
	(xv) Red Palm (elaeis guinenisis)
	(xvi) Safflower (corthanus tinctorius)
73.	Castor (Ricinus communis)
176[74.	[XXX]
75.	[XXX]]

76. Groundnut or peanut (hypogea)

77. Cottonseeds

78. Jute, that is to say the fibre extracted from plants belonging to the species corchorus capsularis and corchorus olitorius 177[XXX] and the fibre known as sunnhemp extracted from plants of the species Crotalaria Juncea whether baled or otherwise.

79. Cotton, that is to say, all kinds of cotton (indigenous or imported) in all its unmanufactured state, whether ginned or unginned, baled, pressed or otherwise but not including cotton waste.

80. Hides and Skins, Tanned or Un-Tanned

176. Omitted by Act No.28 of 2008.

177. Omitted by Act No.38 of 2007.

Sl.No. Name of the Commodity

81. Crude oil, that is to say, crude petroleum oils and crude oils obtained from bituminous minerals (such as shale, calcareous rock sand), whatever their composition whether obtained from normal or condensation oil deposits or by the destructive distillation of "bituminous minerals and whether or not subjected to all or any of the following processes

1. decantation

2. de-salting

3. dehydration

4. stabilization in order to normalize the vapour pressure.

5. elimination of very light fractions with a view to returning them to the oil-deposits in order to improve the drainage and maintain the pressure.

6. the addition of only those hydrocarbons previously recovered by physical methods during the course of the above mentioned process

7. any other minor process including addition of pour point depressants or flow improvers which does not change the essential character of the substance.

82. All kinds of Pulses and Dhalls

83. Wheat (Triticum vulgare, T.compactum, T.sphaerococum, T.durum, T.aestivum, L.T.dicoccum);

84. Paddy (Oryza sativa L)

85. Rice (Oryza sativa L.)

Sl.No. Name of the Commodity

178[86. PVC Cloth, Waterproof Cloth, Tarpaulin, Rexine and Vehicle Covers made from PVC Cloth, Waterproof Cloth, Tarpaulin and Rexine Products.

87. Oil cakes and De-oiled cakes other than Soya Bean De-oiled cake.]

179[88. Drugs and medicines whether patent or proprietary, as defined in clauses (i), (ii) and (iii) of section 3(b) of Drugs and Cosmetics Act, 1940 (Central Act 23 of 1940), and hypodermic syringes, hypodermic needles, perfusion sets, urine bags, catguts, sutures, surgical cotton, dressings, plasters, catheters, cannulae, bandages and similar articles, but not including,-

(a) Medicated goods.

(b) Products capable of being used as cosmetics and toilet preparations including Tooth Pastes, Tooth powders, cosmetics, Toilet articles and soaps.

(c) Mosquito Repellants in any form.

180[(d) [XXX]]

89. Veterinary medicines 171[XXX]

90. All kinds of packing material including Hessian cloth and jute twine but excluding storage tanks made of any materials.

181[91. [XXX]

178. Substituted by Act No.20 of 2009.

179. Substituted by Act No.23 of 2005.

180. Omitted by Act No.5 of 2007.

181. Sl. Nos.91 to 96 added by Act No.23 of 2005 and Sl. No.91 omitted by Act No.38 of 2007.

Sl.No. Name of the Commodity

92. River Sand and grit and stone chips.

93. Extra Neutral Alcohol (ENA) and rectified spirit.

94. Kerosene stove, kerosene lamp, petromax lamp, hurricane lamp, glass chimney and parts and accessories thereof;

95. Bio-diesel manufactured using non-edible vegetable oils such as Jatropha, Pongamia, Rice bran, Neem, Cotton seed, Rubber seed, 182[sale of used cooking oil to the bio-diesel manufacturers.]

96. Artificial and rolled gold Jewellery imitation and costume jewellary.]

183[97. LPG/CNG conversion kits.

98. Pre-stressed Railway Concrete Sleepers]

182[99. All Handicrafts]

182. Added by Act No.34 of 2006.

183. Added by Act No.10 of 2006.

184[100. 185[The following goods when sold as industrial inputs]

No.	Sl. No.	Heading	Heading	Sub-No.	Description of goods
(1)		(2)	(3)		(4)
1.		1501 to 1505	Animal (including fish) fats and oils, crude, refined or purified.		
2.		1506	Other animal fats and oils and their fractions whether or not refined, but not chemically modified.		
3.		1521 and 1522	Vegetable waxes (other than triglycer-ides), beeswax, other insect waxes and spermaceti, whether or not refined or coloured; degras; residues resulting from the treatment of fatty substances or animal or vegetable waxes.		
4.		1518	Animal or vegetable fats boiled, oxidized, dehydrated, sulphurized, blown, polymerized by heat in vaccum or in inert gas or otherwise chemically odified; inedible mixtures or preparations of fats and oils of this chapter.		

184. Sl.No.100 (1-231) added by Act No.34 of 2006. 185. Substituted by Act No.28 of 2008.

(1)	(2)	(3)	(4)
5.		1702	Liquid glucose (non medicinal), Dextrose syrup.
6.		2207.20	Denatured ethyl alcohol of any Strength.
7.		2503	Sulphur of all kinds other than sublimed sulphur, precipitated sulphur and colloidal sulphur.
7A.		2511	Natural barium sulphate (barites); natural barium carbonate (with erite), whether or not calcined, other than barium oxide of heading 2816.
8.		2602	Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20% or more, calculated on the dry weight.
9.		2603	Copper ores and concentrates.
10.		2604	Nickel ores and

concentrates.

11. 2605 Cobalt ores and concentrates.

12. 2606 Aluminum ores and concentrates.

13. 2607 Lead ores and concentrates.

14. 2608 Zinc ores and concentrates.

(1)	(2)	(3)	(4)
15.	2609	Tin ores and concentrates.	
16.	2610	Chromium ores and	concentrates.
17.	2611	Trungsten ores and	concentrates.
18.	2612	Uranium or Thorium ores	and concentrates.
19.	2613	Molybdenum ores and	concentrates.
20.	2614	Titanium ores and	concentrates.
21.	2615	Niobium, tantalum,	vanadium or zirconium ores and concentrates.
22.	2616	Precious metals ores and	concentrates.
23.	2617	Other ores and	concentrates.
24.	2618	Granulated slag (slag	sand) from the manufacture of iron and steel.
25.	2619	Ground granulated blast-	furnace slag (GGBS).
26.	2706	Tar distilled from coal, from	lignite or from peat and other mineral tars whether or not dehydrated or partially distilled, including reconstituted tars.

