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THE NEWSLETTER

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UPDATE YOURSELF

An Already Registered Sale Deed Cannot be Cancelled by the Registering Authority

In the case of ***Kusum Lata vs. State of UP [Writ C No. 2973/2016, decided on 18.05.2018],*** the main question for consideration before the Hon'ble Allahabad High Court ("**HC**") was whether a sale deed registered under the Registration Act, 1908 ("**Act**") can be cancelled or set aside by the registering authority or by any other authority invoking administrative powers, even if the registration is questioned on the count of impersonation/fraud. In the instant matter, the HC while dealing with the aforementioned question referred to the case of ***Satya Pal Anand vs. State of Madhya Pradesh and others [(2016) 10 SCC 761],*** *wherein the Apex Court held that "unless and until there is an express provision in the Act or the rules framed thereunder, no government order could be issued giving power to a Registering Authority to annul a document on the administrative side. Such power given would be wholly arbitrary and against the provisions of the Act and if the document registered by the sub-registrar was illegal or if there was any irregularity, then the same must be challenged by invoking appropriate proceedings before a court of competent jurisdiction. Also, Section 35 of the Act did not confer any quasi-judicial power on the Registering Authority and the Registering Officer was expected to reassure that the documents to be registered was accompanied by supporting documents".* The HC placing reliance on the reasoning given in the said judgment, observed that the Registering Authority is not expected to decide the title/ right of the parties to the agreement nor is expected to examine the documents to ascertain whether the same is legal and permissible in law. Further, the HC observed that once a sale deed has been registered, the registering authority has no power or authority under the Act to cancel the registration, even if allegation of impersonation/ fraud is alleged.

Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Ordinance, 2018

The Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Ordinance, 2018 (**"Ordinance"**) was promulgated on 03.05.2018 to amend the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 ("**Act**"). The Ordinance enables the creation of commercial divisions in High Courts, and

commercial courts at the district level, to adjudicate commercial disputes such as, disputes related to construction contracts and contracts for provision of goods and services. Under the Act, commercial courts and commercial divisions in High courts can decide disputes of minimum value of one crore Rupees. The Ordinance reduces this limit to three lakh Rupees. Under the Act, State Governments may constitute commercial courts at district judge level, after consulting the concerned High Court. The Act bars such commercial courts to be constituted in cases where the High Court has the original jurisdiction to hear commercial cases. The Ordinance removes this bar and allows State Governments to constitute Commercial Courts where the High Court has original jurisdiction. Further the Ordinance, in areas where High Courts do not have original civil jurisdiction, allows State Governments, to notify commercial appellate courts at the district judge level to hear appeals against the order of a commercial court. A provision for mandatory mediation, which may be conducted by authorities constituted under the Legal Services Authorities Act, 1987, has also been provided in those cases where no urgent relief (such as an injunction) is being sought by the parties to the dispute.

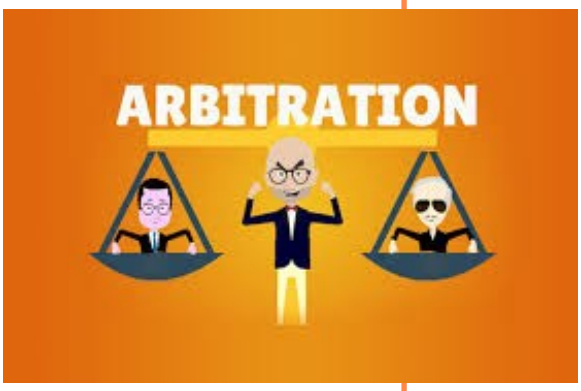
Initiation of Corporate Insolvency Resolution Process only Upon the Existence of a Default

The Hon'ble National Company Law Appellate Tribunal, New Delhi ('**NCLAT**') in the case of ***the State Trading Corporation of India Ltd. vs. Gandhar Oil Refinery India Ltd. [Company Appeal (AT) (Insolvency) No. 236 of 2018, decided on 24.05.2018]*** examined the legality of a corporate insolvency resolution process ("**CIRP**") initiated by the National Company Law Tribunal, New Delhi ("**NCLT**") after hearing an application filed by the operational creditor under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("**Code**"), in absence of any 'default' of the appellant-corporate debtor ("**Appellant**").In the instant case, the appellant-corporate debtor ("**Appellant**") had entered into an agreement with the respondent-operational creditor_("**Respondent**"), wherein it was agreed between them that the debt wouldmature, upon the receipt of payment by the Appellant from the third party, to whom the Respondent has supplied goods. The Appellant in the present case, had already paid the matured portion of the debt and the remaining amount of debt was not paid by the Appellant since the period of payment of debt had not matured till the date of initiation of CIRP however, thereafter, upon the maturity of the debt, the Appellant had cleared all the debt outstanding to its account. Considering the facts and circumstance of the present case, the NCLAT observed that the CIRP would be initiated only in the scenario wherein any default has been committed by the corporate debtor and mere existence of a debt against the Appellant cannot be a ground for initiating the CIRP and placing a moratorium on the Appellant's functioning. Therefore, the order passed by the NCLT initiating CIRP, in absence of any default on part of the Appellant and the actions taken by the resolution professional pursuant to such order were declared as illegal.

