

No. C1/36965/06/CT

Office of the Commissioner,
Dept of Commercial taxes
Thiruvananthapuram
5/12/2006

CIRCULAR No.48/2006

Sub:- KVAT Act, 2003 – Registration of dealers under KVAT Act- further instructions –reg

Read:- (i) Circular No. 10/2006/CT dated 28-2-2006

(ii) Circular No 38/2006/CT dated 15-11-2006

In the circular read as 1st paper above, instructions were issued simplifying the procedure for granting registration under the Act. The procedural simplification was intended to grant registration to genuine applicants without any inordinate delay. It was interalia decided that the registration application shall be disposed of within ten days and that the validity of the registration shall be from the date on which the registering authority passes final orders of granting registration. In the circular read as 2nd paper above instructions were given to adhere to the time limit strictly and in case an application is not disposed within ten days on filing or on rectifying the defects, if any, pointed out within the said period, registration shall be deemed to have been granted with effect from the eleventh day of such filing or rectifying the defects.

It has been pointed out from several quarters that prior to the issuance of the circular read as 1st paper above, when registration was granted under section 15 of the Act, the validity was given from the date of filing of the application on par with the procedure followed under KGST Act, 1963. Also, there were instances of inordinate delay in disposing the application even after issuance of circular 1st cited. Thus the applications for registration filed under KVAT Act, 2003 were subjected to differential treatment with regard to the date of validity of the registration until the issuance of circular read as 2nd paper above.

The issue has been examined in detail and found that there is some substance in the said contentions. Hence, to ensure similar treatment with regard to the validity of the registration the following further instructions are issued:

Where a registration is granted in accordance with the instructions contained in the circulars read above, the validity of the registration shall be the date of filing of the application unless disposed otherwise within the time limit. The time limit for disposing the applications as per the circular instructions shall be strictly adhered to.

The date of validity of the registration granted in accordance with Circular 10/2006 shall be modified as above. The Circulars read as 1st and 2nd paper above stand modified to the above extent.

All officers shall follow the above instructions strictly.

COMMISSIONER