(1)	(2)	(3)	(4)
27.	2707	Oil and other products of	the distillation of high temperature coal tar

			constituents exceeds that of the non-aromatic constituents.
28.	2707.20.00	Toluole	
29.	2707.30.00	Xylole	
30.	2707.40.00	Naphthalene	
31.	2707.60.00	Phenols	
32.	2707.91.00	Creosote Oils	
33.	2801	Fluorine, Chlorine, bromine	and iodine
34.	2802	Sulphur, sublimed or	precipitated; colloidal sulphur
35.	2803	Carbon (carbon blacks	and other forms of carbon not elsewhere specified or included)
36.	2804	Hydrogen, rare gases	other non metals excluding medicinal grade oxygen
37.	2805	Alkali or alkaline-earth	metals, rare- earth metals, scandium and yttrium, whether or not intermixed or interalloyed; mercury.
38.	2806	Hydrogen Chloride	(hydrochloric acid) chlorosulphuric acid
39.	2807	sulphuric acid and	anhydrides thereof; Oleum

(1)	(2)	(3)	(4)
40.	2808	Nitric acid; sulphonitric	acids
41.	2809	Diphosphorus	pentaxoxide; phosphoric acid and polyphosphoric acids.
42.	2810	Oxides of boron; boric	acids
43.	2812	Halides and halide oxides	of non-metals
44.	2813	Sulphides of non-metals;	commercial phosphorus trisulphide
45.	2814	Ammonia, anhydrous or in	

aqueous solution.

46. 2815 Sodium hydroxide (caustic soda); potassium hydroxide (caustic potash); peroxides of sodium or potassium.

47. 2816 Hydroxide and peroxide or magnesium; oxides, hydroxides and peroxides of strontium or barium

48. 2817 Zinc oxide, zinc peroxide

49. 2818.30.00 Aluminum hydroxide

50. 2819 Chromium oxides and hydroxides

51. 2820 Manganese oxides

52. 2821.10 Iron oxides and hydroxides

53. 2822 Cobalt oxides and hydroxides, commercial cobalt oxides

(1)	(2)	(3)	(4)
54.	2823	Titanium oxide	
55.	2825	Hydraxine and	hydroxylamine and their inorganic salts; other inorganic bases; other metal oxides, hydroxides and peroxides
56.	2826	Flurides, fluorosilicates,	fluroaluminates and other complex, florine salts.
57.	2827	Chlorides, chloride oxides	and chloride hydroxides, bromides and bromide oxides; iodides and iodide oxides
58.	2828	Hypochlorites, commercial	calcium hypochloritcs; chlorite hypobromites
59.	2829	Chlorates and	perchlorates; bromates and Perb) romates; Iodates and periodates.
60.	2830	Sulphides; Polysulphides	
61.	2831	Dithionites and	sulphoxylates

62. 2832 Sulphites; thiosulphates

63. 2833 Sulphates, alums, peroxo sulphates (persulphates)

64. 2833.33.00 Basic chromium sulphate]

65. 2834 Nitrites; nitrates

(1)	(2)	(3)	(4)
66.	2835	Phosphinates	(hypophosphites); phosphonates (phosphates); phos-phates and polyphosphates
67.	2836	Carbonates;	peroxacarbonates (percarbonates); commercial ammonium carbonates containing ammonium carbarnate.
68.	2837	Cyanides, cyanide oxides	and complex cyanides
69.	2838	Fulminates, cyanates and	thiocyanates
70.	2840	borates, peroxoborates	(perborates)
71.	2841	Sodium bichromate	
72.		2841.30 Sodium dichromate	
73.		2841.50 Potassium dichromate	
74.	2844	Radioactive chemical	elements and radioactive isotopes (including the fissile chemical elements and isotopes) and their compounds; mixtures and residues containing these products.
75.	2845	Isotopes other than those	of heading No.28.44; compounds, inorganic or organic of such isotopes, whether or not chemically defined

(1)	(2)	(3)	(4)
76.	2846	Compounds inorganic or	organic, of rare earth metals, of yttrium or of scandium or of mixtures of these metals.

77. 2847 Hydrogen peroxide

78. 2848 Phosphides, whether or not chemically defined, excluding ferro phosphorus.

79. 2849.20 Silicon carbide

80. 2849.10.00 Calcium carbides.

81. 2850 Hydrides, nitrites, azides, cilidides and borides, whether or not chemically defined, other than compounds which are also carbides of heading No. 28.49

82. 2902 Cyclic hydrocarbons

83. 2903 Halogenated derivatives of Hydrocarbons

84. 2904 sulphonated, nitrated or nitrosated derivatives of hydrocarbons, whether or not halogenated.

85. 2905 Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives.

86. 2906 Cyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives

(1)	(2)	(3)	(4)
87.	2907	Phenols; Pheno-Alcohols	
88.	2908	Halogenated, sulphonated, nitrated or nitrosated derivates of phenols or	phenol-alcohols.
89.	2909	Ethers, ether-alcohols, ether phenols, ether alcoholphenols, alcohol peroxides, ether perioxides, ketone peroxides (whether or not chemically defined) and their halogenated, sulphonated, nitrated or nitrosated derivates.	
90.	2910	Epoxides, expoxyalcohols, exoxyphenols and exoxyethers, with a three-membered ring and their halogenated, sulphonated, nitrated or nitrosated derivates.	
91.	2911	Acetals and hemiacetals, whether or not with other oxygen function and their halogenated, sulphonated, nitrated or nitrosated derivates.	
92.	2912	aldehydes whether or not with other oxygen function; cyclic polymers of aldehydes; paraformaldehyde.	

(1)	(2)	(3)	(4)
93.	2913	Halogenated, sulphonated, nitrated or nitrosated derivates of products of heading No.29.12.	
94.		2914.11.00 Acetone	
95.	2915	Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivates.	
96.	2916	Unsaturated acyclic monocarboxylic acids, cyclic monocarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivates.	
97.	2917	Polycarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated sulphonated, nitrated or nitrosated derivates.	

(1)	(2)	(3)	(4)
98.	2918	Carboxylic acids with additional oxygen function and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivates.	
99.	2919	Phosphoric esters and their sales, including lactophosphates; their salts; their halogenated, sulphonated, nitrated or nitrosated derivates.	
100.	2920	Esters of other inorganic acids (excluding esters of hydrogen halides) and their salts; their halogenated, sulphonated, nitrated or nitrosated derivatives.	
101.	2921	Amine-function compounds	
102.	2922	Oxygen-function amino compounds	
103.	2923	Quaternary ammonium salts and hydroxides; lecithins and other phosphoaminolipids	
104.	2924	Carboxyamide-function compounds; amide-function compounds of carbonic acid.	

(1)	(2)	(3)	(4)
105.	2925	Carboxyamide-function compound (including saccharin and its salts) and imine-function compounds.	
106.	2926	Nitrile-function compounds	
107.	2927	Diazo-,Azo-or azoxy- compounds	
108.	2928	Oraganic derivates of hydrazine or of hydroxylamine.	
109.	2930	Organo-sulphur compounds	

110. 2931 Other organo organic compounds

111. 2932 Heterocyclic compounds with oxygen heteroatom(s) only

112. 2933 Heterocyclic compounds with nitrogen heteroatom(s) only.

113. 2934 Nucleic acids and their salts; other heterocyclic compounds

114. 2935 Sulphonamides

115. 2938 Glycosides, natural or reproduced by synthesis and their salts, ethers, esters and other derivates.

