8th floor, Vikrikar Bhavan,
Mazgaon, Mumbai-400010.

TRADE CIRCULAR

To

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No.VAT/Activity Code-1009/57/Adm-6 Mumbai, Dt. 31/12/09
Trade Cir. No. 38 T of 2009

Sub: Activity Code in e-704.

Ref: (1) Government Notification No.VAT-1508/CR-69/Taxation-1 dated 10th November 2008.
(2) Trade Circular 39T of 2008 dated 15th November 2008.
(3) Trade Circular 41T of 2008 18th November 2008.
(4) Representation received from Trade and Association.

Gentlemen/Sir/Madam,

Activity Codes are numerical codes that are used to define the activities of an economic unit. These codes are developed by National Industrial Classification (NIC) 2008. It is a standardized system of classification of economic activities essential for meaningful collection of data relating to such activities. This classification does not draw the distinction according to the kind of ownership, type of legal organization, type of technology and scale or mode of operation. It only classifies the economic activities under taken by economic units. The National Industrial Classification (NIC) is an essential statistical standard for developing and maintaining comparable data base according to economic activities. The National Industrial Classification (NIC) 2008 is a revised version of NIC 2004. It seeks to provide a basis for the standardize collection, analysis and dissemination of economic activity in India. There are 21 sections, 88 divisions, 238 groups, 403 classes and 1304 sub-classes.

2. Part II, Table -3 of the e-704 contains the columns in regards to Activity code and Activity Description. The Activity Codes are available on the Website www.mahavat.gov.in in the chapter of instructions for filing of e-704 and are self explanatory in nature. Out of 403 classes devised by NIC 2008 the department has chosen 236 classes for Sales Tax purposes. These 236 classes having four digit codes are available on the website www.mahavat.gov.in. Few dealers may not find their business activity among the activity codes mentioned in www.mahavat.gov.in. They may log on to www.mospi.nic.in an official website of Central Statistical Organization (CSO) where they may find the (NIC) 2008 and the class of their activity with four digit code in the detailed structure. It is necessary to specify the class codes out of 403 classes available in NIC-2008.

3. At present, for suitability of data collection, the department has decided to adopt four digit code which specify the class of activity only. Therefore, the sub-classes having five digits should not be mentioned and only the classes specifying four digit should be mentioned in e-704 at present.

4. The Activity codes in the website also express inclusion and exclusion statements to remove ambiguity in the scope of classification.

5. The business activity carried on in the State of Maharashtra must be specified in the columns of activity codes. For example, the dealer may have manufacturing in the other state and trading in the State of Maharashtra, then he must specify the trading activity in the column.

6. The dealer may have multiple business activities. In such cases five major business activities contributing to the revenue shall be specified with their turnover and taxes.

7. If there are any difficulties regarding same please send your queries to

(i) e-mail id- activitycodes@mahavat.gov.in

(ii) Deputy Commissioner of Sales Tax (ADM-06)-Activity Codes
Act & Rule, 9th floor, Vikrikar Bhavan, Mazgaon,
Mumbai-400 010.
ghorpade.ab@mahavat.gov.in
Phone No. (022) 23760901
23760907
23760914
23760917

Yours faithfully,

(SANJAY BHATIA)
Commissioner of Sales Tax,
Maharashtra State, Mumbai.

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1. Copy forwarded To :
   a. All the Addl. Commissioners of Sales Tax in the State.
   b. All the Joint Commissioners of Sales Tax in the State.
   c. The Joint Commissioner of Sales Tax (Mahavikas) with the request to upload this Trade Circular on the Departments web-site.
   d. All the Sr. Dy. Commissioners of Sales Tax in the State.
   e. All the Dy. Commissioners of Sales Tax in the State.
   f. All the Asstt. Commissioners of Sales Tax in the State.
   g. All the Sales Tax Officers in the State.
2. Copy forwarded with compliments for information to:
   a. The Officer on Special Duty, Finance Department, Mantralaya, Mumbai.
   b. The Under Secretary, Finance Department, Mantralaya, Mumbai.
   c. The Accounts Officer, Sales Tax Revenue Audit, Mumbai and Nagpur.
3. Copy to all the Desks and Desk Officers in the office of the Commissioner of Sales Tax, Maharashtra State, Mumbai.

(G.B.Indurkar)
Joint Commissioner of Sales Tax,
(HQ)1 Maharashtra State, Mumbai.