Passing Directions along with Arbitral Award without Adjudication is Illegal

Hon'ble High Court of Delhi ("**Court**") while analysing the legality and validity of the directions issued by the arbitrator along with the award, in the case of ***Surinder Kumar Beri & Anr. vs. Deepak Beri & Anr. [O.M.P. (COMM) 382/2016 and O.M.P. (COMM.) 396/2016, decided on 31.05.2018]***, held that such directions can be passed only by the process of adjudication and therefore, the said directions being contrary to the principles of natural justice, are

illegal. In the instant case, the petitioner was running a business with his two sons. Thereafter, some dispute arose between the two sons and the arbitration agreement was entered between them to resolve the dispute ("**Arbitration Agreement**"). Accordingly, an arbitrator was also appointed to adjudicate the dispute between the two sons ("**Arbitrator**"). As per the Arbitration Agreement, the Arbitrator was first required to try and settle the matter as a mediator and therefore, as an outcome of the mediation proceedings, parties to the arbitration entered into a memorandum of understanding, settlement agreement and deed of arrangement (collectively referred to as the "**Settlement Agreements**"). As a result of such mediation, the dispute was settled between the parties. Hence, in terms of Section 30 of the Arbitration and Conciliation Act, 1996 ("**Act**"), the learned Arbitrator recorded the settlement in the form of an arbitral award and terminated the proceedings ("**Award**"). Further, along with the Award, the Arbitrator also issued directions for the purpose of carrying out the settlement properly as agreed between the parties to the arbitration ("**Directions**"). Being aggrieved by the Award, the petitioner challenged the Award and the Directions on the ground that as the Award was passed in terms of the settlement, the Arbitrator should have recorded the settlement rather than extensively adding and modifying the settlement document and realising various Directions along with it without carrying out adjudication process. The Hon'ble Court after hearing the parties in the instant case, observed that as per Section 30 of the Act, the Arbitrator was within his powers to record the settlement in the form of an arbitral award and terminate the proceedings and therefore, the Award, to the extent it is in terms of the settlement, is as per the procedure stated in the Act and thus, cannot be faulted with. However, with respect to the Directions, it is clear that the Directions were not contained in the Settlement Agreements and therefore, in order to pass the Directions, proper adjudication proceedings were required to be conducted by the Arbitrator after concluding the meditation process. Thus, as no proper adjudication proceedings were carried out before issuing the Directions, the Hon'ble Court observed that the Directions in the Award have been passed contrary to the principles of natural justice without affording any reasonable opportunity to the petitioner to file his defence and make his submissions on the merit of the case and the Arbitrator acted with undue haste in adding additional Directions to the parties which were not part of the Settlement Agreements. And thus, the Hon'ble Court held that the Directions passed in the Award are clearly illegal and contrary to the mandatory and statutory procedure prescribed in the Act and being severable in nature should be set aside.



Arbitrator's Fees to be Based on "Sum of claim & counter claim": Delhi HC

The Single judge bench of the Hon'ble Delhi High Court presided over by Hon'ble Justice Navin Chawla in the matter of ***Delhi State Industrial Infrastructure Development Corporation Ltd. ("DSIIDC") vs Bawana Infra Development (P) Ltd. [Case No O.M.P.(MISC) 15.05.2018]*** held that while computing the arbitrator's fees in accordance with the Fourth Schedule of the Arbitration and Conciliation Act, 1996 ("**Act**"), the phrase 'Sum in dispute' shall include both claim and counterclaim amounts. It is pertinent to note that the Fourth Schedule to the Act prescribes various slabs of "Sum in dispute" based on which the fees of the arbitrator is to be determined. The instant issue arose for consideration before the Hon'ble Court due to the opinion of the sole arbitrator that the 'Sum in dispute' would be the amount of the claim and the counterclaim separately, rather than cumulatively and hence he claimed that he was entitled for separate fees for the claim amount and the counter claim amount respectively. Thereafter, a writ petition was filed by