(1)	(2)	(3)	(4)
116.	2939	Vegetable alkaloids, natural or reproduced by synthesis, and their salts, ethers, esters and other derivates.	
117.	2942	Other organic compounds.	
118.	3201	Tanning extracts of vegetable origin, tannins and their salts, ethers, esters and other derivates excluding catechu or gambiar.	
119.	3202	Synthetic organic tanning substances; inorganic tanning substances; tanning preparations, whether or not containing natural tanning substances; enzymatic preparations for pre- tanning excluding catechu or gambiar.	
120.	3203	Colouring matter of vegetable or animal origin (including dyeing extracts but excluding animal black), whether or not chemically defined; preparations based on colouring matter or vegetable or animal origin as specified in Note 2 to this Chapter excluding catechu or gambiar.	

(1)	(2)	(3)	(4)
121.	3204	Synthetic organic colouring matter, whether or not chemically defined; preparations based on synthetic organic colouring matter as specified in Note 2 to this Chapter; synthetic organic products of a kind used as fluroscent brightening agents or as luminophores, whether or not chemically defined excluding catechu or	

gambiar.

122. 3205 Colour lakes; preparations based on colour lakes as specified in Note 2 to this chapter.

123. 3206.10 Pigments

124. 3206.50.00 Inorganic products of kind used as luminophores

125. 3206.90 Master batches

126. 3207.10 Prepared pigments

127. 3207.40.00 Glass frit and other glass, in the form of powder, granules or flakes.

128. 3207.10.90 Other

129. 3211 Prepared driers

(1)	(2)	(3)	(4)
130.	3212	Pigments (including metallic powders and flakes) dispersed in non-aqueous media, in liquid or paste form of a kind used in the manufacture of paints (including anamels); stamping foils; dyes and other colouring matter put up in forms (for example, bales, tablets and the like) or small packings (for example, sachets or bottles of liquid) of a kind" used for domestic or laboratory purposes.	
131.		3215.10 Printing ink whether or not concentrated or solid.	
132.	3501	Casein, caseinates and other casein derivates,	casein glues.
133.	3507	Enzymes, prepared enzymes not elsewhere	specified or included.
134.		3707.00 Chemical preparations for photo- graphic uses (other than varnishes, glues, adhesives, and similar	preparations).
135.	3801	Artificial graphite; colloidal or Semicolloidal graphite; the form of pastes, blocks,	preparations based on plates or other semi-

(1)	(2)	(3)	(4)
136.	3802	Activated carbon, activated natural mineral products;	animal black, including spent animal black.
137.	3804	Residual lyes from the manufacture of wood pulp,	whether or not concentrated, desugared or chemically treated, including lignin salphonates, but excluding tall oil of heading No. 38.03.
138.	3806	Rosin and resin acids and derivates thereof; rosin	spirit and rosin oils; run gums.
139.	3807	Wood tar, wood tar oils; wood, creosote; wood	naphtha; vegetable pitch; brewers pitch and similar preparations based on rosin, resin acids or on vegetables pitch.

140.	3808.10	Insecticides, fungicides, herbicides, weedicides and pesticides of technicial grade.	

(1)	(2)	(3)	(4)
141.	3809	Finishing agents, dye carriers to accelerate the dyeing of fixing of dye-stuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries not elsewhere specified or included.	
142.	3812	Prepared rubber accelerators, compound plasticizers for rubber or plastics, not elsewhere specified or included; anti-oxidizing preparations and other compound stabilizers for rubber or plastics.	
143.	3814	Reducers and blanket wash/roller wash used in the printing industry.	
144.	3815	Reaction initiators, reaction accelerators and catalytic preparations, not elsewhere, specified or included	
145.	3817	Mixed alkyl benzenes and mixed alkylnaphthalenes, other than those of heading No. 2707 or 2902.	

(1)	(2)	(3)	(4)
146.	3818	Chemical elements doped	for use in electronics, in the form of discs, wafers or similar forms; chemical compounds doped for use in electronics.
147.	3823	Industrial mono carboxylic	fatty acids; acid oils from refining; industrial fatty alcohols.
148.	3824.90	Retarders used in printing	industry.
149.	3901	Polymers of ethylene in	primary forms.
150.	3902	Polymers of propylene or	of other olefins, in primary

		forms.	
151.	3903	Polymers of styrene, in primary forms.	
152.	3904	Polymers of vinyl chloride or of other halogenated olefins, in primary forms.	
153.	3905	Polymers of vinyl acetate or of other vinyl esters in primary forms, other vinyl polymers in primary forms.	
154.	3906	Acrylic polymers in primary	

forms.

(1)	(2)	(3)	(4)
155.	3907	Polyacetals, other polyethers and epoxide resins, polyallyl esters and primary forms.	resins, in primary forms, other polyesters, in polycarbonates, alkyd
156.	3908	Polyamides in primary	forms.
157.	3909	Amino-resins, polyphenylene oxide, forms.	phenolic resins and polyurethanes in primary
158.	3910	Silicones in primary forms.	
159.	3911	Petroleum resins, coumarone-indene resins, polysulphides, polysulphones and other elsewhere specified or	polyterpenes, products specified in Note included in primary forms. 3 to this Chapter, not
160.	3912	Cellulose and its chemical specified or included in	derivates, and cellulose primary forms. ethers, not elsewhere

(1)	(2)	(3)	(4)
161.	3913	Natural polymers (for example, algenic acid) and polymers (for example, hardened proteins, chemical derivates of natural rubber), not elsewhere	modified natural specified or included in primary forms.
162.	3914	Ion-exchangers based on primary forms.	polymers of heading Nos. 39.01 to 39.13 in
163.	3919	Self adhesive plates, not in rolls.	sheets, film foil, tape, strip of plastic whether or
164.	3920	Other plates, sheets, film, lacquered or metallised or with other materials or not.	foil and strip of plastics, non-cellular whether luminated, supported or similarly combined
165.	3923	Articles for the conveyance caps and other closures, of	or packing of goods, of plastics, stoppers, lids, plastics but not including- (a) insulated wares (b) bags of the type which are used for packing of goods at the time of sale for the convenience of the customer including carry bags.

(1)	(2)	(3)	(4)
166.	4001	Natural rubber, balata, gutta percha, Guayule, gums, in primary forms or in plates, sheets or strips.	chicle and similar natural

167.	4002	Synthetic rubber and factice derived from oils in primary forms or in plates, sheets or strip; mixtures of any product of heading No. 4001 with any product of this heading, in primary forms or in plates, sheets or strip.		
168.	4003	Reclaimed rubber in primary forms or in plates, sheers or strip.		
169.	4005	Compounded rubber, unvulcanised in primary forms or in plates, sheets or strip other than the forms and articles of unvulcanised rubber described in heading No. 4006.		
170.	4701	Mechanical wood pulp, chemical wood pulp, semi-chemical wood pulp and pulps of other fibrous cellulosic materials.		

