



भारतसरकार/ GOVT. OF INDIA  
लक्षद्वीप प्रशासन / LAKSHADWEEP ADMINISTRATION  
(योजना सांख्यिकी एवं कराधान निदेशालय)  
(Directorate of Planning, Statistics & Taxation)  
सचिवालय, कवारत्ती - ६८२५५५  
Secretariat, Kavaratti - 682 555.

**F. No.101/01/2022-PST (VAT**

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**PUBLIC NOTICE**

The Draft Lakshadweep Value Added Tax Rules 2022 as given below is placed in public domain seeking comments/suggestions from stakeholders on or before 08.11.2022, by 5 PM through registered post or e-mail [lak-adps@nic.in](mailto:lak-adps@nic.in).

This issues is with the approval of Competent Authority.

Yours faithfully,

  
(P. Abdul Samad)

Director (Planning, Statistics & Taxation)

Copy to:

- 1) The SIO, NIC, Kavaratti with request to upload the same in the official website of UTL
- 2) The Director IPR with request to publish the same in the next edition of Lakshadweep Times and other available media.

## CHAPTER I

Preliminary**1. Short title and commencement:**

- (1) These rules may be called the Lakshadweep Value Added Tax Rule, 2022
- (2) This shall come into force with effect from ..... as notified in the Official Gazette.

**2. Definitions:**

- (1) In these rules, unless the context otherwise requires, –
  - (a) "Regulation" means the Lakshadweep Value Added Tax Regulation, 2022
  - (b) "Form" means a form appended to these rules;
  - (c) "Schedule" means a Schedule appended to the Regulation;
  - (d) "Section" or "sub-section" means a section or sub-section of the Regulation

**Rule 2**

- (2) Words and expressions defined in the Regulation and used but not defined in these rules have the same meaning as assigned to them in the Regulation.
- (3) Unless otherwise specified in these rules—
  - (i) words importing the masculine gender shall include the feminine gender;
  - (ii) words in singular shall include their plural and vice versa;
  - (iii) expressions referring to "writing" shall include printing, typing, lithography, photography and other methods of representing or reproducing words in a visible form;
  - (iv) with reference to a person who is unable to sign his name, the words "signature" shall include his "thumb impression" or other mark duly attested to signify his signature.
  - (v) Signature shall include digital signature.
- (4) In these rules, unless the context otherwise requires,—
  - (a) "address for service" means the address determined in accordance with rule 21;
  - (b) "appropriate Government treasury" means Pay and Accounts Offices of Reserve Bank of India or Canara Bank, State Bank of India, or such other Scheduled Bank within the meaning of the Reserve Bank of India Regulation, 1934 (2 of 1934) or any other Bank as may be notified by the Commissioner;
  - (c) Deputy Commissioner under the Lacadive, Minicoy and Amindivi Islands Land Revenue and Tenancy Regulation 1965 under this Rule and Lakshadweep VAT Regulation 2022 means Collector as defined in Lacadive, Minicoy and Amindivi Islands Land Revenue and Tenancy Regulation 1965
  - (d) "quarter" means the periods of three calendar months –
    - (i) April 1 to June 30;
    - (ii) July 1 to September 30;
    - (iii) October 1 to December 31; and
    - (iv) January 1 to March 31.

## CHAPTER II

## Incidence and Levy of Tax

## 3. Composition Scheme

<b>Section: 16</b>	<b>Forms: 01 to 03</b>
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- (1) A dealer making an application for registration under Section 19 and opting for payment of tax under sub-section (1) of section 16, shall specify his intention to pay tax under section 16.
- (2) A dealer paying tax at the rates specified in section 4 may elect to pay tax under section 16 only from the beginning of the following year by making an application in Form UTL VAT- 01 within 30 days from the first day of the beginning of the following year.
- (3) A person who is eligible under sub-section (3) of section 16 and elects to pay tax under sub-section (1) of section 16 shall, on or before the year of the commencement of the Regulation, file an application in Form UTL VAT-02, specifying his intention to pay tax under section 16 and give particulars of trading stock, raw material, packaging material and finished goods held on the date of commencement of the Regulation and on which he is liable to pay tax under sub-section (6) of section 16.
- (4) If a dealer, who has elected to pay tax under sub-section (1) of section 16, desires to reverse his option under sub-section (2) of section 16, he shall file an application in Form UTL VAT- 03 within 30 days from the first day of the beginning of the following year.
- (5) A dealer who is covered by sub-section (10) of section 16 shall give intimation to the Commissioner in Form UTL VAT-03 A.

## 3A Registration, furnishing of security, payment of tax and assessment of casual trader

<b>Section: 16(13)</b>	<b>Forms: 04A, 06A, 16A</b>
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- (1) A casual trader shall, atleast three days before commencing his business in Lakshadweep, make an application in Form UTL VAT- 4A in person or through his authorised agent to the Commissioner.
- (2) The Commissioner shall, after registration is granted, issue him a registration certificate in Form UTL VAT- 6A along with as many Forms UTL VAT- 34 and UTL VAT 35 as are reasonably required, against payment of the price thereof, if any.
- (3) Every casual trader shall furnish a return in Form UTL VAT- 16A which shall be accompanied with the proof of payment of tax and unused Forms UTL VAT- 34 and UTL VAT 35, if any.



## CHAPTER III

## Tax Credit

## 4. Apportionment of tax credit

Sections: 9(4), 10(2)

Form: Nil

Where a dealer has purchased goods intended to be used for the purposes specified in sub-section (1) of section 9 and the goods are subsequently used fully or partly for other purposes as specified in sub-section (4) of section 9 or the goods or goods manufactured out of such goods are exported from Lakshadweep by way of transfer, the tax credit claimed shall be reduced under section 10, in the following manner :—

- (i) In case commodity-wise accounts are maintained by the dealer clearly correlating use of goods for making sales under sub-section (1) of section 9 and for other purposes, the tax credit shall be reduced by the amount of input tax paid on the purchases used for such other purposes.
- (ii) in case commodity-wise accounts are maintained by the dealer clearly correlating use of goods for making sales referred in sub-section (1) of section 9 and for transfer of goods or goods manufactured out of such goods, the tax credit shall be reduced in the manner specified in rule 7.
- (iii) In case commodity-wise accounts are not maintained by the dealer clearly correlating use of goods for making sales referred to in clause (i) above, the reduction of tax credit shall be calculated on the basis of the purchase price of such goods immediately preceding their use for other purposes or their fair market value, whichever is higher.
- (iv) In case commodity-wise accounts are not maintained by the dealer clearly correlating use of goods for making sales referred to in clause (ii) above, the reduction of tax credit shall be calculated on the basis of the purchase price of such goods immediately preceding to their transfer or their fair market value, whichever is higher, and the input tax credit shall be reduced in the manner specified in rule 7.

## 4A. Restriction and conditions governing tax credit

Sections: 9(1), 9(2), 10(5)

Form: Nil

- (1) Before allowing the claim of input tax credit to a dealer, the assessing authority may satisfy itself that the conditions laid down in sub-section (1) of section 9 of the Regulation are also satisfied.
- (2) The provisions of sub-section (5) of section 10 of the Regulation relating to proportionate reduction of tax credit on purchases of goods sold at a price lower than the purchase price shall apply to the cases where, during the tax period, the dealer receives credit note or notes from the selling dealer on account of discount, commission, rebate, remission in price or incentive, or by whatever name called.

*Explanation* - For the removal of doubt, it is hereby clarified that the provisions of sub-section (5) of section 10 of the Regulation shall not apply to a case where in the ordinary course of business the goods are sold by a dealer at a loss.

- (3) In the cases where the sale has been made at price lower than the purchase price in pursuance of the administered prices of the oil companies, that is to say, Indian Oil Corporation, Hindustan Petroleum Corporation Ltd. and Bharat Petroleum Corporation Ltd. the provisions of section 10(5) shall not apply.

## 5. Reduction of tax credit

Sections: 9(6) &amp; 10(3)

Form: Nil

- (1) For the purposes of sub-section (5) of section 9 and <sup>2</sup>[sub-clause (ii) of clause (c) of] sub-section (3) of section 10, the tax credit shall be reduced in the case of goods specified in the first Schedule by 40 percentages:-



- (2) Where a dealer has transferred any goods in the circumstances specified under sub-section (5) of section 9 and has made a reduction of tax credit by the prescribed percentage, he shall be entitled to claim the tax credit so reduced when he brings such goods back into Lakshadweep for sale on which tax is payable under section 3 or for sale in the course of Inter-State trade or commerce or for sale outside Lakshadweep or for sale in the course of exports out of the territory of India, subject to the condition that the goods brought back to Lakshadweep are the same goods as originally transferred <sup>1</sup>[or the goods processed or manufactured out of the goods as originally transferred.]
- (3) Where any goods or goods manufactured out of such goods are lost or destroyed, the dealer shall not be eligible to claim tax credit on such goods and the credit taken in any earlier tax period shall be reversed in the tax period in which goods are claimed to have been lost or destroyed.

#### 5A Adjustment to tax

<b>Section: 8(1)(e)</b>	<b>Form: Nil</b>
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Where adjustment of tax arises under clause (e) of sub-section (1) of section 8 by reason of the whole or part of the price owed by the buyer for the purchase of goods having been written off by the dealer as bad debt, the dealer shall make such adjustment to the extent of the tax on the price written off as bad debt provided such price has been written off in his books of accounts and the price so written off has also been claimed by the dealer as deduction under section 36 of the Income Tax Regulation, 1961 (43 of 1961):

PROVIDED that where the price so written off relates to the sale of goods taxable at different rates of tax specified under section 4, the adjustment shall be made by allocating the price so written off to various amounts outstanding in the following order :-

- (i) any interest amount due and outstanding;
- (ii) sale price of any exempt goods;
- (iii) sale price of goods taxable at the rate mentioned in the Schedule-I of Lakshadweep Value Added Tax Regulation, 2022

PROVIDED FURTHER that where the price so written off is recovered subsequently either in whole or part, it shall be deemed to be the sale of goods by him in the tax period in which such price is recovered and the dealer shall make an adjustment in calculating the tax payable for the same tax period by allocating the recovered amount to the amounts stated above in the reverse order.