the DSIIDC seeking an interpretation of the fee schedule for arbitrators provided in the Fourth Schedule of the Act. The counsel appearing for the Arbitrator before the High Court highlighted the proviso to Section 38 (1) of the Act and submitted that the Arbitral Tribunal, has been empowered under the Act, to fix a separate amount of deposit for the claim and counterclaim. However, the Court observed that the proviso to Section 38(1) of the Act would only apply when the Arbitral Tribunal is not to fix its fee in terms of the Fourth Schedule and that it would not have any bearing on the interpretation of the Fourth Schedule. It was held that if the legislature intended to have the Arbitral Tribunal exceed the ceiling limit by charging a separate fee for the claim and counterclaim amounts, it would have provided so in the Fourth Schedule. Finally, the Court pointed out that the intent of legislature of bringing the Fourth Schedule was to rationalise the fees structure so as to make Arbitration procedure cost effective and make India a preferred place for Arbitration and thereafter, held that the 'Sum in Dispute' shall include both claim and counterclaim amounts. As a result, the Sole Arbitrator was requested to withdraw his order claiming separate fee for the amounts claimed in the Statement of claim and the counterclaim.

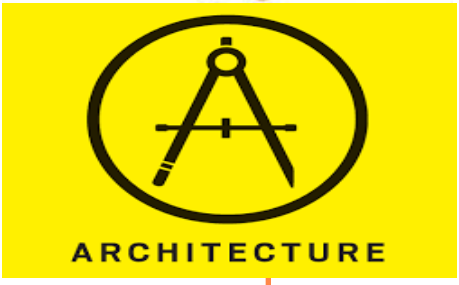
Transfer of Tenancy Rights is a Taxable Supply of Service

The Central Board of Indirect taxes & Customs (**"CBIC"**), by **Circular No. 44/18/2018-CGST dated 02.05.2018** ("**Circular**") has examined the issue that whether transfer of tenancy rights to an incoming tenant, consideration for which is in form of tenancy premium, shall attract GST when stamp duty and registration charges is levied on the said premium. In this regard the CBIC observed that the transfer of tenancy rights against tenancy premium which is also known as "pagadi system" is prevalent in many States. In this system the tenant acquires tenancy rights in the property against payment of tenancy premium (pagadi) to landlord. The tenant pays periodic rent to the landlord as long as he occupies the property. The CBIC clarified in the Circular that the activity of transfer of tenancy right against consideration is a form of lease or renting of property which is specifically declared to be a service in Para 2 of Schedule II of the Central Goods and Service Tax Act, 2017 (**"CGST Act"**). The entry in said Para 2 reads as *'any lease, tenancy, easement, licence to occupy land is a supply of services'*. Further, with regard to the contention of payment of stamp duty and registration charges, it is clarified that a transaction or a supply involves execution of documents which may require payment of registration charges and stamp duty. However, it would not preclude them from the scope of supply of services and from payment of GST. Hence, the CBIC clarified that the activity of transfer of 'tenancy rights' is squarely covered under the scope of GST. It has been also clarified that the transfer of tenancy rights cannot be treated as sale of land or building declared as neither a supply of goods nor services in para 5 of Schedule III to CGST Act. However, renting of residential dwelling for use as a residence is exempt vide Sl. No. 12 of the Notification No. 12/2017-Central Tax(Rate) dated 28.06.2017. Thus, grant of tenancy rights in a residential dwelling for use as residence dwelling against tenancy premium or periodic rent or both is exempt.

CENVAT Credit for Architectural Services is Allowed

In the case of **Mentor Graphics India Pvt. Ltd. vs. Commissioner of Service Tax, Hyderabad [ST/30891/2017-SM] decided on 09.05.2018**; the Customs, Excise and Service Tax Appellate Tribunal, Hyderabad (hereinafter referred to as the '***CESTAT***') held that Mentor Graphics India Private limited (hereinafter referred to as the '***Appellant***') is eligible for CENVAT Credit in respect of the amount paid as service tax on the Architectural services under the Finance Act, 1994.