(1)	(2)	(3)	(4)
171.	4819	Cartons (including flattened or folded cartons), boxes (including flattened or folded boxes) packing containers of paper, paper-board whether in assembled or unassembled condition	cases, bags and other
172.	4821	Paper printed labels and paper board-printed labels.	
173.	4823	Paper self adhesive tape and printed wrappers used for packing.	
174.		6305.10 Sacks and bags of a kind for jute or of other textile based fibres of heading No. 5303.	used for packing of goods,
175.	7010	Carboys, bottles, Jars, phials of glass of a kind, goods; stoppers, lids and other closures of glass.	used for the packing
176.	7019	Glass fibers (including glass wool and glass filaments) and articles thereof (for example yarn, woven fabrics) whether or not impregnated, coated, covered or laminated with plastics or varnish.	
177.	7202	Ferro alloys	

(1)	(2)	(3)	(4)
178.		7607.20 Aseptic packaging	aluminum foil of thickness less than 0.2 mm and backed by paper and LDPE.
179.	8309	Stoppers, caps and lids	(including crown corks, screw caps and pouring stoppers) capsules for bottles, threaded bungs, bung covers, seals and other packing accessories of base metal.
180.		1301.20.00 Gum Arabic	
181.		1520.00.00 Glycerol crude, Glycerol	Waters and Glycerol lyes.
182.	2508	Clay including fire clay,	fine china clay and ball clay

183. 2504 Natural Graphite

184. 2513 Pumice stone; emery; natural corundum, natural garnet and other natural abrasives, whether or not heat treated.

185. 2620 Ash and residues (other than from the manufacture of iron & steel), containing arsenic, metals or their compounds.

186. 2621 Other slag and ash, including seaweed ash (kelp); ash and residues from the incineration of municipal waste.

(1)	(2)	(3)	(4)
187.	2708	Pitch and pitch coke,	obtained from coal tar or from other mineral tars.
188.		2711.14.00 Butylene	
189.		2712.20 Paraffin wax containing by	weight less than 0.75% of oil; Normal paraffin; not being micro crystalline pertroleum wax.
190.	2811	Other inorganic acids and	other inorganic oxygen compounds of non-metals.
191.	2839	silicates, commercial alkali,	metal silicates
192.		2901.21.00 Ethylene	
193.		2901.22.00 Propylene	
194.		2901.29.10 Acetylene, in dissolved	condition
195.		2901.29.20 Heptene	
196.	2929	Compounds with other	nitrogen functions.
197.	3301	Essential oils (terpeneless	or not), including concretes and absolutes; resinoids; extracted oleoresins; concentrates of essential oils, in fats, in fixed oils, in waxes or the like, obtained by enfieurage or maceration;

terpenic by-products of the deterpenation of essential oils; aqueous distillates

(1)	(2)	(3)	(4)
			and aqueous solutions of essential oils.
198.	3302	When sold in packs of 20gms. or more, the following; Mixtures of alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances of a kind used for the manufacture of beverages.	20ml or, as the case may be, more or in packs of odoriferous substances mixtures (including
199.	3404	Artificial waxes and prepared waxes.	
200.	3502	Albumins (including concentrates of two or more whey proteins, containing by weight more than 80% whey proteins, calculated on the dry matter), albuminates and other albumin derivatives.	
201.	3503	Gelatin [including gelatin in rectangular (including square) sheets, whether or not surface worked or coloured] and gelatin derivatives.	

(1)	(2)	(3)	(4)
202.	3504	Peptones and their derivatives; other protein substances and their derivatives, not elsewhere specified or included; hide powder, whether or not chromed	
203.	3505	Dextrins and other modified starches (for example, pregelatinised or esterified starches);	
204.	3824	Prepared binders for foundry moulds or cores; Retarders used in the printing industry.	
205.	3915	Waste, parings and scrap of plastics	
206.	3916	Monofilament of which any cross-sectional dimension exceeds lmm, rods, sticks and profile shapes, whether or not surface worked but not otherwise worked, of plastics.	
207.	3926	Plastic fabrics of the type used for making plastic woven sacks and plastic woven sacks.	
208.	4004	Waste, parings and scrap of rubber (other than hard rubber) and powders and granules obtained there from.	
209.		4008.11.10 Plates, sheets and strip of microcellular rubber.	

(1)	(2)	(3)	(4)
210.		4008.19.10 Blocks of micro cellular, rubber but not of latex foam sponge, used in the manufacture of soles, heels or soles and heels combined for footwear.	

211.	4008.21.10	Plates, sheets and strip of micro cellular rubber used in the manufacture of soles, heels or soles and heels combined for footwear.
212.	4008.29.20	Blocks of micro cellular, rubber but not of latex foam sponge, used in the manufacture of soles, heels or soles and heels combined for footwear
213.	4503	Corks and stoppers of natural cork.
214.	4707	Recovered (waste & scrap) paper or paper board.
215.	5310	Sacking fabrics, Hessian fabrics, jute canvas.
216.	5607	Twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics.
217.	5609	Coir string

(1)	(2)	(3)	(4)
218.	6805	Natural or artificial abrasive	powder or grain on a base of textile material, of paper of paper board or of other materials, whether or not cut to shape or sewn or otherwise made up.
219.		6903.90.00	Refractory monolithic
220.	7001	Cullet and other waste and	scrap of glass in the mass
221.	7017	Laboratory, hygienic or	pharmaceutical glassware, whether or not graduated or calibrated
222.	7310	Tin plate containers	
223.		Castings of all metals,	
		7325.10.00	(i) of non-malleable cast iron
		7325.99.10	(ii) of lron

		7325.99.20 (iii) of alloy steel	
		7325.99.30 (iv) of stainless steel	
		7325.91.00 (v) grinding balls and	similar articles for mills
		7326.11.00 (vi) grinding balls and	similar articles for mill.
		7326.90.00 (vii) grinding media bolls	and cylpebs
		7419.91.00 (viii) of copper	
			(ix) of other metals
224.		8507.20.00 Valve Regulated Lead Acid	batteries

(1)	(2)	(3)	(4)
225.	8546	Electrical insulators of any	material
226.	8547	Insulating fittings for appliances or equipment, from any minor components of metal (for sockets) incorporated other than insulators of therefor, of base metal material.	electrical machines, being fittings wholly of example, threaded during moulding solely for heading 8546; electrical lined with insulating insulating material apart the purpose of assembly, conduit tubing and joints
227.	8548	Waste and scrap of electric accumulators, spent spent electric accumulators.	primary cells, primary primary cells, spent batteries and primary batteries and
228.	9032	Regulator for LPG compressed gases or	cylinders and other compressed liquids cylinders containing
229.		9602.00.30 Gelatin capsules empty	
230.		9606.21.00 Buttons of plastics	
231.	9607	Slide fasteners and parts	thereof;]

(1)	(2)	(3)	(4)
			186[232. Yeast of all kinds and forms.
			233. Gel used for preparing bakery products and bread softner.]
			187[234. Winding wire made of Copper or enameled Copper.]
			188[235. 5603 1300 Non-Woven Fabrics]
			189[236. Auto Components sold to Automobile Manufacturing Units located in the State.]

