



F.No. 34011/4/2015-SO (ST)

**Ministry of Finance
Department of Revenue
State Tax Division**

New Delhi, 21st July, 2015

OFFICE MEMORANDUM

Subject: - Clarification under Section 3 of the CST Act, 1956-reg.

Pursuant to the decision of the Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 25.03.2015, the following clarification is made with regard to Section 3 of the Central Sales Tax Act, 1956:

“Where the gas sold or purchased is transported through a common transport/distribution system (such as a common carrier pipeline), wherein the gas may be co-mingled and fungible with the gas of other parties, so long as an equivalent quantity of the gas introduced into the system in one State is taken out of the system in other State (as evidenced through commercial documentation) such contractual movement of gas will be considered to be physical movement of goods from one State to another”.


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To,

All State/UT Governments.