In the instant case, the Appellant contested the refund claims filed by them in respect of unutilized CENVAT credit. However, the first appellate authority allowed refund claims only with respect to few services. Against the order of the Appellate Authority, the Appellant filed appeal for the refund claim of Architectural services, insurance for motor vehicles and other services. In respect of Architectural services, the Ld. Appellate Authority after looking into the purchase order held that the contract is comprehensive and includes conceptualizing, design, drawings, approval by NOIDA, floating of tender, actual construction of new facility/ building and payment linked to the construction of building. Thus, the same will qualify as 'works contract' rather than 'Architectural Services' and no CENVAT credit can be availed on the same on basis of specific exclusion given under Rule (1) of CENVAT Credit Rules, 2004 (hereinafter referred to as the '**CCR**'). The Appellant contended that the Appellate Authority has erred in holding that the same will amount to works contract on the basis of the purchase order. After perusing the relevant evidences, the CESTAT held that the said purchase order was for architectural expertise for the construction of the building and cannot be termed as works contract. Further, it was observed that architectural services do not fall within the scope of the exclusion to the definition of input service as per rule 2(l) of CCR as the said exclusion is in respect of execution of works contract. Thus, the Appellant is entitled to claim CENVAT credit of the amount paid as service tax on Architectural Services.



Startups Take a Sigh of Relief

In exercise of the powers conferred to the Central Government by Section 56(2)(viib) of the Income Tax Act, 1961 ("***Act***"), the Central Board of Direct Taxes issued ***Notification No. 24/2018 dated 24.05.2018*** ("***CBDT Notification***"), through which exemption has been granted w.e.f. 11.04.2018 to a company, which receives consideration for issue of shares from investor in accordance with the approval granted by the Inter-Ministerial Board of Certification under Para 4(3)(i) of the ***Notification No. G.S.R. 364(E), dated 11.04.2018*** ("***DIPP Notification***") issued by the Department of Industrial Policy and Promotion. As per Section 56(2)(viib) of the Act, if any company, not being a company in which public are substantially interested, receives from any person, being a resident, as defined under the Act, any consideration for issue of shares that exceeds the face value of such shares, the aggregate consideration received for such shares as exceeds the fair market value of the shares shall be chargeable to tax. Hence, in light of the CBDT Notification, *Startup*, (as defined in Para 1(a) of DIPP Notification) which receives investment from *Investor* (as defined under Para 4(3)(i) of the DIPP Notification), will be eligible to apply for approval for the purposes of Section 56(2)(viib) of the Act, subject to other conditions specified therein. If such approval is granted to a Startup, then the said Startup will be exempted from the clutches of taxability arising under Section 56(2)(viib) of the Act. This move of the Government comes as a major relief to budding entrepreneurs as they can now avail tax exemption u/s 56(2)(viib) of the Act. Prior to this amendment, Startup could claim exemption u/s 56 (2)(viib) of the Act only if funding came from venture capital company or a venture capital fund.