190[101. Liquified petroleum gas 191[and Piped Natural Gas] for domestic use;

102. Machinery of all kinds that is to say,-

Sl.	Heading	Sub-

No. No.	Heading No.	Description of commodity
(1) (2)	(3)	(4)
1.	8401	Nuclear reactors; fuel elements (cartridges), non-irradiated, for nuclear reactors; machinery and apparatus for isotopic separation
2.	Machinery, plant or	laboratory equipment, whether or not, electrically heated (excluding furnaces, ovens, and other

186. Added by Act No.28 of 2008.
187. Added by Act No.21 of 2011.
188. Added by Act No.11 of 2012.
189. Inserted by Act No.11 of 2016.
190. Sl. Nos.101 to 113 added by Act No.34 of 2006.
191. Inserted by Act No.13 of 2013.

(1)	(2)	(3)	(4)
			equipment of heading 8514), for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilizing, pasteurizing, steaming, drying, evaporating, vaporizing, condensing or cooling, other than machinery or plant of a kind used for domestic purposes instantaneous or storage water heaters non-electric.
			8419.11 (a) instantaneous gas water heaters
			8419.20 (b) medical, surgical or laboratory sterilizers.
			8419.31.00 (c) dryers for agricultural products
			8419.32.00 (d) dryers for wood, paper pulp or paper board
			8419.40 (e) distilling or rectifying plant
			8419.50 (f) heat exchange units
			8419.60.00 (g) machinery for liquefying air or other gas.
			8419.81 (h) machinery for making hot drinks or for cooking or heating food
			8419.89.50 (i) pasturizers

(1)	(2)	(3)	(4)
			8419.89.80 (j) vacuum-vapour plant for deposition of metals
			8419.90 (k) parts
			192[8419.39.00 (l) Dryers-other
			8419.89.10 (m) Pressure Vessels, Reactors, Columns, Towers or Chemical storage Tanks.
			8419.89.20 (n) Glass Lined Equipment
			8419.89.30 (o) Auto claves other than for cooking or heating food, not else where specified or included.
			8419.89.90 (p) Others;]
	3. 8420 Calendaring or other		rolling machines other than for metals or glass and cylinders therefor
	4. Centrifuges, including		centrifugal dryers
			8421.11.00 (a) cream separators
			8421.12.00 (b) cloth dryers
			8421.99.00 (c) parts
			192[8421.19.10 (d) Bowl Centrifuges
			8421.19.20 (e) Basket Centrifuges
			8421.19.30 (f) Continuous automatic Centrifuges
			8421.19.40 (g) Self Cleaning Centrifuges

192. Added by Act No.4 of 2009.

(1)	(2)	(3)	(4)
			8421.19.50 (h) Decanter Centrifuges Horizontal Bowl
			8421.19.60 (i) Screw Conveyor Centrifuges
			8421.19.91 (j) Other for Chemical Industries.
			8421.19.99 (k) Other Filtering/Purifying Machines and Apparatus for Liquids.]
5.		8422.20.00 Machinery for cleaning or	drying bottles or other

			containers.
6.		8422.30.00 Machinery for filling,	closing, ceiling or labeling bottles, canes, boxes, bags or other containers; machinery for capsuling bottles, jars, tubes and similarly containers; machinery for aerating machinery.
7.		8422.40.00 Other packing or wrapping	machinery (including heat-shrink wrapping machinery)
8.		8422.90 Parts of machinery of	heading 8422
9.		8424.30.00 Steam or sand blasting	machines and similar jet projecting machines
10.		8424.90.00 Parts of machinery of sub-	heading 8424.30.00.

(1)	(2)	(3)	(4)
11.	8437	Machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables; machinery used in the milling industry or for the working of cereals or dried leguminous vegetables, other than farm type machinery	
12.		8438.30.10 Sugar manufacturing	machinery
13.		8438.90.10 Parts of sugar manufacturing machinery	
14.		8438.80.40 Tea leaf rolling or cutting	machine
15.	8439	Machinery for making pulp of fibrous cellulosic material or for making or finishing paper or paper	board.
16.	8441	Other machinery for making up paper pulp, paper or paper board, of all kinds	including cutting machines
17.	8442	Machinery, apparatus and equipment for type founding or typesetting, for preparing or making printing blocks, plates, cylinders and other printing components, blocks, plates, cylinders prepared for printing purposes (planed, grained or polished)	and lithographic stones,

18. 8443 Printing machinery used for printing by means of the printing type, block, plates, cylinders and other printing components; Inkjet printing machines, machines for uses ancillary to printing.

19. 8444 Machines for extruding, drawing, texturing or cutting man-made textile materials

20. 8445 Machines for preparing textile fibres, spinning, doubling or twisting machines and other machinery for producing textile yarns; textile reeling or winding (including weft winding) machines and machines for preparing textile yarns for use on the machines of heading 8446 or 8447.

21. 8446 Weaving machines (looms)

22. 8447 Knitting machines, stich bonding machines and machines for making gimped yarn, tulle, lace, embroidery, trimmings, braid or net and machines for tufting

(1) (2) (3) (4)

23. 8448 Auxiliary machinery for use with machines of heading 8444, 8445, 8446, or 8447 (for example, dobbies, jacquards. automatic stop motions, shuttle changing mechanisms); parts and accessories suitable for use solely or principally with the machines of this heading or of heading 8444, 8445, 8446 or 8447 (for example, spindles and spindle flyers, card clothing, combs, extruding nipples, shuttles, healds and heald frames, hosiery needles)

24. 8453 Machinery for preparing, tanning or working hides, skins or leather or for making or repairing footwear or leather, other than sewing machines

25. 8454 Converters, ladles, ingot moulds and casting machines, of a kind used in metallurgy or in metal foundries

26. 8455 Metal rolling mills and rolls therefor

27. 8457 Machining centers, unit construction machines 9 single station and multistation transfer machines for working metal

(1) (2) (3) (4)

28. 8458 Lathes (including turning centers) for removing metal

29. 8459 Machines-tools (including way-type unit head machines), drilling, boring, milling, treading or tapping by removing, metal other than lathes.

30. 8460 Machine tools for deburring, sharpening grinding, honing, lapping, polishing, or otherwise finishing metal, or cermets by means of grinding stones, abrasives or polishing products, other than gear cutting, gear grinding or gear finishing machines of heading 8461.

31. 8461 Machine tools for planning, shaping, slotting, broaching, gear cutting, gear grinding or gear finishing, sawing, cutting off and other machine tools working by removing metal, or cermets, not elsewhere specified or included.

