

Punjab General Sales Tax (Deferment and Exemption) Rules, 1991

PUNJAB

India

Punjab General Sales Tax (Deferment and Exemption) Rules, 1991

Rule

PUNJAB-GENERAL-SALES-TAX-DEFERMENT-AND-EXEMPTION-RULES of 1991

- Published on 20 March 1991
- Commenced on 20 March 1991
- [This is the version of this document from 20 March 1991.]
- [Note: The original publication document is not available and this content could not be verified.]

Punjab General Sales Tax (Deferment and Exemption) Rules, 1991Published vide Notification No. G.S.R. 15/P.A. 46/48/Ss 10-A, 27 and 30A/91 dated 20.3.1991

1. Short title, commencement and application.

(1)These rules may be called the Punjab General Sales Tax (Deferment and Exemption) Rules, 1991.(2)[They shall be deemed to have come into force on and with effect from the date of 1st day of April, 1989] [Sub-rule (1) Substituted by GSR.88/P.A.46/48/Ss.27, 10 and 30A/Amd(2)/92 dated 2.12.1992.].(3)They shall apply to the units which came into production for the first time, on or after the first day of April, 1989 or after the [first day of October, 1992 or after the first day of April 1996 wherein modernisation, expansion or diversification, in terms of the Industrial policy is carried out [and to the units which came into production for the first time after the 24th day of June, 1991 or wherein modernisation, expansion or diversification is carried out in accordance with the electronics policy, 1991] [Inserted by GSR.65/P.A.46/48/Ss.27, 10A and 30A/Amd(1)/92 dated 29.9.92 further modified vide Punjab Government Gazttee LSP III dated 22-5-1997]

2. Definitions.

- In these Rules, unless the context otherwise requires, -(i)'Act' means the Punjab General Sales Tax Act, 1948;(ia)[] [Inserted by GSR.65/P.A.46/48/Ss.27, 10A and 30A/Amd(1)/92 dated 29.9.92.] 'A' category area' shall mean the area notified as 'A' category area in the [Industrial Policy of 1992 or Industrial Policy of 1996 as the case may be as notified by the Government of Punjab in the

Department of Industries from time to time] [Substituted vide Punjab Government Gazette LSP III dated 22-5-1997.];(ib)'B' category area' shall mean the area notified as 'B' category area in the Industries Policy of 1992 [or Industrial Policy of 1996 as the case may be] [Punjab Government Gazette LSP III dated 22-5-1997.] as notified by the Government of Punjab in the Department of Industries from time to time];(ii)'Backward Area' means an area declared as industrially backward by the Government of Punjab or the Government of India, as the case may be, for the purpose of grant of industrial incentives;(iii)'Bet Area' means the area declared as such by the Government of Punjab ;(iv)'Block' means a development block as notified from time to time by Government of Punjab in the Department of Rural Development and Panchayats;(v)'Border District Area' means an area comprising of the districts of Gurdaspur, Amritsar and Ferozepur adjoining the international border with Pakistan;(vi)'Deferment Certificate' means a certificate granted in Form ST (D and E)-II by the prescribed authority in respect of an eligible unit which entitles the unit to get deferment of sales tax or purchase tax or both as the case may be;] [Substituted vide No. GSR 7/P.A.46/48/Ss. 27, 10-A and 30- A/Amd II/96 dated 22.12.95.](vii)'diversification' means a minimum of twenty-five per cent additional fixed capital investment in respect of a unit over its existing fixed capital investment for starting the production of any additional item;(viii)'expansion' and 'modernisation' in relation to an unit shall mean additional fixed capital investment of not less than twenty- five per cent over and above its existing fixed capital investment, resulting in at least twenty-five per cent increase in the existing installed capacity [and expansion under the Industrial Policy of 1996, shall mean additional fixed capital investment of not less than fifty per cent over and above its existing fixed capital investment or installed capacity as recorded in the industrial licence or certificate of the Department of Industries;] [Substituted vide No. GSR 7/P.A. 46/48/Sections 27, 10-A and 30-A/Amd II/96 dated 22.12.95.](ix)'Empowered Committee' means a Committee constituted as such by the Government of Punjab in the Department of Industries;(x)'eligible unit' means a unit in respect of which eligibility certificate has been granted by the district officer of the Department of Industries under the Industrial Policy;(xi)'eligibility certificate' means a certificate granted by the competent authority of the Department of Industries;(xi-a) [Added vide Punjab Government Gazette Legislative Supplement Part III dated 22.5.1997.]'export oriented unit' means an industrial unit exporting at least twenty-five per cent of its products in markets outside India with minimum value addition of thirty-three per cent against direct receipt of foreign exchange or through merchant exporters including the Punjab Small Industries and Export Corporation or any other trading house registered as such with the Department of Industries, Punjab.(xii)'exemption certificate' means a certificate granted in Form ST (D and E)-II by the prescribed authority, in respect of an eligible unit for availing exemption from the payment of sales tax or purchase tax or both as the case may be;][Provided that the units and goods specified in Annexure II and which are located in the Goindwal Industrial Complex, shall be eligible for the grant of benefit of deferment of exemption from the payment of tax under the Act.] [Prviso added by No. G.S.R. 91/P.A. 46/48/Ss. 27, 10A and 30A/Amd. (5)/93. dated 11.11.1993.][(xii-a) 'fixed capital investment' shall include the investment of land, building, plants and machinery in relation to an industrial unit;] [Clause (xii-a) inserted by GSR. 65/P.A.46/48/Ss.27, 10A and 30A/Amd (1)/92 dated 29.9.1992.](xiii)'Form' means a form appended to these rules;(xiv)'Government' means the Government of Punjab in the Department of Excise and Taxation;(xv)'Growth Area' means an area specified as such in Annexure I appended to these rules;(xvi)'Group of industries' shall mean -(a)'A' 'Group of Industries' situated in 'A' Growth Area;(b)'B' 'Group of Industries' situated in 'B' Growth Area;(c)'C' 'Group of Industries'

situated in 'C' Growth Area;(d)'D' 'Group of Industries' situated in 'No Industry Block';(e)'E' 'Group of Industries' units declared as sick units by the Empowered Committee;(f)'F' 'Group of Industries' new units with a fixed capital investment of at least three crores of rupees and when employ at least one hundred workers on permanent basis and is located in one of the 'No Industry Block' specified in Annexure-I - as amended from time to time and include pioneer units;(g)'G' 'Group of industries' units notified by the Government of Punjab to be eligible for deferment of or exemption from tax;(xvii)'Industrial Policy' means the [Industrial Policy of 1989] [Substituted. for 'Industrial Policy of 1989' by GSR 65/P.A.46/48/Ss. 27, 10A and 30A/Amd(1)/92 dated 29.9.1992.] [or the Industrial Policy, 1996] [Added vide Punjab Government Gazette Legislative Supplement Part III dated 22.5.1997.] notified by the Government of Punjab in the Department of Industries as amended from time to time;(xviii)'large and medium scale unit' means an industrial unit specified as such by the Central Government and either licensed under the Industrial (Development and Regulation) Act, 1951, if so required or duly registered with the Director General of Technical Development, Textile Commissioner, Department of Electronics or any other prescribed competent authority;(xix)'No Incentive Area' means an area notified as such by the Government of Punjab in the Department of Industries from time to time, in which incentives are restricted or inadmissible ;(xx)'No Industry Block' means any of the Blocks specified as such in Annexure-I to these rules;(xxi)[Substituted vide Notification No. GSR 45/PA/46/48/Ss 27, 10-A and 3-A Amd. (13)/98 Dated 2.6.1998.] 'notional sales tax liability' shall mean, -(i)the amount of tax payable under the Act on estimated sales of finished products and estimated purchase of raw material otherwise liable to purchase tax of the eligible unit during the year for the purpose of deferment of our exemption from tax computed the rates specified under the Act; andExplanation. - The sales on consignment basis within the State of Punjab or branch transfer within the State of Punjab shall be deemed to be sales made within he State and liable to tax.(ii)the amount of tax payable under the Central Sales Tax Act, 1956, on the sale of finished products of the eligible units made in the course of inter-State trade or commerce computed at the rate of tax applicable to such sales as if these were made against the certificate in Form 'C' specified in the said Act on the basis that the sales are eligible to tax under the aforesaid Act;Explanation. - The branch transfer or consignment sales outside the State of Punjab shall be deemed to be the sales in the course of inter-State trade or commerce.](xxii)["negative list" means the units and goods as specified in Annexure II in respect of units which came into production on or after the first day of April, 1989, but before the first day of October, 1992 and the list of units and goods specified in Annexure IIA in respect of units which came into production on or after the first day of October, 1992, except the units located in 'A' category areas [and the list of the units and goods specified in Annexure II-B ad II-C in respect of units which come into production on or after 1st day of April 1996.] [Substituted for 66 'Negative list' means the list of the units and goods as specified in Annexure II or Annexure IIA as amended from time to time, which are not eligible for the grant of deferment of or exemption from the payment of tax under the Act' by GSR 57/PA.46/48/Ss. 27, 10A and 30A/Amd(3)/93 dated 11.8.1993.][Provided that the units and goods specified in Annexure II and which are located in the Goindwal Industrial Complex shall be eligible for the grant of benefit of deferment or exemptions for the payment of tax under the Act.] [Proviso Added by GSR 91/P.A.46/48/Ss. 10A and 30A/Amd(5)/93 dated 11.11.1993.](xxiii)'prescribed authority' means an officer of the Department of Excise and Taxation incharge of the district;(xxiv)'sub-mountainous area' means an area declared as such by the Government of Punjab;(xxv)'sick unit' means an industrial unit declared as such by the Empowered