QUICK TAKEAWAYS

- The Hon'ble High Court of Madras ***[W.M.P. No. 9267 of 2018 and W.P.No.25680 of 2017, decided on 29.05.2018]*** while hearing the petition filed by an advocate, directed the Centre and States to prohibit homework for Class 1 and Class II students in all schools (including CBSE) in the Country. The Court also directs to reduce the weight of schools bags.
- In the case of ***Vibhu Aggarwal v. Deputy Commissioner of Income-tax, CC-06, New Delhi [[2018] 93 taxmann.com 275 (Delhi - Trib.), decided on 04.05.2018]*** , the Court held that additions on account of excess jewellery found during search is not maintainable if there was custom to gift jewellery in family.
- CBIC vide its circular No. 3/1/2018-IGST dated 25.05.2018 clarified that IGST would be applicable on goods supplied while being deposited in a customs bonded warehouse only when the goods are cleared from custom bonded warehouse.
- In case of ***ITO vs. M/s. Dayamayee Marble & Granite, [I.T.A No.162 /Kol/2017, decided on 15.05.2018]*** the Kolkata Bench of the Income Tax Appellate Tribunal ("ITAT") by cancelling the penalty held that the capital contributed in Cash Transaction by the partner in the partnership firm does not tantamount to loan or deposit within the meaning of section 269SS of the Income Tax Act, 1961.
- In the case of ***All India Federation of Tax Practitioners vs. ITO (ITAT Mumbai) [I.T.A No. 7134/Mum/2017, decided on 04.05.2018],*** the Hon'ble ITAT Mumbai Bench held that the dismissal of appeal solely on the ground that the assessee has not filed the appeal electronically before the Commissioner of Income Tax Appeals [CIT(A)] is not valid.
- In the matter of ***Sreepati Ranjan Gope & Sons [[2018] 93 taxmann.com 116 (AAR-WEST BENGAL) , decided on 03.05.2018]*** Advance Ruling Authority has passed the ruling that works contract services of maintenance of existing railway tracks, shall be taxable at the rate of 18% under serial no. 3(ii) of Notification No. 11/2017-CT (Rate) dated 28/06/2017 under the CGST Act, 2017.
- The Supreme Court, in ***Wild Life Warden vs. Komarrikkal Elias [Civil Appeal No. 4952/2008 decided on 08.05.2018],*** has held that elephant tusk is a property of the Government and presumption under Section 69 of the Kerala Forest Act is attracted, whether or not it is a forest property.
- Securities and Exchange Board of India vide its master circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/80 dated 11.05.2018, in order to enable the users to have an access to the applicable circulars/ directions at one place, has compiled the data of underwriters registered with the SEBI.
- In the case of ***Union of India vs. Rina Devi [Civil Appeal No. 4945 of 2018, decided on 09.05.2018]***, the Hon'ble Supreme Court of India resolving the conflicting views in railway accident claims matters held that the victim is entitled to compensation when death or injury is in the course of boarding or de-boarding a train .
- In the case of ***Ameet Lalchand Shah and others vs. Rishanh Enterprises and another [Civil Appeal No. 4690 of 2018, decided on 03.05.2018],*** the Hon'ble Supreme Court held that where there is a principal agreement towards a single commercial project executed through several contracts between different parties, the other contracts are an integral part of the principal agreement and parties can be referred to arbitration.
- Authority for Advance Rulings, Karnataka in an application filed by ***Rajashri Foods (P.) Ltd. [2018] 93 taxmann.com 417 (AAR-KARNATAKA) decided on 23.04.2018***, held that transaction of transfer of business as a whole of one of units of applicant in nature of going concern amounts to supply of service and it is exempt under entry at serial number 2 of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017.
- The Maharashtra Authority for Advance Ruling in an application filed by ***Maharashtra State Power Generation Company [Application No. 15 dated 30.12.2017] decided on 08.05.2018*** held held that liquidated damages are classifiable as 'other services' and is taxable at the rate of 18%.

KNOWLEDGE CENTRE

MCQs on Real Estate (Regulation and Development) Act, 2016 ("RERA")

Q. 1. What is the purpose behind introduction of RERA?

a. To address grievances of buyer
b. To create transparency for real estate projects
c. To create accountability for real estate projects
d. All of the above

Q. 2. RERA governs which category of real estate project?

a. Residential and commercial projects
b. Rental property
c. Industrial projects
d. All of the above

Q. 3. Is it required to have compulsory registration under RERA?

a. Yes
b. No
c. Only for some projects
d. Depend upon the circumstances

Q. 4. Is it compulsory for real estate agent for having registration?

a. Yes for all
b. Not compulsory
c. Only for some real estate agent
d. Only for individual real estate agent

Q. 5. Which Section of RERA prescribes rights for return and compensation?

a. 10
b. 18
c. 12
d. 20

Q. 6. Quantum of advance amount collected by promoters from allottees?

a. 10 %
b. 20%
c. 15 %
d. 5 %

Q. 7. Any separate account to be maintained by the developer under RERA?

a. No
b. Yes for 30% of realized amount
c. Yes for 70% of realized amount
d. Yes for 50% of realized amount

Q. 8. Category of parking permitted to sale to allottees under RERA?

a. Yes all parking areas
b. Covered parking
c. Uncovered parking
d. None of the above

Q. 9. Category of promoters covered under RERA?

a. Private body only
b. Public body only
c. Public and private body
d. None of the above

Q. 10.What is the minimum area for registration of project under RERA?

a. More than 500 sq. mtrs. or 8 apartments
b. More than 500 sq. mtrs. & 8 apartments
c. All projects without any area limit
d. Less than 500 sq. mtrs. & 8 apartments

Ans: 1-d, 2-a, 3-a, 4-a, 5-b, 6-a, 7-c, 8- b, 9-c, 10-a.