#### 5B Adjustment of tax due to retrospective reduction of tax liability by virtue of the Lakshadweep Value Added Tax Regulation, 2022

<b>Sections: 4, 15, 105(4)</b>	<b>Form: Nil</b>
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A dealer, in consequence of the retrospective operation of –

- (a) the eligibility to claim input tax credit on purchase of second hand goods from the resident seller under sub-section (2) of section 15;

shall re-compute his tax liability and shall make adjustments on account of excess amount of tax deposited under the Regulation, if any, in the first return which is due to be filed after the date of Notification of the Lakshadweep Value Added Tax Regulation, 2022

PROVIDED that the dealer shall not make the adjustments of the excess amount of tax deposited unless such excess amount has been refunded to the purchaser:

PROVIDED FURTHER that the dealer shall submit the proof of the amount so refunded to the purchaser along with his return mentioned above.]

**6. Treatment of stock brought forward during transition**

<b>Section: 14(2)</b>
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<b>Form: Nil</b>
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For the purposes of sub-section (1) of section 14, the amount of tax borne shall be –

(a) where the dealer holds an invoice issued by a dealer registered under the Lakshadweep Value Added Tax Regulation, 2022 in respect of the opening stock which separately states the amount of tax paid at the point specified under section 5 of the said Regulation, the amount of such tax as is allocable to the opening stock; or

(b) in any other case, an amount calculated according to the formula —

$$F \times P \times 75\%$$

where –

F = the tax fraction,  $(r/(r+100))$  [where 'r' is the rate of tax under the Lakshadweep Value Added Tax Regulation, 2022 to the opening stock].

P = the price paid for the opening stock.

**7. Credit on second hand goods purchased by a registered dealer from a resident seller not registered under the Regulation**

<b>Section: 15</b>
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<b>Form: Nil</b>
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(1) No input tax credit shall be claimed on second hand goods purchased by a registered dealer from a resident seller who is not registered under the Regulation, unless the registered dealer has in his possession adequate proof of the amount paid for such goods in the form of an invoice or receipt signed by such a resident seller containing the following, namely –

- (a) the description of the goods;
- (b) the amount paid for the goods;
- (c) the name and address of the resident seller; and
- (d) the Permanent Account Number (PAN), if any, of the resident seller.

(2) No input tax credit shall be claimed under section 15 by a registered dealer on purchase of second hand goods unless the dealer has in his possession original invoice or cash memo issued under the Regulation for purchase of said goods in Lakshadweep by the resident seller.

**8. Document for availing of credit**

<b>Section: 20(1)</b>
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<b>Form: 19</b>
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- (1) A dealer requiring to furnish statement of trading stock and raw material under clause (c) of sub-section (1) of section 20 shall furnish the same in Form UTL VAT 19 within 7 days of his registration taking effect.
- (2) No input tax credit shall be allowed on the trading stock or raw materials held by a dealer who is registered or re-registered at the time when such registration or re-registration takes effect, unless the dealer has in his possession adequate proof of the amount of input tax paid in the form of a tax invoices issued by a registered dealer to the dealer claiming the tax credit.



**CHAPTER IV****Registration, Approval and Permission****9. Applications – General**

<b>Section: 19</b>	<b>Form: Nil</b>
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- (1) Every application under the Regulation for registration as a dealer or for the amendment or cancellation thereof, shall –
- be furnished in the Forms prescribed in these Rules;
  - contain the information and particulars required in the relevant Form;
  - be signed and verified by the person or authority mentioned in section 29 and in the manner specified in the relevant Form;
  - be accompanied by all documents mentioned in the Form;
  - be accompanied by proof of payment of the fee as prescribed in Annexure 1 to these rules; and
  - be accompanied by security in the prescribed amount.
- (2) Where no Form is prescribed in these rules, the application may be made in writing served on the Commissioner:
- PROVIDED that the Commissioner may require that the application be re-submitted in a Form or manner as may be specified by the Commissioner.
- (3) The Commissioner shall issue a receipt acknowledging receipt of an application at the time the application is furnished.

**10. Application for registration as a dealer**

<b>Section: 19</b>	<b>Form: 04</b>
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- (1) A dealer who is required to apply for registration under section 18 shall make an application for registration to the Commissioner in Form UTL VAT- 04 within a period of 30 days from the date of his becoming liable to pay tax under the Regulation and shall pay the filing fee as prescribed in Annexure 1 of these rules.
- (2) The dealer shall provide such further information as may be required by the Commissioner.

**11. Processing application for registration as a dealer**

<b>Section: 19(3)(b)</b>	<b>Form: 05</b>
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Every notice issued to an applicant under clause (b) of sub-section (3) of section 19 shall be in Form UTL VAT- 05 and shall be served on the applicant in the manner specified in Rule 59.

**12. Certificate of Registration**

<b>Sections: 19, 24</b>	<b>Form: 06</b>
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- (1) The Commissioner, after due verification of the application and the supporting documents, shall grant a Certificate of Registration in Form UTL VAT- 06. The Commissioner shall grant single registration to a dealer who has within Lakshadweep, more than one place of business.
- (2) A dealer shall be deemed to be registered under the Regulation from the date of the receipt of his Application for Registration as specified in sub-rule (1) above or from the date the dealer has become liable to pay tax except where any other date has been specified in the Certificate of Registration.



- (3) Every registered dealer shall retain and prominently display the Certificate of Registration at its principal place of business and a certified copy thereof at all other places of business in Lakshadweep. *[Further, the dealer shall also prominently display his TIN and Ward Number outside the main entrance of all places of business in Lakshadweep.]*
- (4) A registered dealer may obtain from the Commissioner, on payment of the fee prescribed in Annexure 1 to these rules, a duplicate of the Certificate of Registration where the original has been lost, destroyed or defaced or a certified copy or copies on payment of the fee prescribed in Annexure 1 to these rules for the purpose specified in sub-rule (3).
- (5) The Commissioner shall issue a fresh Certificate of Registration under the Regulation to every dealer who is registered by virtue of section 24.

### 13. Amendment of Registration

<b>Section: 21</b>	<b>Forms: 07, 08</b>
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- (1) An application for amendment to an existing registration shall be made in Form UTL VAT- 07.
- (2) Any amendment to the existing registration as a dealer shall be intimated by the Commissioner in Form UTL VAT- 08.

### 14. Cancellation of Registration

<b>Section: 22</b>	<b>Forms: 09 to 11</b>
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- (1) An application under sub-section (2) of section 22 for cancellation of registration as a dealer shall be made in Form UTL VAT- 09 within thirty days of the following :-
  - (a) in cases where a registered dealer has ceased to carry on any activity which would entitle him to be registered as a dealer under the Regulation, from the date of cessation of the activity;
  - (b) in cases where an incorporated body is closed down or otherwise ceases to exist, from the date of closure or cessation of existence;
  - (c) in cases where the owner of a proprietorship business dies leaving no successor to carry on the business, from the date of death of the owner of the proprietorship business;
  - (d) in case of a firm or an association of persons being dissolved, from the date of its dissolution;
  - (e) in case a registered dealer has ceased to be liable to pay tax under the Regulation, from the date on which he ceased to be so liable.
- (2) Every registered dealer who applies for cancellation of his registration shall surrender with his application the original Certificate of Registration and all certified copies thereof.
- (3) The application shall specify the date from which the dealer desires the cancellation of registration to take effect :

PROVIDED that unless the Commissioner by notice, in writing, served on the dealer notifies another date from which registration shall be cancelled, the dealer's registration shall cease on the date specified by the dealer.

(4) Where the Commissioner proposes to cancel the registration of a dealer under sub-section (1) of section 22, the Commissioner shall serve upon the person a notice in Form UTL VAT-10 in the manner prescribed in Rule 59.

(5) Every registered dealer whose registration is cancelled under sub-section (1) of section 22, shall deliver to the Commissioner the Certificate of Registration by the date stated [in Form UTL VAT-11]:

PROVIDED that where a dealer has made an objection to the Commissioner under section 74 against the cancellation of the registration, the dealer may retain the Certificate of Registration pending resolution of the objection.

(6) In case of cancellation of registration, the Commissioner shall specify in a notice in Form UTL VAT- 11 the date from which the cancellation of the registration takes effect. Upon cancellation of registration, the dealer shall be required to comply with the requirements specified by the Commissioner either in the notice issued in Form UTL VAT- 11 or by a separate communication to be served in the manner specified in Rule 59.

(7) Notwithstanding the cancellation of registration, all the proceedings pending or to be initiated shall not abate.

**15. Hosting of particulars of cancelled Certificates of Registration**

<b>Section: 22(8)</b>	<b>Form: Nil</b>
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For the purposes of sub-section (8) of section 22 the Commissioner shall *host on the official website* the particulars of dealers whose registration has been cancelled in the following form :-

(1)	(2)	(3)	(4)
Name and Address of the Dealer	Name of the Proprietor / Manger / Partners / Directors	Registration Number	Date of effect of cancellation of Registration

**16. Declaration of name of manager of business**

<b>Section: 105</b>	<b>Forms: 04, 07, 47</b>
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(1) The information required under section 105 shall be intimated to the Commissioner in Form UTL VAT- 04 at the time of application for registration.

(2) Where there is any change in the person or persons named in Form UTL VAT-04 as manager or managers of business under section 105 on account of death or otherwise, the registered dealer or his legal representative, as the case may be, shall inform the Commissioner within thirty days from the date of such change in Form UTL VAT-07 and also provide the name of the person or persons who shall be manager or managers thereafter.



**17. Nomination of principal place of business in the case of a dealer having more than one place of business in Lakshadweep**

<b>Section: 2(1)(e)</b>	<b>Forms: 04, 07</b>
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- (1) Where a dealer has within Lakshadweep, more than one place of business(hereinafter referred to as "branches"), he shall –
- nominate one of such branches as the principal place of business in Lakshadweep; and
  - inform the Commissioner in Form UTL VAT-04 of such nomination at the time of application for registration.
- (2) When the dealer changes his designated principal place of business, the dealer shall inform the Commissioner within thirty days from the change in Form UTL VAT- 07 and shall intimate the Commissioner of the location of the new principal place of business.

**18. Notification of address for service of notices**

<b>Section: Nil</b>	<b>Form: 07</b>
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- (1) Every person who applies for registration under the Regulation as a dealer shall, in the application, give an address in Lakshadweep for service of notices, orders and other correspondence.
- (2) Every person who has given an address for service and who subsequently changes his address shall, within thirty days after the change, intimate the Commissioner, in writing, his new address in Lakshadweep in Form UTL VAT- 07.
- (3) Where a person has changed his address and has failed to give to the Commissioner notice in Form UTL VAT- 07 of his new address in Lakshadweep for service, the service effected at the last known address shall be deemed to be valid service under the Regulation or these Rules and such person shall not be permitted to plead such change of address as a defence in any proceedings (whether civil or criminal) instituted against him under the Regulation or these Rules.
- (4) The address for service last given to the Commissioner by any person shall, for all purposes of the Regulation and these Rules, be his address for service.