Committee;(xxvi)'small scale unit' means a unit falling within the definition of such unit as given by the Central Government, and registered as a small scale industrial unit with the Department of Industries of Punjab;(xxvii)'unit' means an industrial unit which is registered as a dealer under the Act.Note :- The expression and terms, used in these rules but have not been defined shall have the same meaning as have been assigned to them under the Act, or the rules made thereunder.

3. Conditions for eligibility.

(1)Deferment of, or exemption from the payment of tax under the Act, shall be admissible to a unit :-
(i)[excluding the unit which has been set up in 'A' category area, in respect of which] [Words in sub-rule 3(1) substituted for 'in respect of which' by GSR 57/P.A.46/48/Ss. 27 and 30A/Amd(3)/93 dated 11.8.1993.] an eligibility certificate has been granted by the competent authority of the Department of Industries and which has not been included in the negative list;(ii)for a period not exceeding one hundred and eight months, eighty-four months and sixty months respectively in respect of the units located in 'A' growth and 'B' growth and 'C' growth area and for a period of one hundred and twenty months in respect of 'F' group of industries; and(iii)Ommitted vide GSR No. 46/P.A. 46/48/SS. 27, 10-A and 30-A Amd/97 dated 24.10.1997.(2)The deferment of or exemption from payment of tax shall become admissible only after the issue of the certificate of eligibility in Form ST(D and E)-III by the prescribed authority incharge of the district in the Department of Excise and Taxation.

3A. [Benefits to sick Units.] [Added vide Punjab Government Gazette Legislative Supplement Part III dated. 22.5.1997.] - The benefit of deferment or exemption shall be admissible to the sick units which have been taken over by the entrepreneurs from the Punjab Financial Corporation or any other Corporation or agency of the Central or State Government on or after the first day of April, 1996 subject to the conditions that :-

(i)the sick units located in the Growth Area;(ii)the benefits shall be admissible only for the remainder period for which the original proprietor of the sick unit as not availed it.

4. Quantum of entitlement.

(1)The deferment of, or exemption from, the liability to pay tax under the Act, shall be available with regard to group of industries subject to the maximum benefits as per table given below
:-TABLEMaximum benefit of deferment of or exemption from tax

Sl. No.	Group of Industries	To small scale Industries	To medium and large scale industries	Total time limit within which concession will be available
1	2	3	4	5
1	'A'	One hundred and fifty per cent of the fixed	One hundred and twenty five per cent	One hundred and eight months from the production

		capital investment	of the fixed capital investment subject to a maximum of six crore of rupees	starts.*[Provided that in the case of units located in the Goindwal Industrial Complex, the period shall be one hundred and twenty months commencing from the date the production starts]
2	'B'	One hundred and twenty five per cent of the fixed capital investment	Hundred per cent of the fixed capital investment subject to a maximum of four and a half crore of rupees.	Eighty-four months from the date the production starts.
3	'C'	One hundred per cent of the fixed capital investment	Ninety per cent of the fixed capital investment subject to a maximum of three crore of rupees.	Sixty months from the date the production starts.
4	'D' No industry block	Nil	One hundred and twenty five per cent of the fixed capital investment subject to a maximum of six crore of rupees (Only for 'F' group industries.)	One hundred and twenty months from the date the production starts.
5	'E' Sick Industries	-----	-----	-----
6	'F'	Nil	-----	*[One hundred and twenty months from the date the production starts in the case of the units located in Goindwal Industrial Complex.
7	'G'	Nil	Nil	-----

*Added in column 1 and 6 by GSR. 91/PA.46/48/Ss. 27,10A & 30A/Amd(5)/93 dated 11.11.1993.[Provided that the electronic units which came into production on or after the 24th day of June, 1991 shall be eligible for deferment of and exemption from the liability to pay tax under the Act for a period] [Proviso added by GSR. 81/P.A.46/48/Ss. 27, 10A and 30A/Amd(8)/94 dated 1.12.1994.] of [ten] [Substituted forwards 'seven' vide No. GSR 24/P.A. 46/48/Ss. 27, 10-A & 30-A/Amd/12/97 dated 22.5.1997.] years from the date of their coming into production for the first time in the State of Punjab.Note :- The period specified in sub-rule (1) for availing the benefit of deferment of, or exemption from the liability to pay tax shall be reckoned from the date of commencement of production by a unit [-] [The words 'or the date of publication of this notification in the official gazette whichever is later' shall omitted by No. G.S.R. 41/P.A. 46/48/Ss. 27, 10-A and 30-A/Amd. (10)/95 dated 19.7.1995. w.e.f. 1.4.1989.](2)For calculating the maximum benefit

available in respect of a unit under sub-rule (1), the liability to pay tax under the Act as well as under the Central Sales Tax Act, 1956, shall be taken into account.(3)The units undergoing expansion or modernisation shall be entitled to the benefit under sub-rule (1) on incremental production.(4)The expansion or modernisation or both parts of a unit shall be taken into account for the purpose of determining the deferment of, or exemption from the liability to pay tax under the Act, provided that a separate account for the additional and incremental production resulting from such expansion or modernisation or both is maintained.Explanation. - "Incremental production" in relation to expansion or modernisation shall mean production over and above either the installed capacity or actual production before expansion or modernisation, whichever is more.(5)The units undertaking diversification shall be entitled to the benefit under sub-rule (1) only on the additional items produced as a result of such diversification for which a separate account shall be maintained.(6)The unit shall have the option to avail the benefit of either deferment of, or exemption from, the liability to pay tax under the Act:Provided that such an option shall be exercised in Form ST(D&E) VIII within thirty days from the date of the issue of the final notification or from the date of issue of the eligibility certificate, as the case may be, and the option once exercised shall be final.(7)The maximum quantum of deferment of an exemption from the liability to pay tax under the Act shall be calculated at the prevalent rates of tax payable on the taxable turnover of the concerned unit.