32. 8462 Machine tools (including presses) for working metal by forging, hammering or die-stamping machines tools (including presses) for working metal by bending, straightening,

(1)	(2)	(3)	(4)
			flattering, shearing, punching or notching, presses for working metal or metal carbides, not specified above.
33.	8463	Other machine tools for material	working metal, or cermets, without removing
34.		8464.10.10	Granite cutting machines or equipments
35.		8464.20.00	Grinding or polishing machine
36.	8465	Machine tools (including otherwise assembling) for or similar hard materials	machines for nailing, stapling, glueing or working wood, cork, bone, hard rubber, hard plastics
37.	8466	Parts and accessories machines of headings self- holders	suitable for use solely or principally with the 8456 to 8465 including work or tool holders, opening die heads, dividing heads and other special attachments for machine tools; tool for any type of tool, for working in the hand

(1)	(2)	(3)	(4)
38.	8468	Machinery and apparatus capable of cutting other surface tempering machines and appliances.	for soldering, brazing or welding, whether or not than those of heading 8515, gas operated
39.	8474	Machinery for sorting, grinding, mixing or kneading earth, stone, (including powder or or moulding solid mineral plastering materials or machines for forming	screening, separating, washing, crushing, ores or other mineral substances, in solid paste) form; machinery for agglomerating, shaping fuels, ceramic paste, unhardened cements, other mineral products in powder or paste form; foundry moulds of sand.
40.	8477	Machinery for working from these materials not	rubber or plastics or for the manufacture of products elsewhere specified
41.	8478	Machinery for preparing or elsewhere in the chapter	making up tobacco, not specified or included 84

(1)	(2)	(3)	(4)
42.	8479	Machines and mechanical individual functions, not	appliances having specified or included elsewhere
43.	8480	Moulding boxes for metal moulds	foundry; mould bases; moulding patterns; for metals (other than ingot moulds), metal carbides, glass, mineral materials, rubber or plastics.
44.	8485	Machinery parts not contacts or other	containing electrical connectors, insulators, coils, electrical features, not specified or included elsewhere in chapter 84.

45. 8514 Furnaces and boilers of all types including fluidized bed boilers and ignifluid boilers and boilers using agricultural waste as fuel but not including boilers using municipal waste only as fuel

46. 8543.30.00 Machines and apparatus for electroplating, electrolysis or electrophoresis

47. 8803 Parts or items of heading 8801 or 8802

(1) (2) (3) (4)

48. 9024 Machines and appliances for testing the hardness, strength, compressibility, elasticity or other mechanical properties of materials (for example, metals, woods, textiles, paper, plastic)

49. Machinery for photography.]

193[50. Clean Air Ventilation Systems/ Air Handling Systems and the parts thereof, used in Pharmaceutical Industry.]

194[51. 8403 90.00 Parts of central heating boilers other than those of heading 8402.

52. 8404 90.00 Parts of auxiliary plant for use with boilers of heading 8402 or 8403 (for example, economizers, super heaters, soot removers, gas recovers); condensers for steam or other vapour power units.

53. 8405 90.00 Parts of producer gas or water gas generators, with or without their purifiers; Acetylene gas generators and similar water process gas generators with or without their purifiers.

193. Sl. No. 50 added by Act No.20 of 2009.

194. Sl. Nos. 51 to 57 added by Act No.21 of 2011.

(1) (2) (3) (4)

54. 8406 90.00 Parts of steam turbines and other vapour turbines

55. 8410 90.00 Parts including regulators of hydraulic turbines, water wheels, and regulators therefor.

56. 8411 99.00 Parts of turbo-jets, turbo-propellers and other gas turbines.

57. 8483 90.00 Toothed wheels, chain sprockets and other transmission elements presented separately;]

103. Tools and Instruments that is to say,-

Sl. No.	Heading No.	Description of goods

(1)	(2)	(3)
1.	8202	Hand saws; blades for saws of all kinds (including slitting, slotting or toothless saw blades)
2.	8203	Files, rasps, pliers (including cutting pliers), pincers, tweezers, metal cutting shears, pipe-cutters, bolt cropers, perforating purchases and similar hand tools.
3.	8204	Hand operated spanners and wrenches (including torque meter wrenches but not including tap wrenches); interchangeable spanner sockets, with or without handles.
4.	8205	Hand tools (including glaziers‟ diamonds), not elsewhere specified or included; below lamps; vices; clamps and

(1)	(2)	(3)
		the like, other than accessories for and parts of, machine tools; anvils; portable forges; hand-or pedal-operated grinding wheels with frame works
5.	8206	Tools of two or more of the headings 8202 to 8205 put-up in sets for retail sale
6.	8207	Interchangeable tools for hand tools, whether or not power-operated, or for machine-tools (for example, for pressing, stamping, punching, tapping, threading, drilling, boring, broaching, milling, turning or screw driving,), including dies for drawing or extruding metal, and rock drilling or earth boring tools
7.	8208	Knives and cutting blades, for machines or for mechanical appliances
8.	8209	Plates, sticks, tips and the like for tools, unmounted of cermets
9.	8210	Hand-operated mechanical appliances, weighing 10 kg. or less, used in the preparation, conditioning or serving of Food or Drink
10.	8213	Scissors, tailors‟ shears and similar shears, and blades therefor
	8456	Machine-tools for working any material by removal of material, by laser or other light or phton beam, ultrasonic, electro-discharge, electro-chemical, electron beam, ionic-beam or plasma arc processes
11.	8467	Tools for working in the hand, pneumatic, hydraulic or with self-contained electric or non-electric motor

(1)	(2)	(3)
12.	9014	Direction finding compasses; other navigational instruments and appliances
13.	9015	Surveying (including photogrammetrical surveying), hydrographic, oceanographic, hydrological, meteorological or geophysical instruments and appliances, excluding compasses; rangefinders

14. 9016 Balances of a sensitivity of 5 cg or better, with or without weights

15. 9017 Drawing, marking-out or mathematical calculating instruments (for example, drafting machines, pantographs, retractors, drawing sets, slide rules, disc calculators); instruments for measuring length for use in the hand (for example, measuring rods and tapes, micrometers, calipers), not specified or included elsewhere in this Chapter

16. 9019 Mechano-therapy appliances; massage apparatus; psychological aptitude-testing apparatus, ozone therapy, oxygen therapy, aerosol therapy, artificial respiration or other therapeutic respiration apparatus

17. 9020 Other breathing appliances and gas masks, excluding protective masks having neither mechanical parts nor replaceable filters

18. 9022 alpha, beta or gamma radiations, whether or not for medical, surgical, dental or veterinary uses, including radiography or radiotherapy apparatus, x-ray tubes and other e-ray generators, high tension generators, control panels, and desks, screens, examination or treatment tables or chairs and the like

(1) (2) (3)

19. 9025 Hydrometers and similar floating instruments, thermometers, pyrometers, barometers, hygro meters and psycho meters, recording or not and any combination of these instruments.

20. 9026 Instruments and apparatus measuring or checking the flow, level, pressure or other variables of liquids or gases (for example, flow meters, level gages, manometers, heat meters), excluding instruments and apparatus of heading 9014, 9015, 9028 or 9032.

21. 9027 Instruments and apparatus for physical or chemical analysis (for example, polarymeters, refractometers, spectrometers, gas or smoke anlaysis apparatus); instruments and apparatus for measuring or checking viscosity, porosity, expansion, surface tension or the like; instruments and apparatus for measuring or checking quantities of heat, sound, or like (including exposure meters); micro tomes.

22. 9029 Revolution counters, production counters, taxi meters, milometer, pedometers and the like, speed indicators and tacho meters, other than those of heading 9014 or 9015; stroboscopes;

23. 9030 Oscilloscopes, spectrum analyzers and other instruments and apparatus for measuring or checking electrical quantities, excluding meters of heading 9028, of instruments and apparatus for measuring or detecting alpha, beta, gamma, x-ray, cosmic or other ionizing radiation.

(1)	(2)	(3)
24.	9031	Measuring or checking instruments, appliances and machines, not specified or included elsewhere in this chapter; profile projectors
25.	9032	Automatic regulating or controlling instruments and apparatus.