**19. Register of Dealers**

<b>Section: Nil</b>	<b>Form: Nil</b>
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The Commissioner shall maintain a "Registration Register" in such form as he may deem fit, incorporating therein the complete particulars of the dealers registered under the Regulation including particulars of any amendments to and cancellation of, registration of the dealers under the Regulation, which will be available for inspection on payment of fee prescribed in Annexure 1 to these rules.



## CHAPTER V

### Security

#### 20. Person and the required amount of security to be furnished

<b>Sections: 19(2), 25, 60(4), 61(5)</b>	<b>Form: Nil</b>
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- (1) A person applying for registration under the Regulation shall furnish security not exceeding fifty thousand rupees along with the application for registration :-

PROVIDED that the amount of the security shall be reduced by the amount stated below subject to a total maximum reduction of twenty five thousand rupees, in case the person produces the following documents:

- |   |                       |
|---|-----------------------|
| (a) last paid electricity bill in his name  | Five thousand rupees. |
| (b) last paid telephone bill in his name  | Five thousand rupees. |
| (c) Permanent Account Number (PAN) issued under the Income Tax Act, 1961 (43 of 1961)         | Ten thousand rupees.  |
| (d) any document as proof of ownership of principal place of business                         | Ten thousand rupees.  |
| (e) any document as proof of ownership of residential property                                | Ten thousand rupees.  |
| (f) notarised photocopy of the passport of proprietor / managing partner or managing director | Ten thousand rupees.  |

<sup>1</sup>[(2) A person required to pay security under sub-section 4 of section 60 for de-sealing or release of any premises including the office, shop, godown, box, locker, safe, almirah or other receptacle, shall furnish security of a sum equal to one per cent of the maximum of GTO of last three years or a sum equal to five lakh rupees, whichever is higher.]

- (3) A person offering to pay security under sub-section (5) of section 61 for release of any goods vehicle, goods and documents seized shall furnish security of twice the amount of tax payable if the goods were sold in Lakshadweep, before seeking release of goods vehicle, goods and documents seized.
- (4) The Commissioner may require a dealer claiming refund under section 38 to furnish security of the amount not exceeding the amount of refund claimed before the grant of refund.

#### 21. Manner in which security may be furnished

<b>Section: 25, 61(5)</b>	<b>Form: 12</b>
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- (1) The tender of an amount or an asset or the undertaking of a liability as security for any purpose of the Regulation shall be made in Form UTL VAT- 12.
- (2) Subject to sub-rule (3) of this rule, where a person is required or offers to furnish security for any purpose of the Regulation, the security shall be acceptable only if it is made in any one of the forms listed in Table below, unless the Commissioner prescribes a particular form in which the security shall be acceptable:

PROVIDED that security may be offered partly in one form and partly in another.

<sup>1</sup>[(2A) The security required to be furnished by a person under sub-section 4 of section 60, shall be, at least 50% in the form of security specified at sl. no.1 of the 'Table – Forms of Security' below and balance may be in any of the forms of security specified in the said table.]

**Rule 21**

**Lakshadweep VAT Rule 2022**

- (3) The security required to be furnished by a person under clause (b) of sub-section (5) of section 61, shall be, at least, 50% in the form specified as item no. 1 of the Table below, and balance may be in any of the form specified in Table below.
- (4) A security, which does not meet the conditions specified in Table below, shall not be treated as the furnishing of security for the purposes of the Regulation.
- (5) The security shall be accepted only for the amount prescribed or ordered.
- (6) If the security is furnished in any of the forms referred to in items 2 to 7 (inclusive) in the Table below, a document transferring the title to the security shall be executed in the name of the President of India and the transfer recorded and noted in the books of the issuing authority and the person offering the security shall be required to pay Stamp Duty and Registration Fee as prescribed under the relevant law.
- (7) The Commissioner shall maintain a complete account of the securities deposited, forfeited or refunded in Securities Register in such form and in such manner as the Commissioner deems fit.

**Table – Forms of Security**

	<b>Form of security</b>	<b>Conditions</b>	<b>Amount of security</b>
1	Cash	The Government will not pay any interest on security deposit, held in the form of cash	Amount of cash deposited in appropriate Government treasury
2	Promissory notes, stock certificates of any State Government		These securities shall be accepted at five percent below their market price as on date of submission or at their face value, whichever is less
3	Post Office Cash Certificates, Treasury Savings Deposits, National Plan Savings Certificates, 12 Year National Defence Certificates, 10 Year National Defence Certificates	These certificates shall be formally transferred to the (President of India) and shall be accepted with the sanction of the Post Master of the office of registration	Surrender value at the time of tender
4	Post Office Savings Bank Pass Books	A pass book, for a deposit made under the Post Office Savings Bank Rules may be accepted as security provided that the dealer has signed and delivered to the Post Master a letter in the prescribed form as required by the said rules. The pass book shall be sent to the Post Office as soon as possible after the 15th June of each year so that necessary entries of interest may be made therein	Amount deposited
5	Municipal Debentures or Port Trust Bonds and/or Debentures Issued by the Government or a Financial Corporation		These securities shall be accepted at five percent below the market price as on date of submission or face value whichever is less
6	Bonds or Debentures issued by Corporate Bodies guaranteed by the Central or any State Government as regards the payment of principal and interest or as regards principal only		These securities shall be accepted at five per cent below the market price or face value, whichever is less



	Form of security	Conditions	Amount of security
7	Deposit receipts of any authorised bank	The deposit receipts shall be made in the name of the dealer but pledged to the President of India. The Bank shall agree that on receiving a signed treasury <i>challan</i> from the Commissioner and withdrawal order duly signed by the Commissioner, the bank will at once remit the amount in full or in part, as may be specified in the order, into the treasury and send the receipted <i>challan</i> to the Commissioner. The dealer will agree in writing to undertake the risk involved in the investment	The amount shown on the deposit receipt
8	Mortgage of immovable property, hypothecation or pledge of movable property, personal surety	Mortgage bond in writing shall be executed in favour of the President of India and registered according to law of registration at the cost of the dealer. The property mortgaged shall be free from all encumbrances. Personal surety shall be in the form of a personal bond with one or two guarantees acceptable to the Commissioner. This form of security shall be accepted subject to such conditions as may be laid down from time to time by the Commissioner by a general or special order. The liability of the surety or guarantor shall be co- extensive with that of the dealer for the period the contract of surety or guarantee remains in operation notwithstanding the fact that the assessment proceedings against the dealer under Chapter VI of the Regulation for the period are initiated before or after the said period. The liability of the surety or guarantor shall be enforced and executed according to the law for the recovery as arrears of land revenue referred to in section 44	Amount stated in the relevant document as the maximum amount recoverable under the mortgage, hypothecation, pledge, or personal surety
9	Bank Guarantee	The bank must be a Scheduled Bank. The bank guarantee shall be initially valid for a period of one year and shall be kept valid till such time the Commissioner may require	The amount stated in the relevant document as the maximum amount recoverable under the bank guarantee



**22. Safe-keeping, retention and return of security**

<b>Section: 25</b>	<b>Form: 13</b>
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- (1) Post Office Savings Bank pass books, deposit receipts of banks, security bonds and agreements, promissory notes or stock certificates tendered as security shall be kept in safe custody by the Commissioner or an Officer nominated by him in this behalf.
- (2) (2) Security tendered in any form shall be retained until the Commissioner orders that there is no further necessity for keeping it.
- (3) (3) Where a person has ceased to be a dealer or undertakes any other Regulation activity for which security under the Regulation might not be required, the person may apply for the return, release or discharge of the security in Form UTL VAT- 13.
- (4) A person may object in the manner provided in section 74 if the Commissioner has failed<sup>1</sup>[within six months] to return, release or discharge the security:  
 PROVIDED that, where the person has sought a refund in cash pursuant to section 38 at any time, the person shall not request the Commissioner to return, release or discharge the security on or before 30<sup>th</sup> November of the year succeeding the year which includes the tax period in respect of which the refund is claimed.
- (5) No security shall be returned, released or discharged to the person or otherwise disposed of except in accordance with the terms of the security bond or agreement and while returning, releasing or discharging the security to the person, unless the person entitled to the security gives an acknowledgment duly signed and witnessed setting forth therein the full particulars of the security released, returned or discharged.

**23. Forfeiture of security**

<b>Section: 25</b>	<b>Forms: 14, 15</b>
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- (1) Where the Commissioner proposes to forfeit a security in full or in part or is of the view that the security furnished is insufficient, he shall serve upon the person who furnished the security, a notice in Form UTL VAT- 14.
- (2) Where the Commissioner is not satisfied with the explanation given in response to the notice served upon in sub-rule (1), he shall pass an order in Form UTL VAT-15 forfeiting the security in part or in full and requiring the person to make good the deficiency of security.
- (3) Where security is furnished in a form other than cash or bank guarantee and the security is forfeited in full or in part or is rendered insufficient, the Commissioner shall, in the notice, allow the person affected, to pay the forfeited or insufficient amount in cash within the time specified in the notice.
- (4) If the amount to be forfeited or rendered insufficient is not deposited in cash pursuant to sub-rules (2) & (3) of this rule, the Commissioner shall make an application to the Collector Lacadives, Minicoy and Amindivi Islands Land Revenue and Tenancy Regulation 1965 to recover the said amount from the person, his surety or guarantor as arrears of land revenue.
- (5) The Commissioner shall furnish to the Deputy Commissioner, the names and addresses of the person, his surety or guarantor and the amount to be recovered and thereupon the Collector shall proceed to recover the amount from the person or his surety or guarantor or from both as arrears of land revenue.
- (6) Where security has been provided in the form of a pledge of goods, the Commissioner may sell the goods following the procedure prescribed in rule 41 to the extent applicable.
- (7) Where the security furnished by any person is forfeited in whole or is rendered insufficient, the person shall make up deficiency in any of the forms referred to in the Table under rule 23, as may be required by the Commissioner, within fifteen days from the date of service of order in Form UTL VAT- 15.