4A. [] [Inserted by GSR. 65/P.A.46/48/Ss. 27,10A and 30A/Amd(1)/92 dated 29.9.1992.] (1) Notwithstanding anything contained in any other provision of these rules, and subject to the provisions of sub-rule (2) :-

(i)Group of Industries which are set up in 'A' category area on or after the 1st day of October, 1992 [or the 1st day of April, 1996] [Added vide No. GSR 24/P.A. 46/48/Ss. 27 & 10-A and 30-A/Amd 12/97.] and the goods produced by them shall be exempt from the payment of sales tax for a period of ten years commencing from the date of production for the first time in the State of Punjab, subject to the condition that the total sales tax exemption shall not exceed 300 per cent of their fixed capital investment :[Provided that all fly ash based units that is units which use at least twenty-five per cent of fly ash as raw material by weight or by volume, shall be eligible for incentives which are available to the units located in 'A' category area, irrespective of their location, throughout the State of Punjab] [Proviso added by GSR. 31/PA.46/48/Ss.27,10A and 30A/Amd(7)/94 dated 3.4.1994.](ii)[Group of Industries which are set up in 'B' category area excluding the units manufacturing items specified in Annexure II-A] [Substituted for 'Group of Industries which are set up in 'B' category area' by GSR. 57/PA.46/48/Ss.27,10A and 30A/Amd(3)/93 dated 11.8.1993.] on or after the first day of April 1996, shall be exempt from the payment of sales tax for a period of seven years commencing from the date of production for the first time in the State of Punjab, subject to the condition that the total sales tax exemption shall not exceed 150 per cent of their fixed capital investment.(iii)[the units which are set up in any of the categories of areas manufacturing the goods specified in Annexure II-D, shall be eligible for such deferment or exemption, as is permissible to the units located in 'A' category areas for a period of ten years from the date of commencement of production by the units.] [Added vide Punjab Government Gazette Legislative Supplement Part III dated 22.5.1997.](2)[A unit which qualifies for the various incentives both under the Industrial Policy of 1989 or the Industrial Policy of 1992, as notified by the Department of Industries and has

exercised its option to be covered under either of the aforesaid two policies by the first day of April, 1993, would be governed by the Policy for which it has exercised its option: Provided that no such option shall be available if a unit has already availed of any of the incentives, partially or fully, under the Industrial Policy of 1989] [Sub-rule (2) of rule 4A substituted by GSR. 57/P.A.46/48/Ss. 27, 10A and 30A/Amd(3)/93 dated 11.8.1993. Before substitution it provided '(2) the units which qualify for the various incentives both under the Industrial Policy of 1989 or the Industrial Policy of 1992 shall have the right to exercise option to be covered under either of the aforesaid policies within a period of three months from the date of publication of the notification pertaining to the Industrial Policy of 1992. No such option shall be allowed to a unit which has already availed of any of the incentives under the Industrial Policy of 1989'.].

**4B. [Notwithstanding anything contained in rule 4-A and subject to the provisions of sub-rule (2), the following clauses shall be inserted, namely :-
[Added vide GSR 24/PA 46/48Ss 27, 10 A and 30 A Amd. 12/97 dated 22.5.1997.]**

"(i) Group of industries which are set up in 'A' category area on or after the first day of April, 1996, and the goods produced by them shall be eligible for the grant of benefit, at their option, of deferment or exemption from the liability to pay tax under the Act, for a period of ten years commencing from the date of production for the first time in the State of Punjab, subject to the condition that the total amount of tax deferred or exempted shall not exceed three hundred per cent of their fixed capital investment : Provided that the units and goods specified in Annexure II-D shall be eligible for incentives which are available to the units located in 'A' category area, irrespective of the area through out the State of Punjab.(ii)Group of industries which are set up in 'B' category area on or after the 1st day of April, 1996 and the goods produced by them shall be eligible for the grant of benefit, at their option, of deferment or exemption from the liability to pay tax under the Act, for a period of seven years commencing from the date of production for the first time in the State of Punjab subject to the condition that the total amount of tax deferred or exempted shall not exceed one hundred and fifty percent of their fixed capital investment.(2)a unit which qualifies for various incentives both under the Industrial Policy, 1992 or under the Industrial Policy, 1996 as notified by the Department of Industries, Punjab, and has exercised its option to be covered under either of the aforesaid two policies by the 30th day of September, 1996, would be governed by the policy for which it has exercised option.]

5. Mode of availing benefit of deferment of, or exemption from, the liability to pay tax.-

(1)A unit in respect of which eligibility certificate has been issued shall, within a period of thirty days from the date of its issue, make an application for the grant of benefit of deferment of, or exemption from, the liability to pay tax in Form ST (D&E) I to the prescribed authority. The prescribed authority shall issue certificate in Form ST (D&E) I within a period of thirty days of receipt of the application which should be complete in all respects. In case the certificate is not issued within thirty days, the prescribed authority shall record the reasons for the delay.(2)The application made

under sub-rule (1) shall be accompanied with the eligibility certificate and other relevant documents specified in the application form ST (D&E) I.(3)On receipt of the application under sub-rule (1), the prescribed authority shall make such enquiries as may be considered necessary by it.(4)No application under sub-rule (1) shall be entertained by the prescribed authority if it is made after the expiry of a period of thirty days in terms of the provisions of sub-rule (1).(5)An application which is not accompanied with relevant documents or which contains incomplete or incorrect particulars, shall be liable to be rejected by the prescribed authority.

6. [Security for availing the benefit of deferment of, or from exemption from the liability to pay tax. [Sub-rule (1) of Rule 6 substituted by Punjab Government Gazette Legislative Supplement Part II dated 10.7.1995.]

(1)A unit which makes an application under sub-rule (1) of rule 5 for availing the benefit of deferment of the liability to pay tax under the Act shall execute a mortgage deed in Form ST(D & E) IV in favour of the Government thereby creating first charge on the assets of the unit or the applicant shall furnish a bank guarantee of the amount equivalent to fifteen per cent of the total benefit to be availed of in a year and a surety bond in form ST (D and E) VII for the balance amount of eighty-five per cent. The mortgage deed so executed or the bank guarantee, so furnished, shall be valid till the recovery of the entire deferred amount of tax. The bank guarantee if expiring yearly or if furnished on annual basis, shall be renewed two months before the date of its expiry, failing which the unsecured deferred tax, shall become due for payment immediately.](2)The bank guarantee furnished under sub-rule (1) shall remain in force for the period for which the deferment is applied for and in case the entire amount of deferment is not paid within the stipulated period of deferment, the bank guarantee shall be renewed before the date of its expiry, failing which the unsecured deferred tax shall become due for payment immediately.(3)Omitted vide Punjab Government Gazette Legislative Supplement Part III dated 10.7.1995.(4)The prescribed authority shall, after satisfying itself that a unit which has made an application under sub-rule (1) of rule 5 for availing benefit of deferment of, or exemption from the liability to pay the tax under the Act, fulfils all the conditions laid down in the rules for such a benefit and that he has furnished adequate security under these rules and after satisfying itself that the application is in order, shall issue in respect of the unit a certificate in Form ST (D and E) II to that effect.Explanation. - The mortgage deed and the bank guarantee specified in this rule shall be entered in a register to be maintained in Form ST (D and E) III, by prescribed authority and shall be kept in personal custody of the prescribed authority and it shall be handed over to his successor personally against proper receipt and a certified copy of the same shall be sent to the Excise and Taxation Commissioner by name who will acknowledge its receipt.

7.

Omitted vide Punjab Government Gazette Legislative Supplement Part III dated 10.7.1995.

