THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN

and

THE HON'BLE SRI JUSTICE M.SATYANARAYANA MURTHY

WRIT PETITION No.39035 of 2015

ORDER: (per RR, J)

Heard Sri M.V.J.K. Kumar, learned counsel for the petitioner, and Sri Shaik Jeelani Basha, learned Special Standing Counsel for Commercial Taxes, and with their consent, the writ petition is disposed of at the stage of admission.

On the petitioner being subjected to tax under the APVAT Act, the assessment order was sought to be revised by the second respondent. In his order dated 25.07.2015, the second respondent observed that this Court, in **KGF COTTONS (P) LTD v. THE ASSISTANT COMMISSIONER (CT) LTU, ADILABAD,** had held that, in view of Section 15(c) of the Central Sales Tax Act, the tax levied on the sale of rice must be reduced by the amount of purchase tax levied under Section 4(4) of the APVAT Act on paddy; and, while giving effect to the revision orders, the Commercial Tax Officer should collect the purchase tax levied under Section 4(4) on paddy, and reduce the amount so collected from the tax levied on the sale of rice, if necessary by adjustment.

Curiously, the assessing authority has passed the impugned order without giving the petitioner the benefit of Section 15(c) of the CST Act. The third respondent was obligated to pass an assessment order afresh in accordance with the directions of the revisional authority, and his failure to do so may well have necessitated action being taken against him by the authorities concerned.

Sri Shaik Jeelani Basha, learned Special Standing Counsel for Commercial Taxes would submit that, instead, the assessment order may be set aside, and the assessing authority be… permitted to pass an order afresh in accordance with the law declared by this Court in **KGF COTTONS (P) LTD** (1 supra), and the order of the revisional authority.

The assessment order is set aside. The assessing authority shall pass an order afresh and compute the liability of the petitioner under Section 4(4) of the APVAT Act after giving them the benefit of Section 15(c) of the CST Act.

The writ petition is, accordingly, disposed of. No costs.

Miscellaneous Petitions pending, if any, shall also stand disposed of.

RAMESH RANGANATHAN, J

2nd DECEMBER, 2015.

M.SATYANARAYANA MURTHY, J

kvni