**CHAPTER VI**  
**Tax Period and Tax Returns**

**24. Tax Period**

<i>Section: 26</i>	<i>Form: Nil</i>
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- (1) Subject to sub-rule (2) of this rule, the tax period for all the dealers shall be a Monthly.
- (2) The tax period of a dealer who ceases to be registered, shall cease –
  - (a) if the registration is cancelled by the Commissioner, on the date specified by the Commissioner as the date on which the dealer's registration ceases to have effect;
  - (b) where the dealer dies or is wound up, on the date of death or winding up;
  - (c) in any other case, on the date of cancellation of the registration.
- [(3) For a dealer, to whom a Certificate of Registration has been granted for the first time, his tax period, till the end of the year of registration, shall be monthly and his first tax period shall commence from the date of his liability.]
- (4) For the purpose of sub-rule (1), the "turnover" of a dealer shall not include turnover from —
  - (a) the sale of capital assets;
  - (b) sales made in the course of winding up the dealer's Activities; and
  - (c) sales made as part of the permanent diminution of the dealer's Activities.

*Explanation.*— For the purposes of this sub-rule, adequate proof of a dealer's turnover shall be a copy of the following documents:-

- (i) the annual audited accounts of the dealer for the three previous years or the annual accounts duly certified by the dealer where the accounts of the dealer are not required to be audited under any law for the time being in force.
- (ii) income tax returns furnished by the dealer for the three previous years duly certified by him or his Accountant.

**25. Returns – General**

<i>Section: 26</i>	<i>Form: Nil</i>
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- (1) Every return under the Regulation shall –
  - (i) be furnished in the appropriate Form [*and in the manner*] prescribed in these rules;
  - (ii) contain the information and particulars required in that Form;
  - (iii) be signed and verified by the person or authority mentioned in section 29 and in the manner specified in that Form; and
  - (iv) be accompanied by all documents mentioned in the Form.
- (2) Where no Form for a return is prescribed in these rules, the return may be made in writing and served on the Commissioner :

PROVIDED that the Commissioner may require that the return be re-submitted in a form or manner specified by the Commissioner.
- (3) Every person liable to furnish a return as agent for any person (including an auctioneer) shall furnish a separate return for each person for whom he is agent, in addition to his own return, if required.
- (4) The person liable to furnish a return as trustee for another shall furnish a separate return for the trust of which he is a trustee, in addition to his own return, if required.



## 26. Dealers' periodic returns

<b>Section: 26</b>	<b>Forms: 16, 17, 20</b>
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- (1) Subject to sub-rule (2) of this rule, every dealer liable to pay tax under section 3 shall furnish a return in Form UTL VAT- 16 for each quarter.
- (2) Every dealer who has elected to pay tax under section 16 shall furnish return in Form UTL VAT-17.
- (3) A return referred to in sub-rule (1) or sub-rule (2) shall be furnished the Return Verification Form in Form UTL VAT – 20, in duplicate, in the manner stated in Rule 63. Such return and the said Form shall be furnished by the dealer within twenty eight days from the end of the tax period. On submitting of Form UTL VAT – 20, the Commissioner shall issued the acknowledgement with signature and stamp on one copy of the said Form :

*PROVIDED* that a dealer who has been registered for the first time under the Regulation shall furnish the return(s), the date of furnishing of which has already expired on the date of grant of Registration Certificate, within seven days from the date of such grant;

*PROVIDED FURTHER*, that where the dealer fails to submit Form UTL VAT-20 and /or to obtain the acknowledgement, it shall be construed that no return has been furnished by the dealer for that tax period;

*PROVIDED ALSO* that the Commissioner, by an order, may exempt a dealer or class or classes of dealers from furnishing acknowledgement in Form UTL VAT – 20 along with documents stated in sub- rule-(3A), if the return under this rule is furnish with digital signatures, in accordance with the provisions contained in the Information Technology Regulation, 2000(21 of 2000).

(3A) The verification of the return in Form UTL VAT-20, referred to in sub-rule (3), shall be accompanied by proof of payment to tax, interest or any other sum in Form UTL VAT-20, copy of the TDS Certificate(s). CC-01 and the documents, as specified in Form UTL VAT-20 or in the return Form.]

[(4) Where a dealer's registration is cancelled under the Regulation and subsequently restored, the dealer shall furnish within 30 days after the restoration, all returns. Including Return Verification Form in Form UTL VAT -20 and documents referred to in sub-rule (3A).] relating to the tax periods during which his registration remained inoperative and the date of furnishing of which has already expired on the date of restoration, and before furnishing such returns he shall deposit the tax due according to these returns in the same manner as he would have done if the registration was not so cancelled.

## 27. Revised Returns

<b>Section: 28</b>	<b>Forms: 16, 17</b>
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- (1) A person who furnishes a revised return in correction of some error that has been detected, shall do so by furnishing Form UTL VAT- 16 along with an explanatory note specifying the mistake or error because of which it has become necessary to furnish a revised return.
- (2) A person paying tax under section 16 and wishes to furnish revised return to correct any mistakes/errors as detected by him, shall furnish in form UTL VAT 17 along with an explanatory note specifying the mistake or error because of which it has become necessary to furnish a revised return.

## 28. Statement for Transitional Input Tax Credit

<b>Section: 14</b>	<b>Form: 18</b>
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Where, upon the commencement of the Regulation, a registered dealer wishes to claim tax credit under section 14, he shall furnish the required statement in Form UTL VAT- 18 and in case the tax credit claimed is in excess of one lakh rupees, the statement shall be accompanied by a certificate signed by an Accountant.

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## CHAPTER VII

## Payment of Tax and making Refunds

## 29. Method of payment of tax, interest or penalty

<b>Section: 36</b>	<b>Form: Nil</b>
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- (1) Tax, interest, penalty or any other amount due under the Regulation may be paid only in Rupees.
- (2) A payment of tax, interest, penalty or any other amount due under the Regulation may be made either in bank draft or through online transaction drawn in favour of the Pay &Accounts Office,UTL drawn on an authorised bank and shall be tendered along with a duly completed Form UTL VAT-20.
- (3) Where a payment of tax, interest, penalty or any other amount due under the Regulation is made by bank draft, the date of the payment for the purpose of the Regulation shall be the date on which the said bank draft is encashed.
- (4) Any tax, interest, penalty or any other amount due under the Regulation may be paid —
  - (a) at a branch in Lakshadweep of an authorised Bank;
  - (b) at any other place notified by the Commissioner.
- (5) Notwithstanding anything contained in this rule, the Commissioner may provide separate procedure or method of payment of tax, interest, penalty or any other amount due under the Regulation in electronic form.

## 30. Treasury to notify payments

<b>Section: 36</b>	<b>Form: 20</b>
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The Pay & Accounts office, UTL in respect of all payments made in a day together with sufficient information to identify the dealer. The officer in charge of Pay & Accounts office, UTL shall set his hands and seal on the said information before furnishing it to the Commissioner.

## 31. Proof of payment

<b>Section: 36</b>	<b>Forms: 20, 24A</b>
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- (1) On receipt of the Part B of the receipted Form UTL VAT-20, the Commissioner shall allow the credit of the amount shown therein, to the dealer against tax, interest, penalty or any other amount due from him under the Regulation.
- (2) In case the Part B of Form UTL VAT-20 is not forthcoming to the Commissioner or is lost, destroyed, defaced or mutilated, the dealer who claims that he had paid any amount on account of tax, interest, penalty or any other amount due under the Regulation, the Commissioner may require such dealer to furnish other satisfactory proof of such payment which shall be the Part C or Part D of Form UTL VAT- 20 in respect of that payment supported by a certificate from the Pay& Accounts Office, UTL that the payment shown in such Part C or Part D of Form UTL VAT-20 was deposited and credited to the Government account and an affidavit from Pay& Accounts Office, UTL such dealer that Part C or Part D of Form UTL VAT-20 and the certificate from the are genuine. If the dealer fails to furnish satisfactory proof of such payment, the credit for such payment shall be disallowed by the Commissioner.



**31A Intimation of depositing the Government dues**

<b>Section: 36</b>	<b>Form: 27A</b>
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Every dealer or person who, in pursuance of a notice of assessment or an order or a decision, is required to deposit any amount of tax or interest or penalty or composition money or any other amount due under the Regulation, shall, after depositing such amount or a part of such amount, furnish an intimation to the Commissioner in Form UTL VAT- 27A within seven days of making such payment duly accompanied by Part C of the respective deposit challan in Form UTL VAT- 20.]

**32. Refund of excess payment**

<b>Section: 38</b>	<b>Forms: 21 to 22A</b>
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- (1) A claim for refund of tax, penalty or interest paid in excess of the amount due under the Regulation (except claimed in the return) shall be made in Form UTL VAT- 21, stating fully and in detail the grounds upon which the claim is being made.
- (2) Only such claim shall be made in Form UTL VAT- 21 that has not already been claimed in any previous return. A claim for refund made in Form UTL VAT- 21 shall not be again included in the return for any tax period.
- [(3) The Commissioner may, for reasons to be recorded in writing, issue notice to any person claiming refund to furnish security under sub-section (5) of section 38 in Form UTL VAT 21A, of an amount not exceeding the amount of refund claimed, specifying therein the reasons for prescribing the security.]
- (4) Where the refund is arising out of a judgment of a Court or an order of an authority under the Regulation, the person claiming the refund shall attach with Form UTL VAT- 21 a certified copy of such judgment or order.
- (5) When the Commissioner is satisfied that a refund is admissible, he shall determine the amount of the refund due and record an order in Form UTL VAT- 22 sanctioning the refund and recording the calculation used in determining the amount of refund ordered (including adjustment of any other amount due as provided in sub-section (2) of section 38).  
 [(5A) The order for withholding of refund/furnishing security under section 39 shall be issued in Form UTL VAT-22A.]
- (6) Where a refund order is issued under sub-rule (5), the Commissioner shall, simultaneously, record and include in the order any amount of interest payable under sub-section (1) of section 42 for any period for which interest is payable.
- (7) The Commissioner shall forthwith serve on the person in the manner prescribed in rule 59, a cheque for the amount of tax, interest, penalty or other amount to be refunded along with the refund order in Form UTL VAT- 22.

PROVIDED that the Commissioner may transfer the amount of refund through Electronic Clearance System (ECS) in the bank account of the dealer.

- (8) No refund shall be allowed to a person who has not filed return and has not paid any amount due under the Regulation or an order under section 39 is passed withholding the said refund.
- (9) Before allowing the claim for refund to a dealer under section 38 of the Regulation, the Authority concerned shall satisfy himself that the conditions laid down in sub-section (1) of section 9 of the Regulation are fulfilled.