104. Bolts, Nuts thereaded or tapped and screws of base metal or alloys thereof including bolt ends, screws, studs, screw studding, self tapped screws, screw hooks and screw rings.

105. All hardware of base metal or alloys and other hardware items like locks, woven wire nettings, mesh, cloth slieves, and chain link of all metals.

106. Biomass briquettes

195[107. (a) Preserved fruits, vegetables, meat, poultry, sea foods and fish sold in sealed containers or in a frozen state.

(b) Fruit jams, jelly, fruits squash, 196[fruit pulp], fruit juices and fruit drinks but excluding aerated fruit drinks;

(c) Cottage cheese (paneer), Pickles, sauces, porridge, marmalade, honey;]

108. Katha

109. Wet dates

110. Cups, plates and glasses made of paper

195. Substituted by Act No.28 of 2008.
196. Inserted by Act No.13 of 2013.

111. Medical equipments/devices and implants

112. Papad

113. Optical goods that is to say

Sl. No.	Heading No.	Sub-No.	Description of goods
	9004.90		Spectacles and goggles
	9004.10.00		Sun glasses, Spectacle glasses or lenses
	9001.40	(i)	of glass
	9001.50.00	(ii)	of other material
	9003		Frames and mountings for spectacles, goggles or the like and parts thereof
	9001.30		Contact lenses
			Lense cleaning liquid
	9002.19.00		Intra ocular lens;

Explanation - I: The Goods mentioned at entry 57 shall be other than those described in column (3) of First Schedule to the Additional Duties of Excise (Goods of Special

Importance) Act, 1957].

197[114. Tea

115. Cashewnut and kernel

116. Sales of goods other than Petrol, all kinds of Diesel Oils including C9, petroleum gases, lubricants, other minor

197. Sl. Nos.114 to 118 added by Act No.5 of 2007.

petroleum products, Liquor, Automobiles, tyres and tubes and Cement, by a Registered Dealer to,-

(a) The State Government Departments.

(b) Andhra Pradesh Power Generation Corporation (APPGENCO) incorporated as a company under the provisions of Companies Act.

(c) Transmission Corporation of Andhra Pradesh (APTRANSCO) incorporated as a company under the provisions of Companies Act.

(d) Central Power Distribution Company of Andhra Pradesh Limited (APCPDCL).

(e) Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)

(f) Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL)

(g) Northern Power Distribution Company of Andhra Pradesh Limited (APNPDCL).

198[(h) The Kuppam Rural Electric Co-operative Society Limited, Kuppam

(i) The Cheepurupalli Rural Elecrtic Co-operative Society Limited, Cheepurupalli, Vizianagaram District.

(j) The Anakapalle Rural Electric Co-operative Society Limited, Kasimkota.]

198. Added by Act No.38 of 2007.

199[(k) Co-operative Electric Supply Society Limited, Sirsilla.]

200[(l) Andhra Pradesh Power Development Company Limited (APPDCL)]

201[117. Ayurvedic and Homeopathic products manufactured under license issued by the licensing authorities concerned under Drugs and Cosmetics Act, 1940]

118. Molasses.]

202[119. Goods such as components, accessories and spare parts of fire arms, weapons, guns, small arms and ammunitions sold to the ordinance factories, run by Government of India.

120. Tread Rubber and other material used for retreading of tyres.]

203[Entry No. 121. Sl. Commodity HSN Code

(1)	(2)	(3)
1.	Switch made poser supply systems (SMPS Battery Chargers)	8504.40.30
2.	SMPS based Integrated power supply systems (IPS)	8504.40.90
3.	Electrical Transformers (dry type)	8504.31.00
4.	Inverters/Converters	8504.40.10

199. Added by Act No.15 of 2008.

200. Added by Act No.11 of 2012.

201. Inserted by Act No.5 of 2007 and subsequently substituted by Act No.28 of 2008.

202. Sl. Nos.119 & 120 added by Act No.15 of 2008.
203. Sl. Nos.121 & 122 added by Act No.4 of 2009.

5.	Lt. Panels/AMF Panels/MCC Control and Relay Panels	8537.10.00	Panels/PCC Panels/
6.	ACDB/DCDB	8537.10.00	
7.	Parts of above Panels/ACDB/	8538.10.10	DCDB

122. Oats].

204[123. Mosquito nets, insect screens, Perimeter screens, Meshes for insect protection, Meshes for gardening and agro meshes made up of plastic (Polymer) and articles thereof.]

205[124. All kinds of Portable Power Generator sets]

206[125. Lime, Burnt Lime, Lime Stone, Products of Lime, Dolomite and other White washing materials including Cem Powder other than White Cement.

126. Purified Packaged drinking water in bulk containers/ cans and sachets but excluding aerated, mineral, distilled, medicinal, ionic, battery and demineralized water.]

207[127. Cotton fabrics, manmade fabrics, wollen fabrics, textile made ups, bed sheets, pillow covers, towels, blankets, travelling rugs, curtains, embroidery articles excluding fabrics, made ups and garments made from handloom/khadi cloth or produced and sold by the power loom units in the State to dealers registered under the Act only at the point of sale in the hands of power loom units;

204. Added by Act No.20 of 2009.
205. Added by Act No.9 of 2010 and again substituted by Act No.13 of 2013.
206. Added by Act No.21 of 2011.
207. Sl. Nos.127 & 128 added by Act No.11 of 2012.

128. Sugar excluding Khandasari Sugar.]

208[129. Bodies built on chassis of Motor Vehicles;

130. Plastic Moulded Furniture, purely made of Plastic and not containing any other material like Steel, Aluminium, Wood and Glass, etc.]

209[131. cell phones/mobile phones.]

Note:- (1) The Headings or sub-headings, as the case may be, listed under column Nos. (2) & (3) above are the HSN Codes under the Central Excise Tariff Act, 1985 (5 of 1986).

Note:- (2) The Rules for the interpretation of the provisions of the Central Excise Tariff Act, 1985 read with the Explanatory Notes as updated from time to time published by the Customs Co-operation Council, Brussels apply for the interpretation of this notification.

Note:- (3) Where any commodities are described against any heading or, as the case may be, sub-heading, and the aforesaid description is different in any manner from the corresponding description in the Central Excise Tariff Act, 1985, then only those commodities described as aforesaid will be covered by the scope of this notification and other commodities though covered by the corresponding description in the Central Excise Tariff will not be covered by the scope of this notification.

Note:- (4) Subject to Note 2, for the purpose of any entry contained in this notification, where the description against any heading or, as the case may be, sub-heading, matches fully with the corresponding description in the Central Excise

208. Added by Act No.13 of 2013
209. Added by Act No.8 of 2017.

Tariff, then all the commodities covered for purposes of the said tariff under that heading or sub-heading will be covered by the scope of this notification.

Note:- (5) Where the description against any heading or sub-heading is shown as "other", then the interpretation as provided in Note 2 shall apply.

[210][Note:-(6) In order to claim reduced rate of tax of 4% under the entry 100, the dealer shall be in possession of a declaration in the Form, as may be prescribed, and issued by the dealer purchasing such commodities for the purpose of using them as Industrial Inputs.]

