

APS RTC

No SA(HO) 7/351(l)/89-90/AW

O/o the VC & MD Accounts Wing
Mushirabad Hyderabad
Dated 23 03 94

AUDIT CIRCULAR No 7 / 1994

To

All Sr Managers (Finance)

All Executive Engineers

A P S R T C

Sub SALES TAX - APGST ACT 1957 - Purchases of locally manufactured goods by APSRTC Rebate in the quantum of Sales Tax i e - Difference between the rate of APGST LESS the rate of 4% under CST PLUS 3% Reg

Ref 1) GO Ms No 406 dated 11 SEP 90 of Industries & Commerce (IA) Dept
2) Circular No SA(HO) 7/351(l)/89-90/AW dated 07 11 90
3) Circular No SA(HO) 7/351(l)/89 90/AW dated 01 12 90
4) GO Ms No 256 dated 23 03 94 of Revenue (CT II) Dept (copy enclosed)

In terms of GO Ms No 406, dated 11 09 90 of Industries & Commerce (IA) Department we have been submitting our claims towards the difference in APGST and CST @ 4% on purchases made by us to the Commercial Taxes Department for certification and getting reimbursement from the Govt of A P

The Government after examining the issue of reimbursement of Sales Tax afresh, have issued GO Ms No 256 dated 23 03 94 of Revenue (CT-II) Department According to this GO the earlier GO Ms No 406 dated 11 09 90 of Industries & Commerce (IA) Department is rescinded and a new scheme is evolved

Consequent on the issue of said fresh GO fourth cited the following instructions are issued which are to be implemented for the payments made from 01 04 94 onwards

- 1 The submission of claim statements in the existing system i e as per the Circular instructions at reference 3 cited above shall be Stopped w e f MAR 94
- 2 The rebate of an amount equivalent to the "Rate of Tax under APGST Act LESS the Rate of Tax of 4% under the CST Act PLUS 3%" shall be claimed in respect of goods purchased from the Registered dealers within the State who manufacture such goods in their units situated in the State of A P

Example

For items purchased from a local manufacturer for which APGST is 15.21% The difference between Rs 15.21% and 7% i.e., 8.21% has to be claimed as Rebate

- 3 This scheme of rebate shall not be applicable to the purchase of goods which are not manufactured within the State of A.P. The rebate shall not be applicable for items mentioned at Para (e) of GO Ms No 256 dated 23.03.94 (copy enclosed)

A proforma showing the details required to prefer claim on Government is enclosed. You are advised to prepare the claim statements in this proforma.

The Executive Engineers of (CED) shall prepare the claim statements in five copies every month for all the payments made by them and send four copies to the concerned Sr Manager (Finance) of the Zone on or before 7th of following month. Similarly the Regional Managers should furnish to Sr Manager (Finance) of Zonal Office the claim statements (five copies) on or before 7th of following month in respect of all local purchases made by them within their powers. The Sr Managers (Finance) of Zone shall get separate statements prepared in quadruplicate for the payments made by their Offices and also prepare consolidated statements for the entire Zone and send the same in triplicate to the Dy M F (Stores) H O on or before 13th of following month for preferring a consolidated claim every month. (For example the statements should be received by 15th May in respect of all payments made for April)

The Dy Manager Finance (C&B) and Dy Manager(BBW) Miyapur shall also send similar statements for payments made at their end in triplicate to the Dy M F (S) H O on or before 15th of every month.

Sr Managers(Finance) are advised to append the following certificate in the monthly claim statements

"Certified that the amounts claimed in this statement are in respect of purchase of goods made from the registered dealers within the state of A.P. who manufacture

goods in their units situated within the State of A.P. only"

The schedule of dates should be strictly adhered to enable us to prefer the consolidated claim of the Corporation on the Commercial Taxes Department every month for reimbursement.

A "NIL statement shall be sent invariably if there are no transactions during any month

The difference in the amount of Sales Tax to be reimbursed by the Government of A P should not be forced into accounts until further instructions

Every care must be taken to include in the claim statement all the purchases made from the Registered Dealers within the State who manufacture goods in their units situated in the State of A P as it would be very difficult to send any supplementary claims at a later date

Separate instructions would be issued by SPD regarding the procedure to be followed for Tender evaluation at appropriate time

Please acknowledge receipt

Encl As above

Sd/- (K V Subba Rao)
For FINANCIAL ADVISER AND
CHIEF ACCOUNTS OFFICER

Statement Showing the difference of amount of Sales Tax paid under the APGST

SI	Purchase / Supply		Bill Gross Price		Value as per	Amount of	Percentage of	Amount as per CST at	Rebate of	Name APGST	Item purchased	Remarks
	No Order	No Date	No	Date	Including Taxes	Bill on which APGST was calculated	of APGST paid which was calculated	APGST 4% + 3% (ie 7%)	Sales Tax	Regn		
					Rs Ps	Rs Ps		Rs Ps Rs Ps	Rs Ps			
1	2	3	4	5	6	7	8	9	10	11	12	13