**33. Refund of tax for embassies, officials, international and public organizations**

<b>Section: 41</b>	<b>Forms: 22, 23</b>
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- (1) Subject to sub-rule (2) of this rule, an organization listed in the Fourth Schedule of the Regulation (in this rule called "the organization") may apply for the refund of tax borne by it or by a qualified person as defined in sub-rule (6) on the purchase of goods once in every quarter, if —
  - (a) the goods were purchased by the organizations or the qualified person from a registered dealer against a tax invoice/retail invoice and the sale price of the goods covered in each single tax invoice/retail invoice exceeds five thousand rupees (excluding tax paid, if any) or such other amount as may be notified by the Commissioner;



PROVIDED that, the relaxation regarding production of retail invoices for claiming refund under sub-rules (1)(a), (2), (10) and (11) of this Rule shall only be available to Embassies, High Commissions, International Organizations and their qualified persons and not to any other public organization listed in the Fourth Schedule].

- (b) the goods purchased are for the uses specified in the Fourth Schedule in respect of the particular organization;
  - (c) such other restrictions or conditions as may be notified by the Commissioner have been satisfied.
- (2) An application for refund under section 41 shall be made by the organization on behalf of itself and every qualified person attached to the organization in Form UTL VAT 23 within a period of twenty eight days from the end of the relevant quarter covering all purchases made against tax invoices in that quarter.

PROVIDED that, an application for refund under section 41 shall be made by the Embassies, High Commissions, International Organizations on behalf of itself and every qualified person attached to such organization in Form UTL VAT- 23 within a period of three months from the end of the relevant quarter covering all purchases made against tax invoices / retail invoices in that quarter.

*Explanation.*—For the purpose of this rule, the organisation shall be deemed to be an agent duly authorised by all qualified persons attached to the organisation to make such a claim.]

- (3) A refund made to the organisation shall be deemed to be made to each qualified person through its agent duly authorised by the qualified person to receive such a payment.
- (4) Where an application for a refund is made in accordance with sub-rule (1) and the application is made in the prescribed form, manner and time, the refund shall be paid by the Commissioner within 30 days from the day when the Commissioner receives the application along with refund order in Form UTL VAT- 22.
- (5) The amount of any refund shall be paid to a single account with a bank nominated by the organisation and any deposit made by the Commissioner to the account shall be deemed to be paid to the organisation and to every qualified person.
- (6) Subject to the restrictions and conditions notified by the Commissioner, for the purposes of this rule, a "qualified person" means a person referred to in Fourth Schedule of the Regulation.
- (7) Where an express term in a treaty or other international agreement to which the President or the Government of India is a party is inconsistent with the conditions in this rule, such treaty or international agreement shall prevail.
- (8) A claim for a refund of tax made under this rule shall be a composite of all the claims for a refund of tax of the organisation and every qualified person attached to the organisation.
- (9) The form shall be signed by the Chief of the Organisation or a person duly authorised by him. In case the form is signed by an authorised signatory, the form shall be accompanied by the letter of authorization signed by the Chief of the Organisation.
- (10) The organization claiming a refund under this rule shall be required to retain all tax invoices / retail invoices based on which such refund is claimed for a period of one year from the date on which the refund is made.
- (11) The tax invoices / retail invoices filed along with the form shall be stamped by the Commissioner and returned along with the refund order in Form UTL VAT- 22.
- (12) Notwithstanding anything contained in this rule to the contrary, where an organization, listed in the Fourth Schedule in the entry at Sl. No. 1, for the purpose of receiving the refund of tax borne in two different bank accounts viz. the refund of tax borne by the organization itself in one account and the refund of tax borne by all the qualified persons attached to the organization in the other account, furnishes two separate applications in Form UTL VAT- 23, the Commissioner may pay therefund admissible in two bank accounts].



## CHAPTER VIII

## Assessments and Enforcement of Tax and Penalties

## 34. Assessment of tax, interest or imposition of penalty

Sections: 32, 33, 42	Forms: 24, 24A
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- (1) Where the Commissioner makes a default assessment of tax under section 32, he shall record the order in Form UTL VAT- 24 and such notice of assessment shall be served on the dealer in the manner prescribed in rule 59.
- (2) Where the Commissioner makes an assessment of penalty under section 33, he shall record the order in Form UTL VAT-24A and such notice of assessment of penalty shall be served on the dealer in the manner prescribed in rule 59.
- (3) The Commissioner shall, at the time of making an assessment under section 32, calculate the interest payable at the rate of 15% p.a. under sub-section (2) of section 42 for the period commencing from the date of such default for so long as the dealer continues to make default in payment of the amount tax, penalty or other amount due under the Regulation.
- (4) The amount of interest payable under the preceding sub-rule, shall be included in the notice of assessment in Form UTL VAT 24.
- (5) At the time of issue of the recovery certificate, the Commissioner shall calculate the interest payable under sub-section (2) of section 42 for the period from the date of default till the date of issue of recovery certificate and the amount shall be indicated separately in the recovery certificate.

**Explanation.** — For the purpose of this rule, “the date of the recovery certificate” shall mean the date on which the said certificate is signed and dated by the appropriate authority irrespective of the date on which it is issued to the Collector or the certificate-debtor].

## 34A. Form of notice for revision

Section: 74	Form: 24B
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The notice for the purposes of sub-section (2) of section 74 shall be in Form UTL VAT 24B.

## 34B. Rectification of mistakes and review

Section: 74	Forms: 38B, 38C
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- (1) The application for rectification of a mistake in any order shall be filed in Form UTL VAT 38B.
- (2) The application for review of an assessment or reassessment or order shall be in Form UTL VAT 38C.
- (3) No application for review under sub-section (5) of section 74 of an assessment or reassessment or an order shall be entertained if the application is not presented within thirty days from the date of such assessment or reassessment or order.
- (4) The Commissioner or any person appointed under section 66 shall be competent under sub-section (5) of section 74 to review any assessment or reassessment or order made by his predecessor in office.
- (5) Where a person, has made an application for review of an assessment or reassessment or an order under the provisions of section 74, the Commissioner shall not be prevented from enforcing the payment of any amount in dispute in that order.
- (6) Where a person, who has made an application for review of assessment or reassessment or an order, intends to file an objection under section 74 or an appeal under 76, the person shall withdraw his application for review before filing the objection or the appeal.



- (7) The Commissioner shall not review any assessment or reassessment or an order where an objection under section 74 or an appeal under section 76 against such assessment or reassessment or order is pending for decision.]

**35. Recovery of Government dues**

<b>Section: 43</b>	<b>Forms: 25, 25A</b>
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- (1) In case of any amount recoverable in terms of clause (a) of sub-section (3) of section 43, the Commissioner may issue to the Collector a Certificate in Form UTL VAT-25:

PROVIDED that, the Commissioner may encash the security furnished by any person, if capable of being encashed simultaneously with the issue of certificate to the Collector and shall notify the Collector of the amount so realised.

- (2) The Collector shall intimate to the Commissioner the amount recovered by him together with the date thereof and provide such other details as the Commissioner may require.
- (3) The certificate referred to in sub-section (6) of section 43 shall be in form UTL VAT- 25A and shall be served upon the certificate-debtor by the Value Added Tax Inspector functioning under the control of the Commissioner.
- (4) The amount of interest payable under section 36 for the period commencing immediately after the date of the recovery certificate till realisation, shall be calculated by the Collector or the Commissioner, as the case may be, and recovered along with the amount of tax, penalty or other sums mentioned in the said recovery certificate issued by the Commissioner.
- (5) Where movable or immovable property is attached, the Commissioner may, instead of directing a sale of the property, appoint a person as a receiver to manage such property.
- (6) Where any movable or immovable property is attached and taken under management, the receiver shall, subject to the control of the Commissioner, have such powers as may be necessary for the proper management of the property and the realization of the profits, or rent and profits, thereof.
- (7) The profits, or rents and profits of such movable or immovable property, shall, after defraying the expenses of management, be adjusted towards discharge of the arrears, and the balance, if any, shall be paid to the defaulter:

PROVIDED that where the balance cannot be paid to the defaulter due to any reason, the said balance shall be deposited in the Government treasury.

- (8) The attachment and management of movable and immovable properties may be withdrawn at any time at the discretion of the Commissioner, or if the arrears are discharged by receipt of such profits and rents or are otherwise paid.

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- (9) There shall be recoverable, in the proceedings in execution of every certificate, all charges incurred in respect of -
- (a) the service of notice upon the defaulter to pay the arrears, and the warrants and other processes, and
  - (b) all other proceedings taken for realising the arrears.
- (10) Without prejudice to the provisions of sub-section (4) of section 57, if at any time after the recovery proceedings commenced by the Collector or the Commissioner, as the case may be, the defaulter dies, the recovery proceedings shall be continued against the legal representatives.
- Any amount recoverable under Chapter VII of the Regulation, shall be recovered in the same manner as provided in this rule.

**36. Continuation of certain recovery proceedings**

<b>Section: 45</b>	<b>Form: 26</b>
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For the purposes of section 45, the Commissioner shall notify to the Collector any reduction of government dues in Form UTL VAT- 26, a copy of which shall also be served on the person in the manner prescribed in Rule 59.

**37. Special mode of recovery**

<b>Section: 46</b>	<b>Form: 27</b>
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For the purposes of section 46, the Commissioner shall serve on the person in Form UTL VAT-27 notifying the person of the requirement to pay the specified amount to the Commissioner in the manner prescribed in Rule 59.

**38. Issue of Summons**

<b>Section: 80</b>	<b>Form: 28</b>
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- (1) A summons requiring a person –
- (a) to appear before the Commissioner;
  - (b) to produce documents to the Commissioner; or
  - (c) to appear before the Commissioner and produce documents, shall be in Form UTL VAT- 28.
- (2) The Commissioner shall serve summons under sub-rule (1) in the manner prescribed in Rule 59.

**39. Procedures for sale of property held by the Commissioner**

<b>Section: 63</b>	<b>Form: 29</b>
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- (1) Where the Commissioner has in his possession any goods, goods vehicle, or any other property, including goods seized at any border or check-post and goods held as security for the performance of an obligation under the Regulation (in this rule called "the property"), which may be sold by the Commissioner in pursuance of any powers conferred under the Regulation to recover tax, interest, penalty or other amount due under the Regulation, the power of sale shall be exercised in the manner set out in this rule.
- (2) The Commissioner shall serve a notice in Form UTL VAT- 29 in the manner prescribed in Rule 59 on the person recorded as the owner of the goods in the Commissioner's records requiring the person to redeem the property within fifteen days by tender of payment in cash of all amounts owed under the Regulation.