8. Cancellation of deferment or exemption certificate.

(1)The deferment or exemption certificate granted in respect of a unit shall be liable to be cancelled on any of the following grounds, namely :-(i)that the certificate has been obtained by fraud, deceit, mis-representation, mis-statement or concealment of material facts;(ii)that the unit has discontinued his business at any time for a period exceeding six months or it has its closed business during the period of deferment or exemption;(iii)that the unit has disposed of any of the fixed assets mortgaged with the Government;(iv)that the unit has failed to furnish adequate security as required under these rules;(v)that the unit has failed to pay the deferred amount of tax on the due date of payment;(vi)that the unit has violated any of the provisions of the Act, or the rules made thereunder;(vii)that the competent authority of the Department of Industries, competent to grant eligibility certificate has recommended that the deferment or exemption certificate be cancelled.(2)The prescribed authority shall, before passing an order of cancellation on the grounds specified in sub-rule (1), give an opportunity of being heard to the unit.

9. Return, Assessment etc.

(1)The unit holding deferment or exemption certificate shall continue to file the return in the manner specified under the Act and the rules made thereunder.(2)Notwithstanding anything contained in these rules, the unit holding deferment or exemption certificate issued under these rules, shall attach an attested copy of deferment or exemption certificate, as the case may be, in lieu of proof of payment of tax alongwith the return till the deferred or exempted amount of tax is fully availed of or the period of deferment or exemption expires under these rules, whichever is earlier.(3)The assessment of an eligible unit in respect of which deferment or exemption certificate has been granted shall be made in accordance with the provisions of the Act and the rules made thereunder as early as possible and shall be completed by the 31st day of December in respect of the assessment year immediately preceding thereto and the additional demand so determined, if any, shall be paid as per the provisions of the Act and the rules made thereunder.(4)Notwithstanding the provisions relating to payment of tax due according to returns, the unit in respect of which the benefit of deferment of payment of tax under the Act has been availed of shall make payment of the deferred amount of tax after the expiry of tax deferred every quarter or month, as the case may be, within the period specified in these rules.(4-A) [Added vided Punjab Government Gazette Legislative Supplement Part III dated 22.5.1997.] The amount of tax deferred and retained by a unit which commences production after the 1st day of April, 1996, shall be payable in three equal instalments after ten or seven years, as the case may be from the commencement of benefit as per their applicability :Provided further that an industrial unit with fixed investment not less than rupees hundred crores and which has commenced production after the 1st day of April, 1996, shall be entitled to select the block of seven or ten years within the first ten or the thirteen years of going into commercial production.(5)On cancellation of eligibility certificate or when the period of [deferment has expired, the entire amount of tax deferred or exempted] [Substituted for 'deferment or exemption certificate has expired, the amount of tax deferred or exempted' in sub-rule (5) of rule 9 by GSR. 63/P.A.46/48/Ss. 10A, 30 and 27/Amd (4)/93 dated 19.8.1993.] shall become payable immediately in lumpsum and the provisions relating to recovery of tax, interest and imposition of penalty under the Act shall be applicable in such cases.

10. No interest to be paid on the amount of tax deferred.

- No interest on the amount of tax deferred for the period for which deferment is permitted shall be payable and no penalty shall be imposed for non-payment of the amount of the tax payable according to returns, but for grant of deferment.

11. Registers to be maintained by prescribed authority.

- The prescribed authority shall maintain a ledger account in form ST (D and E) V and Form ST (D and E) VI, respectively in respect of eligible units regarding deferment or exemption certificate granted to the units and entries regarding the grant of deferment or exemption certificate shall be made in the ledger so maintained.

12. Condonation of delay.

- The Excise and Taxation Commissioner may for reason to be recorded in writing condone delay in submission of application for the grant of deferment or exemption certificate upto a period of not exceeding six months. Annexure - I [See Rules 2 and (xxi) (f) and (xx)] Categories of Growth Areas For the purpose of grant of deferment or exemption of tax, the State would be divided into the following areas :- (1) The following blocks shall be known as 'No Industry Block' for the purpose of these rules :-

1. Talwandi Sabo

2. Nathana

3. Phul

4. Rampura

5. Jhunir

6. Budhlada

7. Faridkot

8. Talwara

9. Dasuya

- 10. Mahilpur**
- 11. Saroya**
- 12. Bhawanigarh**
- 13. Lehra Gaga**
- 14. Sehna**
- 15. Majitha**
- 16. Tarsikka**
- 17. Naushera Pannuan**
- 18. Chohla Sahib**
- 19. Gandiwind**
- 20. Patti**
- 21. Bhikhiwind**
- 22. Ajnala**
- 23. Chogawan**
- 24. Tarn Taran**
- 25. Khadoor Sahib**
- 26. Rayya**
- 27. Valtoha**
- 28. Nihal Singh Wala**

29. Bagha Purana

30. Guru Har Sahai

31. Dharamkot at Kot Isa Khan

32. Fazilka

33. Jalalabad

34. Kahnuwan

35. Kalanaur

36. Sri-Hargobindpur

37. Pathankot

38. Fatehgarh Churian

39. Narot Jaimal Singh

40. Dhar Kalan

41. Dina Nagar

42. Dera Baba Nanak

43. Aur

44. Phillaur

45. Nurmahal

46. Shakot

47. Sultanpur

48. Machiwara

49. Samana

50. Khuian Sarwan

51. Bhunerheri

52. Ghanpur

53. Ropar

54. Nurpur Bedi

55. Lambi

56. Adampur

57. Banga

58. Dehlon

59. Pakhowal

60. Jagraon

61. Bassi Pathana

(2)The following areas shall be known as 'A' Growth Areas for the purposes of these rules, namely : (i)Amritsar(ii)Gurdaspur(iii)Ferozepur(iv)Area of Tanda Block of Hoshiarpur District(v)Area of Bhawanigarh Block of Sangrur District, and(vi)Area of Rampura Block of the Bathinda District(3)The following shall be known as 'B' Category Growth Areas, namely :-(i)Area of Hoshiarpur District excluding the area of Tanda Block;(ii)Area of Sangrur District excluding the area of Bhawanigarh Block;(iii)Area of Bathinda District excluding the area of Rampura Block;(iv)Area of Faridkot tehsil of the Faridkot District;(v)Area of Rajpura tehsil of Patiala District excluding the area falling within the Chandigarh Capital periphery but including the areas which are identified and declared for industrial use subject to the condition that such areas are outside the limits of the respective Municipal Committee or the Notified Area Committee, as the case may be;(vi)Kharar Tehsil in the Ropar District excluding the areas which have been declared controlled areas under the provisions of New Capital (Periphery) Central Act, 1952 but including the areas which are identified and declared for industrial use by the Government in the Department of

Industries subject to the conditions that such areas are outside the limits of a Municipal Committee or the Notified Area Committee, as the case may be;(vii)Backward area, bet area and submontane areas;(4)The following shall be 'C' Growth Areas :-Areas comprising the focal points other than the areas of the 'A' Growth Areas and 'B' Growth Areas.Annexure II[See rule 2(xxii)]List Of Items Not Eligible For Sales Tax Incentives

- 1. Flour mills;**
- 2. Rice mills, pulse and cereal mills, spice mills;**
- 3. Laundry;**
- 4. Photographic studios (other than Cinematographic units including colour processing units);**
- 5. Tailoring (other than manufacture of readymade garments);**
- 6. Repacking of medical and toilet goods;**
- 7. Preparing of papad, varia, sweets, confectionery;**
- 8. Producing of fire wood and charcoal;**
- 9. Decoraticting, expelling, crushing, roasting, parching, frying of oil seeds and colouring, decolouring and scenting of oil;**
- 10. Solvent extraction of oil from seeds and oil cakes;**
- 11. Preparing of bread (other than by mechanised bakery)**
- 12. Refining of slack wax;**
- 13. Pesticides formulations;**
- 14. Transformer oil;**
- 15. Stainless steel wire in thicker gauges (upto 20 gauge);**

- 16. Recovery of zinc metal from zinc ash, dross, waste, etc;**
- 17. Re-rolling of steel including stainless steel;**
- 18. Ammonium nitrate from calcium ammonium nitrate (fertilizer grade);**
- 19. Non-power operated acid/slurry/detergent/formulations;**
- 20. Wire drawing of steel and items requiring wire rods as an essential raw material (upto 24 gauge);**
- 21. Conduit pipes and manually welded furniture tubes except, E.R.W. Seamless Pipes;**
- 22. Manufacture of stainless steel products :-**