EDITORIAL

Issuance of Form-C allowed post GST

-By *Bhanu Shree Jain , Advocate*

After the introduction of GST, there was lot of ambiguity going around the issuance of Form-C under Central Sales Tax Act, 1956 ("**CST Act**"). Prior to implementation of GST, the definition of the term 'goods' in the CST Act was very wide and included all materials, articles, commodities and all other kinds of movable property except newspapers, actionable claims, stocks, shares and securities. Further, under section 8 of the CST Act, registered dealers engaged in inter-state trade and commerce of goods were entitled to pay concessional rate of tax if the said goods are used for re-sale, manufacturing of goods for sale, in telecommunication network, in mining or in generation or distribution of electricity or any other form of power. The certificate of the registered dealer (i.e., buyer) must specify that the goods are used for the above-mentioned specific purpose. Moreover, for entitlement of said concessional rate, the purchasing dealer needs to procure Form-C from State Sales Tax Assessing Authority and issue the same to the seller who in-turn submits it to the assessment authority of his State.

However, *vide* Taxation Amendment Act, 2017; the definition of the goods as specified under CST Act was amended. After the amendment, the goods only includes six items i.e. petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas, aviation turbine fuel and alcoholic liquor for human consumption ("**Goods**"). Thus, the scope of CST Act was restricted to just inter-state trade and commerce of the Goods (Only six items mentioned above). The amendment in the definition of 'goods' in the CST Act and implementation of GST law raised some confusion regarding issuance of Form-C against inter-State trade and commerce of the Goods. The said anomaly was clarified by the Office Memorandum No. 28011/03/2014-ST-II dated 07.11.2017 issued by Ministry of Finance, Department of Revenue, State Tax division, New Delhi wherein it was clarified that the amendment carried out in the definition of goods will not affect the provisions relating to issuance of Form-C for use of Goods in mining. Similar clarifications were issued by Kerala VAT department vide its clarification file no. CT/16868/2017-CI dated 19.10.2017, Commissioner of State Tax, Maharashtra vide its Trade Circular No. 47T of 2017 dated 17.11.2017, Directorate of Commercial Taxes, Kolkata vide its Trade Circular No. 08/2017 dated 07.08.2017 and Commercial Taxes Department, Andhra Pradesh vide its CCT's Ref. No. CCW/GST/57A/2017 dated 01.12.2017. Thus, it was construed that, post GST also the registered dealers were entitled to procure the Goods (used in specified purposes) at concessional rate against issuance of Form-C.

However, when the registered dealers engaged in mining sector/ telecommunication sector/ electricity generation sector tried to generate Form-C for inter-state purchase of diesel, they were denied the said on-line issuance of Form-C by the commercial tax department of various states without mentioning any reason. Further, the commercial tax departments came out with argument that assessees are no longer registered dealer under the CST Act since they have migrated to GST. Therefore, they are not eligible for issuance of Form-C since only registered dealers are eligible for issuance of Form-C and availment of concessional rate.

Due to the said action of commercial tax departments, the dealers across India filed various writ petitions against the non-issuance of Form-C post GST. The issue was finally settled by Hon'ble Punjab and Haryana High Court ("**Court**") in the case of ***Carpo Power Limited* v. *State of Haryana and Ors.*** The Court analyzed Section 7 of the CST Act, which talks about the dealers who are required to get registered under CST Act. As per the said Section, dealers who are registered under 'State sales tax law' will also be required to register under CST Act.

After looking into said provision, the Court held that dealers are still registered dealers under Section 7 of the CST Act as State 'sales tax law' will include State GST Act. Therefore, registration under GST will be construed as registered under state sales tax law. Further, the earlier registration of the dealers is not cancelled by the department hence, the dealers are registered dealers. The Court while interpreting Section 8 of the CST Act held that Form-C can still be issued for inter-state movement of Goods which are used for telecommunication, mining, generation and distribution of electricity or any other form of power. Any change in the definition of 'goods' in the CST Act will not affect the issuance of Form-C. Relying on the said decision, Hon'ble High Court of Rajasthan in case of *Aroras J.K. Natural Marble vs. Union of India* [S. B. Civil Writ Petition No. 344/2018] and Hon'ble High Court of Chhattisgarh in *Shree Raipur Cement Plant vs. State of Chhattisgarh Finance Department & Ors* [Writ Petition (T) No.83/2018] have also directed the commercial tax departments of the respective States to issue Form-C *vide* order dated 18.05.2018.

After the passing of aforesaid judgments, issuance of Form-C has been allowed in the State of Punjab & Haryana, Rajasthan and Chhattisgarh. Thus, registered dealers engaged in inter-state trade and commerce are entitled to pay concessional rate of tax if the Goods are used for re-sale, manufacturing of goods for sale, in telecommunication network, in mining or in generation or distribution of electricity or any other form of power.

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