- (3) Where the person has not redeemed the property within the time specified in the form, the Commissioner may proceed to sell the property by public auction as per the following procedure-
- (a) A report shall be prepared of the facts and circumstances in which the property is required to be sold by public auction and the Commissioner shall make a written order for sale or disposal of the property.
  - (b) The officer nominated by the Commissioner for the purpose shall cause to be published on the notice board of his office, a list of the properties intended for sale with a notice under his signature specifying the place where, and the day and hour at which, the property is to be sold and display copies of such list and notices at more than one public place near the place where the property is currently held, and the place of the proposed auction. A copy of the list and notice shall also be displayed in the office of the Commissioner. Except in exceptional circumstances, a notice for not less than seven days shall be given before the auction is conducted.
  - (c) Intending bidders shall be required to deposit as earnest money, a sum equal to ten per cent of the estimated value of the property. The officer conducting the auction shall prepare a receipt acknowledging the receipt of the earnest money. Earnest money deposited by unsuccessful bidders shall be refunded to them immediately after the auction is over.
  - (d) At the appointed day and time, the property shall be put up in one or more lots, as the officer conducting the auction sale may consider fit and shall be knocked down in favour of the highest bidder subject to confirmation of the sale by the Commissioner.
  - (e) The purchaser shall pay the sale value of the property in cash immediately after the sale and he shall not be permitted to carry away any part of the property until he has paid for the same in full and until the sale has been confirmed by the Commissioner. If the purchaser fails to pay the purchase money within three days of the confirmation of sale by the Commissioner, the property shall be re-offered for auction and any earnest money deposited by the defaulting bidder shall be forfeited to the Government.
- (4) If any order directing detention is reversed on appeal, the property detained, to the extent they have not been sold before such reversal comes to the knowledge of the officer conducting the sale, shall be released or, if such property has been sold, the net proceeds thereof shall be paid to the owner of the property.
- (5) Notwithstanding anything contained in this rule, if the property is of a perishable nature or subject to speedy and natural decay or when the expenses of keeping it in custody are likely to be high, the Commissioner may –
- (a) reduce the time stated in sub-rule (2) within which the owner may redeem the property;
  - (b) reduce the time for display of any notice; and
  - (c) accelerate the time for conducting the auction of the property.
- (6) Where property is sold under the preceding sub-rules, the proceeds of sale shall be applied in the following order –
- (a) payment of any expenses of the sale, including tax arising under the Regulation by virtue of the sale, and other incidental charges;
  - (b) in respect of any surplus, payment of the amount of any tax, interest and penalty recoverable under the Regulation or Lakshadweep VAT Regulation, 2017 or ; the Central Sales Tax Act, 1956 (74 of 1956);
  - (c) in respect of any surplus, on application made to the Commissioner and upon provision of sufficient proof, payment to the person who was the owner of the property; and
  - (d) in respect of any surplus, in the absence of any claimant, deposited in the Consolidated Fund of India.



## CHAPTER IX

## Accounts, Records and Audit

## 40. Books and Accounts

Section: 48	Forms: 30, 31
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- (1) The following records shall be maintained by a dealer at his principal place of business, namely:-
- A monthly account specifying total output tax, total input tax and net tax payable or the excess tax credit due for carry forward.
  - Purchase records, showing details of purchases on which tax has been paid, purchases made without payment of tax, purchases made from an exempted unit and purchases made from outside Lakshadweep in Form UTL VAT- 30. Original tax invoices for purchases on which tax has been paid and invoices for purchases made without payment of tax shall be preserved date-wise and in numerical order.
  - Sales records showing separately sales made at different tax rates, zero- rated taxable sales and tax-free sales in Form UTL VAT- 31. Copies of tax invoices related to taxable sales and invoices related to exempt sales shall be retained date-wise and in numerical order.
  - Record of inter-state sales and inter-state transfer of goods (including that of goods sent for job work) supported by statutory declarations and such other evidence as may be relevant.
  - Details of input tax calculations where the dealer is making both taxable and tax free sales.
  - Stock records showing stock receipts and deliveries and manufacturing records.
  - Stock records showing separately the particulars of goods stored in cold storage, warehouse, godown or any other place taken on hire.
  - Order records and delivery challans, wherever applicable.
  - Annual accounts including trading, profit and loss accounts and the balance sheet.
  - Bank records, including statements, cheque book counter foils and pay-in-slips.
  - Cash book, daybook and ledger.
  - Record of Credit and Debit Note(s) relating to purchase in UTL VAT- 30A and record of Credit and Debit Note(s) relating to sale in UTL VAT- 31A.
- (2) The following records shall be maintained by a dealer having elected to pay tax under section 16, namely:-
- Details of the goods purchased and sold by him; and
  - Cash book, daybook, ledger, invoice books and purchase vouchers.
- (3) Every owner or lessee of a cold storage, warehouse, godown or any such place, who stores goods for hire or reward shall maintain or cause to be maintained a correct and complete account indicating the full particulars of the person whose goods are stored and the quantity, value, date of arrival, date of dispatch and the proposed destination of such goods.
- (4) Every person who carries goods for reward shall maintain or cause to be maintained a correct and complete account indicating the full particulars of the person whose goods are carried, the quantity, value, the place and date of delivery of such goods, vehicle number, and serial number and date of Goods Receipts (GR) note and his office copy of the same.

*Explanation.*— For removal of doubts, books of accounts, as stated in this rule, shall be maintained separately in relation to the business carried out in Lakshadweep .

#### 40 A. Gross turnover limit for accounts to be audited

For the purpose of Section 49, a dealer whose gross turnover in a year exceeds one crore rupees, shall get his accounts of such year audited by an accountant, and shall be liable to submit a report, as notified by the Commissioner, from time to time:

PROVIDED that the Commissioner may, by an order, require a dealer or class or classes of dealers, to submit a simplified version of the report in lieu of report notified by him under section 49,



PROVIDED FURTHER that the Commissioner may, by an order, exempt a dealer or class or classes of dealers, from furnishing a report, for the purpose of Section 49.

**41. Records to be carried by a person in charge of a goods vehicle**

**Section: 61**

**Forms: 32 to 35B, 43, 44**

- (1) The owner, driver or person in charge of the goods vehicle shall carry / carry the Transport Receipt in Form UTL VAT- 32, sale invoice or delivery note in Form UTL VAT-33, and, as the case may be, export declaration in Form UTL VAT- 34, import declaration in Form UTL VAT- 35 or transit slip in Form UTL VAT 35A.
- (2) For obtaining export or, as the case may be, import Declaration in Forms UTL VAT- 34 and UTL VAT-35, an application in Form UTL VAT 43 shall be made to the Commissioner by the user dealer.
- (3) Account of the usage of Forms UTL VAT 34 and UTL VAT 35 shall be maintained by the user dealer in Form UTL VAT 35B which shall be open for inspection by the Commissioner and shall be filed with the Commissioner every quarter or with every new application for obtaining Form UTL VAT 34 and UTL VAT 35, whichever is earlier.
- (4) A declaration in Form UTL VAT 34 or UTL VAT 35 shall be in three parts. Each part shall be filled and signed by consignor, the consignee and the transporter, as the case may be. The owner, driver or person in charge of the goods vehicle shall keep with him such declaration forms in duplicate while carrying the goods. He shall submit the declaration forms in duplicate at the check post or barrier. The officer in-charge shall retain the original part of such declaration and shall return to the owner, driver or person in-charge of the goods vehicle, the duplicate part duly verified, signed and stamped. The duplicate part of such declarations shall be furnished by the user dealer to the Commissioner along with the account of such declaration maintained in Form UTL VAT 35B at the time of obtaining of additional declaration forms.
- (5) Where the goods vehicle entering Lakshadweep, is bound for any place outside Lakshadweep and passes through Lakshadweep, the owner, driver or the person in charge of the goods vehicle shall furnish, in duplicate, to the officer in charge of the check post or barrier, a Transit Slip in duplicate in Form UTL VAT- 35A duly filled, signed and verified. He will obtain from the officer in-charge of the check post or the barrier one copy of the Transit Slip duly countersigned. The owner, driver or person in-charge of the goods vehicle shall deliver within twelve hours of its entry into Lakshadweep, the said countersigned copy to the officer in-charge of the check post or barrier at the point of his exit from Lakshadweep .
- (6) The owner, driver or his agent or the person in charge of the goods vehicle when required to furnish security under sub-section (5) of section 61 shall furnish security in the form and in the manner and subject to the conditions specified in rule 23. The security referred to in this sub-rule shall be furnished within the time specified in the order not exceeding seven days from the detention of the goods. The Commissioner shall issue to the depositor a receipt in Form UTL VAT 44 acknowledging the receipt of the security.
- (7) The officer in charge of the check post or barrier detaining the goods shall make a report to the Commissioner about all the facts and circumstances of the case within twelve hours of the detention of the goods.
- (8) Where the goods detained are not released owing to the failure to furnish the security required to be furnished under sub-section (5) of section 61 within the specified time, the notified goods detained shall be sold by public auction after following the procedure as specified in rule 41.

*Explanation.* – For the purpose of this rule, unless the context otherwise requires, “officer in-charge of the check post or barrier” shall also include any officer or any agent as may be empowered by the Commissioner.

**42. Issue of Duplicate Tax Invoice**

<b>Section: 50</b>	<b>Form: 36</b>
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- (1) Where a purchasing dealer claims to have lost the original tax invoice, the selling dealer may, upon a request made by the purchasing dealer accompanied by an undertaking-cum-indemnity in Form UTL VAT- 36, provide a copy of such lost tax invoice clearly marked as a 'duplicate' and shall furnish a copy of such undertaking-cum-indemnity along with his return for the tax period in which such 'duplicate' tax invoice has been issued.
- (2) Except when a tax invoice is issued under sub-section (1) of section 50, if a dealer sells any goods exceeding <sup>1</sup>[one hundred] rupees in any one transaction to any person, he shall issue to the purchaser a retail invoice in terms of sub-section (4) of section 50.