(a)domestic utensils(b)wiper blade made of stainless steel strips(c)hospital equipment, wires and furniture made of stainless steel sheets and strips.
- 23. Wires and cables/aluminium;**
- 24. All fabrications and products using tin/GP/CC sheets;**
- 25. Bright bars;**
- 26. Zinc oxide;**
- 27. Thinner and French polish;**
- 28. Manufacture of banaspati ghee, refining of crude oil and extraction and solvent extraction of oils except upgradation of minor oils into edible oils;**
- 29. Cement based industry;**
- 30. Paraffin wax based industry;**
- 31. China bhati;**

- 32. Cold storage;**
- 33. Manufacture of ice-cream, ice candy and ice fruits;**
- 34. Printing press;**
- 35. Rice shellers;**
- 36. Cotton ginning;**
- 37. Servicing unit, and repair shops;**
- 38. Heat treatment and electroplating;**
- 39. Mini steel plants and induction furnaces manufacturing steel alloy ingots/billets, except induction furnaces engaged in the manufacture of steel/alloy steel castings;**
- 40. Jobbing units except textiles, dying, finishing and printing industry;**
- 41. Hotels;**
- 42. [Electronic goods manufactured in the State of Punjab by the Electronic Units which came into production for the first time in the State of Punjab prior to the 24.6.1991] [Item 42 substituted by GSR. 81/PA.46/48/Ss. 27, 10A and 30A/Amd(8)/94 dated 1.12.1994. Before substitution, Sl. No. 42 read as 'Electronic goods covered under the electronic policy of the Government of Punjab as amended from time to time'.]**
- 43. [Omitted] [Item 43 read as 'Goods of special importance as mentioned in section 14 of the Central Sales Tax Act, 1956, deemed to have been omitted w.e.f. 1.4.1989 by GSR. 98/PA. 46/48/Ss. 10A, 30A and 27/Amd(6)/93 dated 27.12.1993.]**

[Annexure II-A] [Annexure II-A inserted by GSR. 65/PA.46/48/Ss. 27, 10A and 30A/Amd(1)/92 dated 29.9.1992.](See rule 2(xxii))List of items not eligible for sales tax exemption in respect of new Industrial Units which have come into production for the first time in this State of Punjab on or after 1st October, 1992.

- 1. Rice, pulse and cereal mills;**
- 2. Photographic studios;**
- 3. Manufacture of ice, ice-cream, kulfi, ice candy, ice fruit and sweetmeats;**
- 4. Laundry;**
- 5. Tailoring;**
- 6. Repacking of goods including medicines, toiletries, pesticides, herbicides and edible products;**
- 7. Mere bottling of areated waters, soft drinks and alcoholic drinks;**
- 8. Producing fire wood and charcoal;**
- 9. Decorticting, expelling, crushing, roasting and frying of oil seeds;**
- 10. Wire drawing of steel and stainless steel and bright bars manufacturing;**
- 11. Purely fabricated products primarily using GP, GD, BP and aluminium sheets;**
- 12. Thinner and French polish;**
- 13. Candle manufacturing;**
- 14. Bricks and brick tiles, excluding ceramics, vitreous and PVC tiles [-]
[Words 'and fly ash based bricks and building materials' omitted by GSR.
31/PA.46/48/Ss. 27, 10A and 30A/Amd (7)/94 dated 3.5.1994.]**
- 15. Preparing of bread, other than by mechanised bakery;**
- 16. Refining of used oil;**
- 17. Refining of black wax**

- 18. Formulations of pesticides, insecticides and herbicides;**
- 19. Manufacture of transformer oil;**
- 20. Recovery of zinc metal from zinc ash, dross and waste, except by electrolytical process;**
- 21. Ammonium nitrate from calcium-ammonium nitrate (fertilizer grade);**
- 22. Non-power operated acid slurry detergent formulations;**
- 23. Conduit Pipes and manually welded Furniture, except ERW and Seamless Pipes;**
- 24. Manufacturing of Zinc Oxide from Zinc;**
- 25. Cement 'Jalis' and Electric Poles, Water Tanks and RCC Pipes;**
- 26. Lime Kiln;**
- 27. Cotton Ginning;**
- 28. Servicing, Jobbing and Repair Shops;**
- 29. Hotels and Restaurants;**
- 30. Stone Crushers;**
- 31. Bus/Truck Body and Cargo Boxes Manufacturing;**
- 32. Refining and hydrogenation of edible oils, including manufacture of vanaspati;**
- 33. Distilleries and breweries.**

Annexure II-B [Punjab Government Gazette LSP III dated 22-5-1997.][See Rule 2 (xxii)]List of units and goods not eligible for sales tax exemption in respect of new industrial units which have come into production for the first time in the State of Punjab, on or after 1st April, 1996.

- 1. Rice, Pulse and Cereal Mills.**
- 2. Photographic Studios.**
- 3. Manufacture of Ice-Cream, Kulfi, Ice-Candy, Ice Fruit and Sweetmeats.**
- 4. Laundry.**
- 5. Tailoring.**
- 6. Repacking of goods, including Medicines, Toiletries, Pesticides, Herbicides and Edible products.**
- 7. Mere Bottling of Aerated Waters, Soft Drinks and Alcoholic Drinks.**
- 8. Producing Firewood and Charcoal.**
- 9. Decorticing, Expelling, Crushing, Roasting and Frying of Oil Seeds.**
- 10. Wire Drawing of Steel and Stainless Steel and Bright Bars manufacturing.**
- 11. Purely Fabricated products primarily using GP, GC, BP and Aluminium Sheets.**
- 12. Thinner and French Polish.**
- 13. Candle manufacturing.**
- 14. Bricks and Brick Tiles excluding Ceramics, Vitreous and PVC Tiles.**
- 15. Preparing of Bread, other than by Mechanised Bakery.**
- 16. Refining of Slack wax.**
- 17. Refining of used oil.**
- 18. Formulations of Pesticides, Insecticides and Herbicides.**

- 19. Manufacture of Transformer oil.**
- 20. Recovery of Zinc Metal from Zinc Ash, Dross and Waste except by Electrolytical process.**
- 21. Ammonium nitrate from Calcium-Ammonium nitrate (Fertiliser grade).**
- 22. Non-power operated Acid Slurry detergent formulations.**
- 23. Conduit Pipes and manually welded furniture, except ERW and Seamless Pipes.**
- 24. Manufacturing of Zinc Oxide from Zinc.**
- 25. Cement Jalis, Electric Poles, Water Tanks and RCC Pipes.**
- 26. Lime Kiln.**
- 27. Cotton Ginning.**
- 28. Servicing, Jobbing and repair shops.**
- 29. Stone Crushers.**
- 30. Bus/Truck Body and Cargo Boxes Manufacturing.**
- 31. Refining and Hyderogenation of edible Oils, including manufacture of Vanaspati.**
- 32. Distilleries and Breweries.**

[Annexure II-C] [Annexure II-C added vide Notification No. G.S.R.24/P.A.46/48/Ss.27,10-A and 30-A/Amd.12/97, dated 22.5.1997.][See Rule 2 (xxii)]List of units and goods not eligible for sales tax ememption in respect of new industrial units in 'A' category area which have come into production for the time in the State of Punjab on or after 1st day of April, 1996.

