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PART I—B

Jammu and Kashmir Government—Notifications.

GOVERNMENT OF JAMMU AND KASHMIR
CIVIL SECRETARIAT—FINANCE DEPARTMENT

Notification

Jammu, the 13th of November, 2016.

SRO-361.—Whereas, the Government has issued notifications from time to time authorizing exemption from payment of sales tax for the Industrial Sector in the State ; and

Whereas, the said notifications have remained loaded with conditionalities which have led to non-compliance of various technical requirements by the entrepreneurs ; and

Whereas, the Assessing Authorities have in accordance with the provisions of the Jammu and Kashmir General Sales Tax Act, 1962 raised demands on account of tax, interest and penalty notwithstanding the clear intention of the Government to provide the incentive of tax exemption to such units ; and

Whereas, the fourth proviso to section 25-D of the Jammu and Kashmir General Sales Tax Act, 1962, provides that the Government may in the interest of the industrial development of the State condone the default committed by any dealer operating an industrial unit with regard to any condition or grant extension of time for fulfillment of such condition(s) as specified in the notifications issued in this behalf from time to time ; and

Whereas, the Government considered the issue in the said backdrop and resolved to formulate a scheme aiming of condoning the defaults of compliance of technical nature stipulated in the relevant notifications by giving the unit holders an opportunity to make good the deficiencies within a specified time frame upto accounting year 2004-2005 and subject to such conditions as are expedient for the purpose.

Now, therefore, in exercise of the powers conferred by the fourth proviso to section 25-D of the Jammu and Kashmir General Sales Tax Act, 1962, the Government hereby orders that :—

- (1) The large/medium and small scale industrial units which are operating or were operating in the State and are carrying on or were carrying on the activity of manufacturing goods and which have been assessed/reassessed to tax or will be assessed/reassessed to tax for non-submission of various documents or fulfillment of requirements stipulated under the relevant notifications shall file the documents/revised documents in compliance with the provisions of the notifications applicable from time to time, along with a declaration as may be prescribed by the Commissioner Sales Tax, within three months from the

issuance of this notification with the concerned Assessing Authority to entitle them to grant of exemption if otherwise admissible and the documents so filed shall be accompanied by proof of payment of Rs. 1000/- for each year of default only.

- (2) The unit holders who have failed to obtain/renew their exemption license within the stipulated period for any of the accounting years relating to period of exemption shall file the requisite documents before the concerned Assessing Authority and deposit within three months from the date of issuance of this notification fee chargeable along with the late fee of Rs. 1000/- per year of default only.
- (3) The unit holders who have been disallowed exemption or are liable to withdrawal of exemption on imposition of penalty upon them and thereby disqualifying them for exemption shall not forfeit their exemption on this count provided they furnish the proof of payment of the amount of such penalty within three months from the date of issuance of this notification.
- (4) The unit holders who have conducted any sale of the goods manufactured by them during the period when they were registered only provisionally shall also be covered by this scheme to the extent admissible under earlier notification(s) on furnishing proof of payment of tax on such sales. On production of such evidence, the dealer shall be entitled to 100% remission of interest/penalty payable on account of such tax.
- (5) Where an industrial unit has been disallowed exemption on the grounds that it has procured and disposed of finished goods, it shall also be entitled to exemption subject to fulfillment of other conditions specified in this notification and on furnishing evidence of payment of tax assessed/admitted on the sale of finished goods procured by him within three months from the issuance of this

notification. On production of such evidence, the dealer shall be entitled to 100% remission of interest/penalty payable on account of such tax.

- (6) Where an industrial unit has been disallowed exemption on the grounds that it has missed the incorporation of some purchase transactions in the purchase statement, it shall also be entitled to exemption subject to fulfillment of other conditions specified in this notification and on furnishing of evidence of payment of tax on such missed transactions at the rates prevalent at the time, within three months from the issuance of this notification and on production of proof of payment of such tax within the prescribed time, the unit holder shall be allowed waiver of interest/penalty on such tax.
- (7) The prescribed declaration and the documents required to be submitted therewith shall be examined by the Assessing Authority within two months from the last date prescribed for filing of documents, and the deficiencies, if any, shall be allowed to be made good within a period of one month from the date of issuance of deficiency notice. Failure to make good the deficiencies shall render the unit holder ineligible for benefit under this notification and entire amount of tax, interest and penalty shall be recovered in accordance with the provisions of law.
- (8) That a dealer who opts for the scheme shall make a declaration that no legal proceedings on the subject is pending before any competent legal fora.
- (9) The detailed guidelines covering acceptance or rejection of cases, fixing time limits for scrutiny of declarations/returns, communication of shortcomings, time limit for finalization of cases, the mechanism for redressal of grievance and other matters

relating to implementation of the scheme shall be by
Commissioner Sales Tax.

- (10) That any amount already paid towards interest/penalty before
the issuance of this notification shall neither be refunded nor
adjusted in any manner.

This notification shall come into force w. e. f. 13-11-2016.

By order of the Government of Jammu and Kashmir.

(Sd.) NAVIN K. CHOUDHARY, IAS,
Commissioner/Secretary to Government,
Finance Department.