**42A.** *A retail invoice issued under sub-section (4) of Section 50 of the Regulation by a dealer, who has elected to pay tax under section 16 of the Regulation (including schemes notified there under), besides, containing particulars specified in sub-section (5) of the said section, shall also contain the words 'Composition Dealer (Not eligible to charge VAT on Bill Amount)' at the top of the invoice.*

**43. Credit and Debit Notes**

<b>Section: 51</b>	<b>Form: Nil</b>
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For the purposes of section 51, a credit note and a debit note shall be signed by a person authorised to sign the return to be filed under the Regulation and shall contain the following particulars, namely:-

- (a) the name, address and registration certificate number of the selling registered dealer;
- (b) the name and address of the purchaser and his registration number where the purchaser is a registered dealer;
- (c) a description of the reason for issuing the credit note or debit note, as the case may be;
- (d) the serial number of the relevant tax invoice affected by the credit note or debit note, as the case may be; and
- (e) the amount of the variation to the tax amount shown on the tax invoice.

**44. Notice for audit**

<b>Section: 58</b>	<b>Form: 37</b>
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Where the Commissioner has decided to audit the business affairs of any person under section 58, the Commissioner may serve on that person a notice in Form UTL VAT- 37 in the manner prescribed in rule 59.



## CHAPTER X

## Value Added Tax Authorities and Appellate Tribunal

## 45. Designation of other persons appointed to assist the Commissioner

Section: 66

Form: Nil

Other persons who may be appointed to assist the Commissioner under sub-section (2) of section 66 may be designated as <sup>1</sup>[Additional] Commissioner, Joint Commissioner, Deputy Commissioner, Assistant Commissioner, Value Added Tax Officer, Assistant Value Added Tax Officer and Value Added Tax Inspector.

## 46 Conditions upon delegation of powers by the Commissioner

Section: 68

Form: Nil

Without prejudice to the provisions of section 68, the Commissioner may delegate any of his powers to any person not below the rank of an Assistant Value Added Tax Officer, but he may delegate his powers—

- (a) under sub-sections (1) and (2) of section 60, to a person not below the rank of a Value Added Tax Officer;
- (b) under section 61, to a person not below the rank of a Value Added Tax Inspector; and
- (c) under section 84, to a person not below the rank of <sup>2</sup>[Special] Commissioner.

## 47. Superintendence and control

Section: 66

Form: Nil

Subject to the general control and superintendence of the Government, control and superintendence over all officers appointed under sub-section (2) of section 66 shall vest in the Commissioner.

## 47A. Power to extend time

Section: Nil

Form: Nil

Where in these rules a period is prescribed for doing this Regulation, the Commissioner may, for reasons to be recorded in writing, extend that period as may be specified by him.]

## 48. Conditions subject to which an officer may be authorised to investigate offences punishable under the Regulation

Section: 92

Form: Nil

The Commissioner shall not authorize any officer for the purpose of sub-section (1) of section 92 who is lower in rank than an Assistant Value Added Tax Officer.

## CHAPTER XI

## Disputes

## 49. Authority to whom objection may be made

<b>Section: 74</b>	<b>Form: Nil</b>
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An objection under sub-section (1) of section 74 shall lie to Commissioner, Joint Commissioner, Deputy Commissioner, Assistant Commissioner, Value Added Tax Officer and Assistant Value Added Tax Officer:

PROVIDED that, the Commissioner may, by notice published in the Official Gazette, fix the jurisdiction of the respective authority on the basis of territory or pecuniary limit or nature or class of objections or on any other basis that may be deemed appropriate by the Commissioner.

## 50. Making of objections

<b>Section: 74</b>	<b>Forms: 38, 39</b>
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- (1) Every objection shall be made in Form UTL VAT- 38 accompanied by a copy of the notice of assessment, order or decision against which the objection is being preferred and shall be submitted in triplicate with one copy to the Commissioner or the Value Added Tax authority against whose order the objection has been preferred.
- (2) Every objection shall contain a clear statement of facts, precise grounds of objection and the relief claimed.
- (3) Where an objection is made after the time limit prescribed under sub-section (4) of section 74, it shall be accompanied by a statement in Form UTL VAT- 39, showing the reason for the delay in making the said objection.
- (4) Where fresh evidence is sought to be produced, the objection shall be accompanied by a memorandum of the evidence sought to be produced, stating clearly the reasons why such evidence was not adduced before the Value Added Tax Authority against whose order the objection is being preferred.
- (5) The objection in Form UTL VAT- 38 shall be signed by the person making such objection or his agent and shall be presented by him or his agent to the authority in person.
- (6) The authority shall issue or cause to be issued an acknowledgement of the objection received, to the person who has filed the objection, specifying the date of personal hearing.

## 51. Determination of objections

<b>Section: 74</b>	<b>Form: Nil</b>
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The Commissioner while deciding the objection shall conduct the proceedings by examining—

- (a) the registers and records maintained by the Value Added Tax Authority against whose order or decision or assessment the objection has been preferred;
- (b) the objection; and
- (c) any other document, information or report, which, in his opinion, is relevant to decide the objection;

and may –

- (i) admit any further oral or documentary evidence that is relevant to the matters in dispute; and
- (ii) allow the applicant to present its arguments in person, by a representative authorised to appear before any authority under section 82 and by submission in writing, if any.



**52. Hearings**

<b>Section: 74</b>	<b>Form: Nil</b>
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- (1) Unless the person making the objection has expressly waived the personal hearing, the Commissioner or the Value Added Tax Authority (together referred to in this rule as "authority") deciding the objection shall pass the order on the objection after affording a reasonable opportunity of being heard to such person or his authorised representative.
- (2) The authority deciding the objection may before deciding the objection, cause such further and other enquiry or direct such enquiry to be held by the authority against whose decision the objection has been preferred, as the authority deciding the objection may consider necessary. The authority against whose order or decision or assessment the objection has been preferred may be represented by a person authorised by him.
- (3) The authority deciding the objection shall not at any hearing, allow the objector to argue or present any ground of objection not specified in the objection unless the authority is satisfied that omission of that ground therefrom was not willful or unreasonable.

**53. Intimation of outcome of objection**

<b>Section: 74</b>	<b>Form: 40</b>
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The decision of the Commissioner or the Value Added Tax Authority deciding the objection shall be intimated to the applicant in Form UTL VAT- 40 and shall be served on the person making the objection in the manner prescribed in rule 59.

**54. Delay**

<b>Section: 74(8)</b>	<b>Form: 41</b>
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- (1) A notice for the purpose of sub-section (7) of section 74 shall be in Form UTL VAT- 41.
- (2) The notice shall be signed by the person making the objection or his authorised signatory and shall be served in person on the Commissioner or the Value Added Tax Authority deciding the objection.

**55. Refund on account of objection**

<b>Section: 74</b>	<b>Form: Nil</b>
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The procedure for the refund of any amount due in consequence of an order made pursuant to an objection, or any other proceeding under the Regulation, shall be that provided in rule 32.

**55A. Filing of appeal before Appellate Tribunal**

<b>Section: 76</b>	<b>Form: 38A</b>
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- (1) Every appeal shall be presented in the form of a memorandum of appeal which shall be—
  - (a) in Form UTL VAT- 38A when the appeal is against an order of assessment;
  - (b) written on a standard watermarked judicial paper when the appeal is against any other order or decision.
- (2) Every memorandum of appeal shall be accompanied by a fee of fifty rupees in the form of court fee stamps.
- (3) Every memorandum of appeal shall contain a clear statement of facts, precise ground of appeal and relief claimed.
- (4) Every appeal shall be filed in triplicate and shall be accompanied by three copies (at least one of which shall be certified) of the order appealed against and three copies of the order of the original authority. Copies, other than those that are certified, shall be attested by the appellant or his authorised representative as true copies.
- (5) An appeal to the Appellate Tribunal shall be signed by the appellant and shall be presented by him in person or by his authorised representative to the Appellate Tribunal or to an officer authorised by the Appellate Tribunal.



- (6) Where an appeal is made after the expiry of the period specified in sub-section (2) of section 76, it shall be accompanied by a petition duly verified setting forth the facts showing sufficient cause for not preferring the appeal within the said period.
- (7) Where the appeal is made without payment in full of the tax or any penalty in respect of which the appeal is being preferred, the memorandum of appeal shall be accompanied by a petition duly verified stating the facts on which the appellant relies to satisfy the Appellate Tribunal to entertain his appeal without such payment or on payment of such lesser amount as remains unpaid.
- (8) Every appeal where fresh evidence is sought to be produced, shall be accompanied by a memorandum of evidence sought to be produced, stating clearly the reasons why such evidence was not adduced before the authority against whose order the appeal is being preferred.

**55B. Furnishing of security**

<b>Section: 76</b>	<b>Form: Nil</b>
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Where the Appellate Tribunal orders an appellant to furnish security under the proviso to sub-section (4) of section 76, the appellant shall furnish the security in any one of the modes specified in rule 23 of these rules, as the Appellate Tribunal may direct and subject to the conditions specified therein.

**55C. Hearing of the appeal or application**

<b>Section: 76</b>	<b>Form: Nil</b>
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- (1) If the Appellate Tribunal does not reject the appeal summarily, it shall fix a date for its hearing and send a notice to the appellant and the Commissioner. The Appellate Tribunal may, before deciding the appeal, hold such further enquiry or direct it to be held by the authority against whose decision the appeal has been preferred, as may appear necessary to the Appellate Tribunal. The Commissioner may be represented by a person authorized by him.
- (2) The Appellate Tribunal shall not, for the first time receive in evidence on behalf of the appellant, an account, register, record or other documents, unless it is satisfied that the appellant was prevented by sufficient cause from producing such documents before the authority against whose order the appeal has been preferred.
- (3) The Appellate Tribunal shall not, at the hearing of appeal allow the appellant to go into any ground of appeal not specified in memorandum of appeal unless the Appellate Tribunal is satisfied that omission of that ground therefrom was not willful or unreasonable.

**56. Determination of specific questions**

<b>Section: 84</b>	<b>Form: 42</b>
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- (1) Any person desiring that a question be determined by the Commissioner pursuant to section 84, shall furnish a concise statement of the case in form UTL VAT-42 stating therein precisely the question to be determined, and indicating clearly the basis for the question. Where the person applying for the determination so desires, the statement may separately include a draft ruling for the Commissioner's consideration and shall be accompanied by a demand draft in favour of "The Commissioner, Lakshadweep Value Added Tax" for the amount of the fee as prescribed in Annexure 1 to these rules.
- (2) The statement of the case referred to in sub-rule (1) shall contain a declaration that the question submitted for determination of the Commissioner does not arise from any order passed under the Regulation which were in force before the commencement of the Regulation and shall be signed by the person or his agent.
- (3) The Commissioner, after considering all the relevant material produced before him in this connection, shall determine the question or questions referred to him.
- (4) The decision of the Commissioner shall be prepared and notified to the applicant in writing.
- (5) An order determining the questions shall be made by the Commissioner within a period of six months from the date of submission of the question, failing which, the provision of sub-section (6) of section 84 shall apply.