- 1. Rice, Pulses and Cereal Mills.**

- 2. Mere bottling of Aerated Waters, Soft Drinks and Alcoholic Drinks.**
- 3. Decorativing, Expelling Crushing, Roasting and Frying of Oil Seeds.**
- 4. Wire Drawing of Steel and Stainless and Bright Bars manufacturing.**
- 5. Bricks and Brick Tiles, excluding Ceramics, Vitreous and PVC Tiles.**
- 6. Conduit Pipes and manually welded furniture except ERW Seamless Pipes.**
- 7. Lime Kilns.**
- 8. Stone Crushers.**
- 9. Bus/Truck Body**
- 10. Refining and Hydrogenation of Edible Oils, including manufacture of Vanaspati.**

[Annexure II-D] [Annexure II-D added vide Notification No. G.S.R.24/P.A.46/48/Ss.27, 10-A and 30-A/Amd.12/97, dated 22.5.1997.][See rule 4-A(1) (iii)]

Serial No.	Description of industrial unit eligible for tax incentives throughout the State of Punjab.
1	<p>Agro based and food processing units and goods:</p> <ul style="list-style-type: none"> (a) Freeze drying and dehydration of fresh fruits and vegetables/floriculture. (b) Potable/industrial alcohol from raw materials other than molasses. (c) Bio-conversion of maize/corn into organic chemicals/compounds other than starch. (d) Items manufactured from agriculture residues excluding pulp and paper. (e) Processing of aromatic and medicinal plants for the extraction of their oils/extracts. (f) Tissue culture. (g) Integrated poultry projects involving pure line breeding, grand-parent franchiser breeding and modern hatchery. (h) Processing of eggs for manufacture of paste and powder. (i) Mechanised processing, preservation and packaging of fish and other marine product. (j) Units making refrigeration equipments for cold storage and for refrigerated vans including developing alternate technology for refrigeration like solar energy, etc. (k) Any other high tech industries in the agro industrial sector involving processing of agricultural produce/residues.
2	Units set up with the assistance of the Punjab Khadi and Village Industries Board.

3 Mini/Micro Hydel Projects and Projects of Non-conventional Energy sources upto any size and small power generation system based on any fuel upto 25 MW, set up in joint/assisted sector with Punjab Energy Development Agency.

4 Hundred per cent export oriented small scale industrial units."

Form (ST. D & E)-I [See rule 5(1)] Application Form For The Grant Or Renewal For Deferment Or Exemption Certificate. To The _____ Sir, In

accordance with the provisions of the sections 10-A and 30-A of the Punjab General Sales Tax Act, 1948 and the Punjab General Sales Tax (Deferment and Exemption) Rules, 1991 framed thereunder, I, _____ (name), aged _____ son of Shri

_____ resident of _____

Proprietor/Partner/Managing Director/Manager/ _____ of the unit as mentioned hereunder apply for the grant/renewal of deferment/exemption certificate and hereby declare as under :-

(a) Name and complete address of

the Proprietor/Partner/Managing

Director/Manager of the

unit along with its Registration

Certificate No. under the

Punjab General Sales Tax Act,

1948, with date of its validity

(b) Eligibility Certificate Number with date of issue

Number _____

(c) Quantum of tax

deferment/exemption mentioned Date _____

in the eligibility certificate

(d) Period of eligibility subject to

ceiling on quantum of

tax deferment/exemption

in words From _____ To _____

(e) Description of raw-material used

(f) Description of items manufactured

(g) Production capacity (in quantity/weight per hour/month/annum)

(i) Reg./Licensed _____

(h) Estimated gross turnover for the current year

(i) Under the Punjab General Sales Tax Act, 1948

Sales turnover Rs. _____

Purchase turnover Rs. _____

Sales turnover Rs. _____

(ii) Under the Central Sales Tax Act, 1956

(i) Claim of tax

deferment/exemption during the current year Under the Punjab General Tax Act, 1948 _____

(j) Notional tax liability for the current year

Under the Punjab General Tax Act, 1948 _____

(k) Basis of eligibility :Whether

(i) New Industrial Unit(ii)

expansion,

modernisation(iii)Diversification

In case of expansion/modernisation or diversification give the following details of parent

unit)(i)Name and location of the unit _____(ii)Item being

manufactured _____(iii)Gross turnover during the

last year _____(l)Attested copies of the following documents,

contents of which are true and correct to the best of my knowledge, are hereby attached

:- (i)Eligibility certificate.(ii)Certificate from Chartered Accountant regarding gross turnover and

extent of tax exemption for the current year.(iii)Certificate from Chartered Accountant regarding the

national tax liability for the current year.(iv)Certificate from Chartered Accountant regarding fixed

assets as on the 31st day of March last, wherever applicable.(v)Copy of Balance Sheet as on the 31st

day of March duly certificated by Chartered Accountant, wherever applicable.(vi)Copy of

manufacturing and profit and loss account for the year ending the 31st day of March last duly

attested by Chartered Accountant in case of renewal of Certificate.(vii)Latest copy of change in

constitution/partnership deed/memorandum/articles of association/bye-laws of the Society etc.

duly attested.(viii)Copy of power of Attorney or certified copy of resolution passed by Board of

Directors/Members authorising a particular person to apply for tax deferment or exemption.(m)*I

hereby opt for *deferment of or *exemption from the payment of the sales tax.(n)That the unit

satisfies all the conditions essentials for the issuance or renewal of exemption entitlement

certificate.(o)I hereby undertake that I shall abide by the terms and conditions contained in the

Punjab General Sales Tax (Deferment and Exemption) Rule, 1991.*(Strike out whichever is not

applicable)Signature of the applicant _____Name

_____Status

_____Date

_____FORM (ST. D & E)-II[See rules 2 (vi), (xiii) and

6(4)]DEFERMENT CERTIFICATE/EXEMPTION CERTIFICATEDeferment Certificate No.

_____Exemption Certificate No.

_____It is hereby certified that the

Industrial unit in the name and style of M/s _____ situated

at _____ Office address _____

under the Punjab General Sales Tax Act, 1948, Registration Certificate

No. _____ with date of validity from*

_____ and further holding eligibility certificate

No. _____ dated the _____ is entitled to deferment of or

exemption from payment of tax in accordance with the provisions of the Punjab General Sales Tax (Deferment and Exemption) Rules, 1991 for the period from _____ to _____ subject to the maximum amount of tax exemption of Rs. _____. The Certificate shall have to be renewed from year to year basis.

2. Subject to the Provisions of the Punjab General Sales Tax (Deferment and Exemption) Rules, 1991, this certificate is valid for the period :-

From to date of renewal	Quantum of benefit of tax deferment or exemption Notional/Actual	Signature of the issuing authority	Signature, Name and status of the holder of the certificate.
1st year 30th June			
2nd year 30th June			
3rd year 30th June			
4th year 30th June			
5th year 30th June			
6th year 30th June			
7th year 30th June			
8th year 30th June			
9th year 30th June			

3. The certificate is entered at Serial No. _____ Page _____ of the register in Form ST. D and E.

4. This certificate shall be deemed to have been cancelled from the date when cumulative notional sales tax liability of the holder first exceeds Rs. _____.

*Strike out whichever is not applicable.**To be filled in for the previous year at the time of renewal.

(Seal)

Signature of the Prescribed Authority issuing the certificate _____

Place _____ Name _____

District _____ Date of Issue _____

FORM (ST. D & E)-III(See explanation below rule 6)FORM OF REGISTERTo be maintained by the prescribed authority for recording the details of the agreements/mortgage deeds executed/bank guarantees furnished by the eligible industrial units in whose favour deferment certificate entitling them to avail deferment of payment of tax under Act, has been issued.

Serial No.	Name of the eligible Industrial Unit	Location of the eligible Industrial Unit	Address
1	2	3	4

Registration Certificate Number held by the eligible industrial unit under the :-	Name and date of the deferment certificate
---	--

Punjab General Sales Tax Act, 1948/Central Sales Tax Act, 1956

5

6

Period of eligibility of the eligibiliy certificate	Amount mentioned in deferment Certificate authorisingdeferment
---	--

Number and date of Mortgage Deed, Agreement executed withdate of execution.