SCHEDULE - V

(See sub-section (3) of section 4)

Goods Taxable at Standard Rate (RNR) of [211][14.5 %]

All Goods other than those specified in Schedules I, III, IV and VI.

SCHEDULE - VI

(See sub-section (5) of section 4)

Goods subjected to tax at special rates

Item No.	Description	Point of levy	Rate of tax	
[212][1-A.	Indian Made Foreign Liquor (other than Beer, Wine and Ready to drink varieties) bottled and/or packed in India as per the provisions of Telangana Excise Act, 1968, but excluding Toddy and Arrack.	At the point of first sale in the State.	70%	
1-B.	Beer bottled and/or packed in India as per the provisions of the Telangana Excise Act, 1968.	At the point of first sale in the State.	70%	
1-C.	Ready to drink varieties bottled and/or packed in India as per the provisions of the Telangana Excise Act, 1968.]	At the point of first sale in the State.	70%	
[213][1-D.	Foreign Liquor bottled and/or packed outside India	At the point of first sale in the State.	70%	
1-E.	Liquor sold by Military Canteens holding licences in	At the point of first sale	70%	

210. Added by Act No.28 of 2008.
211. Substituted by Act No.9 of 2010.
212. Substituted by Act No.9 of 2017.

		Form CS-1 and CS-2 under the provisions of The Telangana Excise (Grant of licence of selling by in-house and conditions of licence) Rules, 2005.	in the State
1-F.	Privilege fee on all liquors, bottled and packed as per the provisions of the Telangana Excise Act, 1968 (including imported liquor) whether bottled/packed in India or outside India but excluding toddy and arrack under the provisions of the following rules;-	At the point of first sale in the State.	70%

213. Substituted by Act No.13 of 2013.

	(i) Rule 16(9) of the Telangana Excise (Grant of license of selling by shop and conditions of license) Rules, 2012.		
	(ii) Rule 10-A of the Telangana Excise (Grant of license of selling by bar and conditions of license) Rules, 2005.		
	(iii) Rule 12 of the Telangana Excise (Grant of license of selling by in-house and conditions of license) Rules, 2005.]		
G.	214[1-Wine bottled and / or packed in India as per the provisions of the Telangana Excise Act, 1968.]	At the point of first sale in the State.	70%
H.	215[1-Draught Beer produced and sold by micro breweries.	At the point of first sale in the State.	70%]
	2. Petrol	At the point of first sale in the State	216[35.20%]
	3. Aviation motor spirit and any other motor spirit	At the point of first sale in the State	217[33%]
	4. Aviation turbine fuel	At the point of first sale in the State.	218[16%]

214. Added by Act No.9 of 2017.

215. Added (1-H) by Act No.25 of 2017.
216. Substituted by Act No.9 of 2016.
217. Substituted by Act No.34 of 2006.
218. Substituted by Act No.9 of 2010.

5.	219[All Kinds of Diesel Oils	At the point of first sale in the State	220[27%]	including C-9]
221[6.	Tobacco products including Khara Masala, Kimam, Dokta, Zarda, Sukha or Surthi and Cigarettes except those specified in Schedule-I.]	At the point of first sale in the State.	20%]	Gutkha,

222[Explanation -I:- For the purpose of items 223[(1-A to 1-H)] when any distillery or brewery or any dealer sells liquor to the Government of Telangana with the Telangana State Beverages Corporation Limited acting as its agent, or Canteen Stores Department, the sale by the Government of Telangana with the Telangana State Beverages Corporation Limited, acting as its agent or Canteen Stores Department shall be deemed to be the first sale.

Explanation - II:- For the purpose of items 223[(1-A to 1-H)] sale of liquor by any distillery or brewery or any dealer to the Government of Telangana with the Telangana State Beverages Corporation Limited acting as its agent or Canteen Stores Department shall be exempt from tax under the Act.]

224[Explanation - III:- For the purpose of item 1-A:

(a) Basic price means: Ex-factory price + Cost of Bottles + Cost of packing material + Freight + Insurance + Handling charges and import fee, if any.

219. Substituted by Act No.34 of 2006.
220. Substituted by Act No.9 of 2016.
221. Added by Act No.11 of 2012.
222. Substituted by Act No.11 of 2016.
223. Substituted by Act No.25 of 2017.
224. Substituted by Act No.13 of 2013.

(b) Case means:

(i) Indian Made Foreign Liquor (other than Beer, Wine and Ready to Drink varieties): 9 numbers of 1000ml. or 12 numbers of 750 ml. or 24 numbers of 375 ml. or 48 numbers of 180 ml. or 96 numbers of 90 ml. or 150 numbers of 60 ml. bottles of Indian Made Foreign Liquor;

(ii) Beer: 12 numbers of 650 ml. or 24 numbers of 330 ml. bottles or 24 numbers of 500 ml. in cans;

(iii) Wine: 9 numbers of 1000 ml. or 12 numbers of 750 ml. or 24 numbers of 375 ml. or 48 numbers of 180 ml.

or 96 numbers of 90 ml. or 150 numbers of 60 ml. bottles;

(iv) Ready to Drink Varieties: 24 numbers of 250 ml.

bottles or 24 numbers of 275 ml. bottles or 24 numbers of 330 ml. bottles.]

225[Explanation-III-A: The amendment issued to item 1 in the notification issued in G.O Ms. No. 1229, Revenue (CT.II) Department, dated 20-06-2005, shall be deemed to have come into force w.e.f 1-4-2005, in so far as it relates to the stocks of liquor costing

more than Rs.700 per case held by M/s. Andhra Pradesh Beverages Corporation Limited, as on 01-04-2005, and sold thereafter with old MRP stickers and at the old billing rates as per the orders issued by the Government in G.O.Rt.No.399, Revenue (Excise-II) Department, dt.31-03-2005.]

Explanation -IV:- For the purpose of items 2, 3, 4 and 5 a sale by one oil company to another oil company shall not be deemed to be the first sale in the State. Accordingly any sale by one oil company to any other person (not being an

225. Inserted by Act No.23 of 2005.

oil company) shall be deemed to be the first sale in the State.

Note: The expression „oil company" in this Explanation means,-

(a) Hindustan Petroleum Corporation Limited
(b) Indian Oil Corporation Limited
(c) Bharat Petroleum Corporation Limited
(d) Indo-Burma Petroleum Company Limited
(e) Chennai Petroleum Corporation Limited
(f) Reliance Industries
(g) Reliance Petro Marketing Private Ltd.,
(h) Reliance Petroleum Private Ltd.,
(i) Oil and Natural Gas Commission; and
(j) Such other oil company as the Government may from time to time, by notification in the Gazette specify in this behalf.

226[(k) Shell India Marketing Private Limited]

227[(l) M/s Essar Oil Limited
(m) Numaligarh Refinery Limited]

226. Added by Act No.34 of 2006.
227. Added by Act No.4 of 2009.

228[(n) M/s. Shell MRPL Aviation Fuels and Services Private Limited.]

* * *

228. Added by Act No.20 of 2009.