**57. Rounding**

<b>Section: 36</b>	<b>Form: Nil</b>
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Where the Regulation or these rules require an amount to be calculated and the amount is not a multiple of a Rupee, the amount shall be rounded off to the nearest Rupee.

**58. Printing of forms**

<b>Section: Nil</b>	<b>Form: Nil</b>
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All forms prescribed in these rules shall be printed under the authority of the Commissioner and be obtainable from him or his authorised agent on payment of such charges, as may be specified by the Commissioner from time to time:

PROVIDED that any form in force before commencement of these rules and which may be specified by the Commissioner by order in writing may continue to be used for such period as specified in the said Order:

PROVIDED FURTHER that the provisions of this rule shall not apply to such form or forms as the Commissioner may specify in this behalf. It shall be open for a dealer to download such forms from the official website that may be notified by the Commissioner.

**59. Service of documents**

<b>Section: Nil</b>	<b>Form: Nil</b>
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(1) Without prejudice to the provisions of sections 96 and 97, notices of summons or orders (in this rule called a 'document') under the Regulation or these rules may be served by any of the following methods, namely:-

(i) by delivering or tendering to the addressee or his agent, or to a person regularly employed by him in connection with the business in respect of which he is registered or to any adult member of his family, a copy of the notice, summons or order;

(ii) by post:

PROVIDED that if upon an attempt having been made to serve any such notice or summons or order by any of the abovementioned method, the Commissioner is satisfied that the addressee is evading service of notice, summons or orders or that for any other reasons, the notice, summons or order cannot be served by any of the abovementioned methods, the Commissioner shall cause such notice or summons or orders to be served by affixing a copy thereof—

(a) if the addressee is a dealer, upon some conspicuous part of any place of the dealer's business last notified by the dealer or if the said place of business is known not to exist or is not traceable, upon some conspicuous part of the last known place of residence of its proprietor or partner or director or trustee or manager or authorised signatory or any other person authorised to receive notice on behalf of the dealer;

(b) if the addressee is not a dealer, on some conspicuous part of his residence or office or the building in which his residence or office is located;

and such service shall be as effectual as if it has been on the addressee personally:

PROVIDED FURTHER that where the Commissioner at whose instance the notice or summons or order is to be served, on inquiry, is satisfied that the said office, building, place of residence is known not to exist or is not traceable, he may, by order in writing, dispense with the requirement of service of the notice or summons or order under the preceding proviso;

- (i) by sending the document by facsimile;
- (ii) by sending the document by electronic mail;
- (iii) by sending the document by courier; or
- (iv) in such other manner as the Commissioner thinks fit.

(2) When the officer serving a notice or summons or order delivers or tenders a copy of the notice or summons or order to the addressee personally or to his agent or to any other person referred to in clause (i) of sub-rule (1), he shall require the signatures of the person to whom the copy is so delivered or tendered, as an acknowledgment of the service, endorsed on the original notice of summons, or order;



**Rule 60****Lakshadweep VAT Rule 2022**

PROVIDED that where the addressee or his agent or any such person refuses to sign the acknowledgment, the servicing officer shall affix a copy of the notice or summons or order on the outer door or some other conspicuous part of the premises in which the addressee ordinarily resides or carries on business or personally works for gain.

- (3) When the notice, summons or order is served by affixing a copy thereof in accordance with the provisions to sub-rule (1) or sub-rule (2), the officer serving it shall return the original to the Value Added Tax Authority which issued the notice, summons or order with a report endorsed thereon or annexed thereto, stating that he so affixed the copy, the circumstances under which he did so and the name and address of the person, if any, by whom the addressee's place of business or residence was identified and in whose presence the copy was affixed. The said officer shall also obtain the signatures or thumb impression of the person identifying the addressee's residence, office or place of business.
- (4) When service is made by post, the service shall be deemed to be effected by properly addressing, pre-paying and posting by registered post the notice, summons or order and unless the contrary is proved, the service shall be deemed to have been effected at the time at which the notice, summons or order would be delivered in the ordinary course by post.
- (5) When the service is made through a courier, the service shall be deemed to have been effected by properly addressing, pre-paying and delivering to the courier the notice, summons or order and unless contrary is proved, the service shall be deemed to have been effected at the time at which the notice, summons or order would be delivered in the ordinary course by courier.
- (6) The sufficiency of mode of service of any notice, summons or order shall be decided by the Value Added Tax Authority which issued the same.

**60. Submission of documents with Commissioner**

<b>Section: Nil</b>	<b>Form: Nil</b>
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- (1) Subject to sub-rule (2), any application, return, form or other document (in this rule called "document") which is to be furnished, submitted or made (in this rule referred to as "submitted") to the Commissioner under the Regulation or these rules shall be submitted by-
  - (a) delivering the document to the Commissioner at his office;
  - (b) delivering the document to the Commissioner at any other place notified by him; or
  - (c) *such other means as the Commissioner may notify, including electronic transmission of data, on the departmental website, from the date and manner notified by the Commissioner in this regard:*

*PROVIDED that the Commissioner may require any person or all persons, responsible for making payment to any contractor, to issue Form UTL VAT-43 and also furnish return in Form UTL VAT-48 electronically, on the departmental website, from the date and manner, as may benotified by the Commissioner in this regard.*

- (2) A document shall be treated as submitted by a person to the Commissioner if the document is submitted by delivery at a place notified by the Commissioner, once the document has been stamped with the date of receipt by the Commissioner or by any other person authorised by the Commissioner to receive the document.

**61. Qualifications to be possessed by Value Added Tax Practitioner**

<b>Section: 82</b>	<b>Form: 45</b>
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- (1) A value added tax practitioner referred to in section 82 shall be eligible to have his name entered in the list, if -
  - (a) he possesses any of the qualifications specified in rule 50 or rule 51 of the Income Tax Rules, 1962, as amended from time to time; or
  - (b) he -
    - (i) was formerly an employee of Value Added Tax Department;
    - (ii) held during service in the department an office not lower in rank than that of an Assistant VAT Officer for not less than seven years; and



**Rule 62****Lakshadweep VAT Rules 2020**

- (iii) is, in the opinion of the Commissioner, a fit and proper person to appear or Regulation in proceedings under the Regulation and these rules.
- (2) A person referred to in clause (b) of sub-rule (1) shall not be eligible to appear before the Authority deciding the objection on behalf of a person for a period of one year after he ceased to be an employee of the Department.
- (3) A person who wishes to have his name entered in the list referred to in clause (c) sub-section (1) of section 82, shall –
- apply to the Commissioner in writing;
  - pay the fee as prescribed in Annexure 1 of these rules; and
  - furnish with his application, documentary evidence of his eligibility.
- (4) The Commissioner shall maintain a list of all persons whose names are entered as per this rule.
- (5) A Certificate in Form UTL VAT-45 would be provided to each qualified value added tax practitioner.

**62. Officers to carry and produce authorisations**

<b>Section: 68</b>
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<b>Form: 46</b>
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- (1) Where the Commissioner wishes to appoint an officer or other person to exercise any of the powers in Chapter X of the Regulation, the grant of authority to exercise the powers shall be in Form UTL VAT- 46 and shall be issued by the person empowered by the Commissioner in this regard.
- (2) The grant of authority shall –
- be limited to a period not exceeding three years;
  - be to a specific person; and
  - expire on the retirement, resignation or transfer of the person;
- PROVIDED that an authority granted may be renewed.
- (3) Every officer or other person authorised by the Commissioner under sub-rule (1) shall –
- carry the authorization in Form UTL VAT- 50, with him when purporting to exercise any of the powers conferred under Chapter X of the Regulation; and
  - produce the authorization in Form UTL VAT- 50, if requested by the owner or occupier of any premises where he proposes to exercise these powers.

**63. Location of check-posts and barriers**

<b>Section: 101</b>
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<b>Form: Nil</b>
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The check-posts and barriers set-up for the purposes of section 112 shall be located at the places described in the Annexure 2 to these rules.

**64. Other returns and additional information for proper administration of the Regulation**

<b>Section: 100</b>
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<b>Forms: 18A</b>
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- (1) Every transporter, cold storage or warehouse operator, or any other person shall produce such information as required for proper administration of the Regulation.
- (2) Where, upon the commencement of the Regulation, a person is deemed to have been registered under the Regulation pursuant to section 24, he shall furnish a statement of opening stock held by him along with his first return to be filed in Form UTL VAT- 16.

**64A. Power to prescribe Acknowledgement**

<b>Section:</b>	<b>Form:</b>
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*The Commissioner may prescribe an Acknowledgment for applications / returns filed by the dealer online or in hard copy of such applications / returns.*

**65. Power to remove difficulties**

<b>Section: Nil</b>	<b>Form: Nil</b>
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If any difficulty arises in giving affect to the provisions of this Rules, the Government may by Notification publish in the Official Gazatte make such provisions not inconsistent with the provisions of the Regulation as appear to it, to be necessary for removing the difficulties.



**ANNEXURE 1**

(See rules \_\_\_\_\_)

**PRESCRIBED FEES**

A. The following fee shall be payable in court fee stamps namely :

<b>Circumstance requiring fee</b>	<b>Amount (in rupees)</b>
<b>Registration</b>	
Application for registration	500
Request for duplicate of certificate of registration	100
<b>Inspection and copies of documents</b>	
Inspection of documents: first hour	50
Inspection of documents: for each subsequent hour	10
Inspection of documents: document of previous year	100
Making copies of documents in the Commissioner's possession: for the first 200 words or part thereof	10
Making copies of documents in the Commissioner's possession: for every additional 100 words or part thereof	5
Additional fee where copies of documents are required urgently	20
<b>Objections and disputes</b>	
Submitting an objection / appeal	50
Any other application	10
On Vakalatnama or Mukhtiarnama	10
AB. The following fee shall be payable in the form of Bank Draft namely :	Amount (Rs.)
Application for determination of a specific question under section 84	Rs. 500/- per Question
Application to be recognised as a value added tax practitioner	5,000

Lakshadweep VAT Rule 2022

**ANNEXURE 2**

*(See Rule 59)*

**LOCATIONS OF CHECK-POSTS AND BARRIERS**

*[To be specified]*

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