7

8

9

Value of the Mortgage Deed Agreement with details of assetsmortgaged

Value of the Bank Guarantee furnished with name of the Bankand period thereof

Date on which assets released after full payment of the taxamount deferred

Signature of the prescribed authority

10

11

12

13

FORM (ST. D & E)-IV[See rule 6(i)][Mortgage deed to be executed by a dealer who has opted for deferment of tax payable under the Punjab General Sales Tax (Deferment and Exemption) Rules, 1991 the Central Sales Tax Act, 1956 and the rules made thereunder.]Delete whichever is not applicable.THIS MORTGAGE DEED made this _____ day

of. _____ BETWEENName _____ (full address) registered under the Punjab General Sales Tax Act, 1948 under Registration No. _____ dated the _____ in the State of Punjab (hereinafter referred to as "the Mortgagor") on behalf of himself, his heirs, legal representatives (hereinafter called the surety) of the first part.ANDShri _____, son of

Shri _____, resident of _____, on behalf of himself, his heirs, legal representatives and assigns of the second part and the Governor of Punjab (hereinafter called the Government) of the third part.Whereas the Mortgagor has assured the Government that he is the sole owner of _____ situated in _____

District _____ (the said Property being detailed or described more particularly in Schedule-1 as shown hereunder to this deed), and that the same is not mortgaged or charged or otherwise encumbered in any way whatsoever and the same is now offered to Government as first charge.And whereas the surety has assured Government that he is the sole

owner of the _____ situated in _____
 District _____ (the same being more particularly described in
 schedule-II as shown hereunder to this deed), and that the said property is not mortgaged or
 charged or otherwise encumbered in any way whatsoever; And whereas the mortgagor and the surety
 jointly and severally agree that whenever called upon by the Government do so insure the whole or
 any part of all properties herein, before mentioned against fire throughout the period of
 mortgage. And whereas the Mortgagor has applied for the grant of deferment of payment of the
 amount of tax amounting to Rs. _____ under the provisions of section 10-A
 of Punjab General Sales Tax Act, 1948 and rule 6(1) of the Punjab General Sales Tax (Deferment and
 Exemption) Rules, 1991. And whereas the Mortgagor and the surety jointly and severally agree
 whenever called upon by the Government to do so, to pay the whole or any part of the amount of
 deferred tax along with interest in the event of failure of the mortgagor to observe the conditions for
 its grant. And whereas the Government have agreed to defer the payment of sum of
 (Rs. _____) payable by the said mortgagor during a period of _____ year,
 commencing from _____ subject to the conditions hereinafter appearing. Now this
 indenture witnesses as under :-(1) That in pursuance of the said agreement and for the purpose of
 securing the payment of the deferred or to be deferred amount of tax in the said sum of
 Rs. _____ the mortgagor hereby covenants with the Government that he will comply
 with the provisions of the Punjab General Sales Tax Act, 1948, the rules framed thereunder and the
 Central Sales Tax (Punjab) Rules, 1957, as amended from time to time. (2) That the Mortgagor shall
 furnish to the Prescribed Authority _____ such reports, returns and other
 documents as may be required or demanded by it from time to time. (3) That the Mortgagor shall not
 change location of the whole or any part of his total fixed assets from the present place or effect any
 substantial contraction or disposal of a substantial part of his total fixed assets till the amount of
 deferred tax is paid to the Government. (4) That the Government may through its officers and
 servants at any time, enter in upon any part of the mortgagor's industry for the purpose of
 inspecting the accounts/records thereof so as to ascertain that the Mortgagor had duly performed
 and observed the covenants and conditions subject to which the deferment of tax has been
 granted. (5) That the Government shall have full right, power and authority at all times to do,
 through officers or servants, all acts and things which may be necessary or expedient for the purpose
 of enforcing compliance with all or any terms, conditions and reservations therein contained and to
 recover from the Mortgagor as first charge or second charge upon the total fixed assets of the said
 Mortgagor and on account of the cost of doing all or any such acts and things all costs incurred in
 connection therewith or in any way relating thereto. (6) That the Mortgagor shall -(a) comply with any
 general or special order of the Government relating to the inspection of its premises, buildings,
 machinery, stock of raw material and finished goods in hands; (b) furnish full returns of all products
 manufactured or sold, both as regards description and quantity as and when called for by the
 Government or Commissioner in addition to those which are to be submitted under the
 law; (c) maintain special accounts and do furnish such statements as the Government or the
 Commissioner from time to time may require; and (d) submit the account of the Mortgagor to such
 audit as the Government or the Commissioner may prescribe. (7) That after any inspection as herein
 before provided for or on account of failure of the Mortgagor to comply with or to fulfil any of this
 covenant, the Commissioner, may call upon the said Mortgagor by written notice to show cause
 within a month from the receipt of such notice as to why the entire amount of said deferred amount

of tax be not immediately recovered from Mortgagor together with interest at the rate of 18 per cent per annum calculated thereon from the date of filing of returns in case of deferred tax/or the date of demand notice, issued after assessment. After the cause shown by the Mortgagor has been considered and found to be unsatisfactory or if no cause is shown within the time specified in the notice it shall be lawful for the Commissioner to order lump sum recovery of the amount of deferred tax alongwith interest becoming payable thereon which shall be recovered as arrears of land revenue.(8)That in case the value of the security offered hereinbefore excluding the amount of earlier encumbrance, if any, falls below 1½ times the amount of deferred tax, the Commissioner may call upon the Mortgagor by a notice in writing, to furnish additional security within the time specified therein, and in case of default by the Mortgagor to furnish such security to the satisfaction of the Commissioner, he may order lump-sum recovery of the amount of deferred tax becoming payable together with interest at the rate of 18 per cent per annum payable from the date as mentioned in clause (7) above.(9)(i)That in case the Commissioner is satisfied at any stage that the deferment of tax has been obtained by misrepresentation as to an essential fact by furnishing false information or if the Mortgagors industry is closed within the period stipulated, the Commissioner may order lump-sum recovery of whole amount of deferred tax, together with interest at the rate of 18 per cent per annum from the date as specified in clause (7) after affording an opportunity to the Mortgagor to show cause against the proposed action.(ii)And further in pursuance of the said agreement and for the consideration aforesaid, the Mortgagor as beneficial owner both hereby grant, convey and assign into Government as the first Mortgagor :- (a)All the properties mentioned in the said Schedule I (as shown hereunder) and delineated in map or plan hereto annexed; and (b)All the assets, present and to be hereinafter acquired by the Mortgage or, whether the said assets present or future be in his name or that of the _____

_____ including book debts, stocks and stores, the premises and machinery whether existing or to be purchased with the aid of the amount of deferred tax hereby granted or with any portion thereof and whether referred to in schedule-I (as shown hereunder) or not to have and to hold the same into and to use of Government, its successors and assigns for ever subject to the proviso for redemption hereafter contained.(iii)PROVIDED ALWAYS THAT WHEN THE HEREINBEFORE mentioned covenants have been satisfied and continue to be satisfied till the payment of entire amount of deferred tax, the Government as Mortgagee shall at the request and cost of the Mortgagor; recover the properties or remainder thereof as he shall direct.(iv)AND THIS INDENTURE further witnesses that in pursuance of the said agreement and as security for the said sum of Rs. _____ the surety as beneficial owner doth hereby grant, convey, and assign upto the Government all the properties referred to in the said Schedule-II (as shown hereinunder) and delineated in the map of plan hereto attached to have and to hold the same into and to the use of the Government, its successors and assigns for ever subject to the proviso for redemption hereinafter contained and the surety both further covenant that if the Mortgagor shall make default in the fulfilment of any of the obligations mentioned herein before, then the whole of the said amount and interest at the rate of 18 per cent per annum calculated from the date as mentioned in clause (7) shall become due and payable by the Mortgagor and Surety jointly and severally and the Commissioner shall be at liberty to recover the same as arrears of land revenue.(v)PROVIDED ALWAYS THAT WHEN THE HEREINBEFORE mentioned covenant and other conditions connected therewith have been satisfied and continue to be satisfied till the payment of entire amount of deferred tax, the Government as Mortgagee shall at the request and