^ Certified that the amount claimed in this statement are in respect of purchase of goods made from the registered dealers within the State of A P only who manufacture goods in their units situated within the State of A P only

Signature

Unit Officer

**GOVERNMENT OF ANDHRA
PRADESH ABSTRACT**

Andhra Pradesh General Sales Tax Act 1957 - Purchase of locally manufactured goods by certain Government Organisations Rebate in the quantum of tax Orders Issued

REVENUE (CT II) DEPARTMENT

GO Ms No 256

Dated 23 03 1994
Read the following

- 1 GO Ms No 406 Ind & Com (IA) Dept dt 11 09 90
- 2 GO Ms No 1541 Revenue (CTII) Dept dt 18 12 90

ORDER

Consequent on the striking down of the GO Ms No 172 Revenue (S) Department, dated 13 2 1986 by the Andhra Pradesh High Court the following orders were issued in GO Ms No 406, Ind & Com (I A) Department dated 11 9 '90

While making any purchases Ms Singareni Collenes Company Ltd / A P State Road Transport Corporation/ A P Dairy Development Co Operative Federation Ltd / A P State Electricity Board should evaluate the various tender bids/quotations etc an might be received by them without taking into account the extra burden as may fall on them due to APGST on purchases made by them from parties within the State being higher than the Central Sales Tax and this additional tax burden borne by them would be reimbursed by the State Government

2 It was also ordered that each Company/Corporation shall be provided with an advance of Rs 50 lakhs by their respective Administrative Departments as a Revolving Fund from which the difference of the amount of the tax payable under the APGST Act and the amount of the Tax calculated at 4% (i e C S T Rate) shall be met

3 In the G O second read above orders were issued constituting a Committee to evolve a procedure for the said scheme of revolving fund K This Committee met on 10 12 1991 and observed that the scheme of a revolving fund was cumbersome and that it had therefore become a non starter

4 Government have examined the entire issue afresh and decided to issue the following orders

- a) GO Ms No 406, Industries & Commerce (IA) Department dated 11 9 1990 shall be rescinded

b) Rebate of an amount equivalent to the "rate of tax under the APGST Act LESS the rate of tax of 4% under the C S T Act PLUS 3% shall be granted to (1) Singareni Collieries Company Ltd (2) A P State Road Transport Corporation (3) A P Daily Development Co operative Federation Ltd and (4) A P State Electricity Board in respect of their purchases of goods from the registered dealers within the State who manufacture such goods in their units situated in the State of Andhra Pradesh

c) The above four Organisations shall make substantial volume of their purchases from the manufacturing units situated within the State

d) This scheme of rebate shall not be applicable to the purchase of goods which are not manufactured within the State

e) This rebate shall be further not applicable to the purchase of the following goods

I) Engine Oils Lubricating Oils Greases and Brake Fluids

II) Molasses power alcohol ethyl alcohol rectified spirit and denatured spirit

I) Aviation turbine fuel aviation motor spirit other than turbine fuel petrol other than aviation motor spirit diesel oil motor spirit & mineral oil including furnace oil

II) Naphtha

III) Fuelgas

IV) Asphalt

f) The said four Organisations shall submit their claims for rebate to the Commissioner of Commercial Taxes for every month during which such purchases were made The claims shall be signed and certified by a senior officer of the Organisation who shall be so authorised

g) The Commissioner of Commercial Taxes shall on receipt of such claims scrutinise the same and order the rebate of the amounts to the concerned organisations

h) The Commissioner of Commercial Taxes shall also take steps to cross verify the claims with the selling industrial units periodically this will be independent of g above

i) This scheme shall be monitored by a Committee consisting of representatives of Industries Finance and Revenue Departments

5 This order issues with the concurrence of Finance and Planning (Fin Wing) Department vide their U O No 635/PFS/94 dt 1 12 1994

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M S RAJAJEE

PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner of Commercial Taxes A P Hyderabad

The Commissioner of Industries A P Hyderabad

The Chairman & Managing Director Singareni Collieries Co Ltd Hyderabad

The Managing Director Andhra Pradesh State Road Transport Corporation
Hyderabad

The Managing Director A P Daily Development Co-operative Federation Ltd,
Hyderabad

The Accountant General, Andhra Pradesh, Hyderabad

The Chairman A P State Electricity Board Hyderabad

The Energy Forest Environment, Science & Technology Dept