cost of the Mortgagor and surety, respectively, recover the properties or reminder thereof as they respectively shall direct.(vi)And in further pursuance of the agreement and covenant referred to above, the Mortgagor/and the surety do hereby agree to insure the entire machinery and stock in the said _____ and if so required all other properties hereinafter referred to against fire to the full extent of the deferred tax and that the policy of insurance shall be taken out in the joint names of the Mortgagor, Surety and the Government and it shall be deposited with the Commissioner. The Mortgagor or Surety shall pay all premiums and at his own cost renew the policy every year during the aforesaid period of five years failing which the Government may pay the same and recover from Mortgagor such premiums and all expenses with interest thereon at the rate of 10 per cent per annum.(vii)It is further agreed by the Mortgagor and Surety that notwithstanding anything hereinbefore contained, the Government or the Commissioner may by the appointment of its own Director or otherwise exercise such control over the conduct of the Mortgagor to which deferment of tax has been given as shall suffice in their or his opinion to safeguard the interest of the Government in such industrial unit and that the Mortgagor shall forthwith comply with all recommendations made by the Commissioner or the Director so appointed.(viii)It is further agreed that the Stamp duty and the registration charges of this instrument shall be borne by the mortgagor.

I

II

IN WITNESS WHEREOF THE PARTIES HAVE hereunto set their hands on the day, month and year mentioned as above. Signature by or on behalf of the abovenamed firm/Registered dealer (Mortgagor) _____
the presence of :-

1. Witness :

1. Name _____

2. Signature _____

For and on behalf of the Governor of Punjab FORM (ST. D & E) V-A(See rule 11) Register of Eligible Industrial Units availing deferment benefit

Sr. No.	Name and Category of the eligible industrial unit holding deferment certificate with Registration Certificate No.	Commodities manufactured	Number and date of issue of deferment certificate	Period of benefit of deferment of tax mentioned in the deferment certificate-----
---------	---	--------------------------	---	---

under the Punjab
General Sales Tax
Act, 1948

From (i)	To (ii)			
1	2	3	4	5
Maximum quantum of tax deferment granted	Deferment benefit availed upto the	Deferment benefit availed during the	Total (7 and 6)	Balance (of Column 6-9)
6	7	8	9	10

FORM (ST. D & E)- VI (See rule 11) Register of Eligible Industrial Units availing exemption benefit

Serial No.	Name and category of the eligible Industrial unit holding exemption certificate with Registration Certificate No. under the Punjab General Sales Tax Act, 1948.	Commodities manufactured	Number and date of issue of exemption certificate	Period of exemption from payment of sales tax mentioned in the exemption certificate From To	Maximum quantum of tax exemption	Date of renewal of exemption certificate with period of validity
From (i)(a)	To (ii)(b)					
1	2	3	4	5	6	7
Tax exemption availed of		Assessment of Tax				
Period	Gross Turn over	Notional Sales Tax	Sales Tax Liability according to the returns filed	Year period	Date of assessment	Notional demand
(a)	(b)	(c)	(d)	(a)	(b)	(c)

During (i)	Cumulative Quarter (ii)	ST (i)	CST (ii)	Total (iii)	Tax (i)	Interest (ii)	Penalty (iii)	Total (iv)
8		9						

Details of Deposit Name and Signature of Assessing
Date TR. No. DD. No. Amount Authority finalising assessment with date

(i) (ii) (iii)

10

11

FORM (ST. D & E) - VII[See rule 6(1) and (2)]Surety BondKNOW all men by these presents that I/We _____ (full name) _____ (full address with Registration Certificate No. if any), am/are held and firmly bound up to the Governor of Punjab (hereinafter referred to as 'the Government' which expression shall, unless excluded by or repugnant to the context, include his successors-in-office and assigns) in the sum of Rs. _____ (amount in figures and followed by amount in words) (hereinafter referred to as 'the said sum') to be paid to the Government on demand, for which payment well and truly to be made, I/We bind myself/ourselves, my/our heirs, administrators and legal representatives by these presents. Whereas the above-bounden has been required by Excise and Taxation Commissioner, Punjab, or the Officer authorised by him in this behalf in writing to furnish security for the said sum for the purpose of securing the proper payment of tax payable by him/them, under the Punjab General Sales Tax Act, 1948 (hereinafter referred to as 'the said Act') and indemnifying the Government against all loss, costs or expenses which the Government may, in any way, suffer, sustain or pay, by reasons of omission, default or failure or insolvency of the above-bounden or any person or persons acting under or for him/them to pay such tax in the manner and by the time provided by or prescribed under the said Act. Now the condition of the above written bond is such that if the above bounden, his/their heirs, executors, administrators and legal representatives or any person, acting under or for him/them pays the full amount of tax payable by him under the said Act in the manner and by the time provided by or prescribed under the said Act, on demand by any authority appointed by Government under section 3 of the said Act, such demand to be in writing and to be served upon the above-bounden person, his/their heirs, executors, administrators and legal representatives or any person, acting under or for him/them in the manner provided by or prescribed under the said Act and shall also at all time indemnifying and save harmless the Government from all and every loss, cost or expenses which has been or shall or may at any time or times hereafter during the period in which the above bounden is held liable to pay the tax under the said Act, be caused by reason of any act, omission, default, failure or insolvency of the above bounden or of any person or persons acting under or for him/them then his obligation shall be void and of no effect, otherwise the same shall remain in full force, effect and it is hereby further agreed that in event of the death/partition/disruption/dissolution/winding up or the final cessation of the liability, under the Act, or the rules prescribed thereunder of the above bounden, this bond shall remain with the Assessing Authority for twelve years from the occurring of any of the events aforesaid for recovering any tax that may be payable by the above bounden or any loss, cost or expenses that may have been sustained, incurred or paid by the Government owing to the act, omission, default, failure of insolvency of the above bounden or any person or persons acting under or for him/them or the above bounden's heirs, executors, administrators and legal representatives and which may not have been discovered until after the above-bounden's death/partition/disruption/dissolution/winding up or final cessation of his/their liability under the said Act or the rules prescribed thereunder. Provided always that without prejudice to any other right or remedy for recovering the tax, loss or damage as aforesaid, it shall be open to the Government to recover the amount payable under this bond as an arrears of land revenue or fine imposed by any authority under the said Act. In witness of the said

_____ (full name) has hereunto set his hand this

_____ day of _____ signed and delivered _____ by the above-named in the presence of _____ Witnesses :

1. _____ **Signature** _____

2. _____ **Status** _____

We, (1) _____ (2) _____ (Name and full address of the sureties) hereby declare ourselves sureties for the above bounden and guarantee that he/they, shall do perform all that he/they has/have above undertaken to do and perform, and in case of his/their omission, default or failure therein, we hereby bind ourselves, jointly and severally to forfeit to the Governor of Punjab (hereinafter referred to as the Government, which expression shall unless excluded by or repugnant to the context include his successor in office and assigns) a sum of rupees _____ (Amount in figures) Option Form (ST. D & E)-VIII[See rule 4(6)]M/s _____ do hereby opt for _____ of sales tax in pursuance of the provisions of the Punjab General Sales Tax (Deferment and Exemption) Rules, 1991. Date: Signature _____ Note :-

- 1. Option of benefit namely exemption/deferment of tax shall be specified.**
- 2. Option once exercised shall be irrevocable.**
- 3. Option Form shall be submitted to the Assistant Excise and Taxation Commissioner in-charge of the district concerned within a period of thirty days of the issue of this notification or of issue of eligibility certificate by the Department of Industries, Punjab, whichever is earlier.**