

**PART II**

**GOVERNMENT OF PUNJAB**

DEPARTMENT OF LEGAL AND LEGISLATIVE AFFAIRS, PUNJAB

**NOTIFICATION**

The 14th December, 2015

**No. 40-Leg./2015.**-The following Ordinance of the Governor of Punjab, promulgated under clause (1) of article 213 of the Constitution of India on the 10th day of December, 2015, is hereby published for general information:-

**THE PUNJAB DEVELOPMENT OF TRADE, COMMERCE AND INDUSTRIES (VALIDATION) ORDINANCE, 2015**

**PUNJAB ORDINANCE NO. 9 OF 2015**

AN

**ORDINANCE**

to provide for the non discriminatory and compensatory levy of tax on the entry of specified goods into the local area for development of trade, commerce and industries and the matters connected therewith or incidental thereto.

Promulgated by the Governor of Punjab in the Sixty-sixth Year of the Republic of India.

Whereas the Legislative Assembly of the State of Punjab is not in session and the Governor is satisfied that circumstances exist, which render it necessary for him to take immediate action;

Now, therefore, in exercise of the powers conferred by clause (1) of article 213 of the Constitution of India, the Governor of Punjab is pleased to promulgate the following Ordinance, namely:-

1. (1) This Ordinance may be called the Punjab Development of Trade, Commerce and Industries (Validation) Ordinance, 2015. Short title and commencement.

(2) It shall be deemed to have come into force on and with effect from the 6th May, 2015.

2. In this Ordinance, unless the context otherwise requires,- Definitions.

(a) "Appellate Authority" means an Authority appointed under section 3 of the Punjab Value Added Tax Act, 2005;

- (b) "Board" means the Punjab Development of Trade, Commerce and Industries Board;
- (c) "Business" includes,-
  - (i) any trade, commerce or manufacture or any venture or concern whether or not such trade, commerce, manufacture, venture or concern is carried on with a motive to make profit and whether or not any profit accrues therefrom;
  - (ii) any transaction in connection with or incidental or ancillary to such trade, commerce, manufacture, venture or concern; and
  - (iii) e-commerce transactions including direct buying and selling through electronic marketplaces and online shopping websites;
- (d) "dealer" includes occasional dealer or any person, who in the course of business, whether on his own account or on account of his principal or any other person, brings or causes to be brought into a local area, goods specified in the Schedule or takes delivery or is entitled to take delivery of goods specified in the Schedule on its entry into the local area;
- (e) "entry of goods" with all its grammatical or cognate expressions, means entry of goods into the State of Punjab from any place outside the State and through any mode of transport;
- (f) "information collection centre" means the information collection centre or check post including temporary check post or both, as the case may be, established under section 51 of the Punjab Value Added Tax Act, 2005;
- (g) "local area" means an area within the territorial boundaries of the State of Punjab;
- (h) "occasional dealer" means a person who, in the course of occasional transactions of the business, whether on his own or on account of his principal or any other person, brings or causes to be brought into a local area, goods specified in the Schedule or takes delivery or is entitled to take delivery of goods specified in the Schedule on its entry into the local area;
- (i) "person" includes any company or association or body of individuals whether incorporated or not, and also Hindu Undivided Family, a

firm, a society, a trust, a club, an individual, a local authority, State Government, Central Government or any Union Territory or any other legal entity and also includes any person, who acts as a carrier of goods or the logistics partner, who on his own account or on account of seller or on account of any other person brings or causes to be brought or causes the entry of goods into the local area, to be delivered to any person for consumption, use or sale;

- (j) "prescribed" means prescribed by rules made under this Ordinance;
- (k) "Schedule" means a Schedule appended to this Ordinance;
- (l) "Scheduled goods" means any goods mentioned in the Schedule;
- (m) "State" means the State of Punjab;
- (n) "State Government" means the Government of the State of Punjab;
- (o) "tax" means tax leviable under this Ordinance;
- (p) "Tribunal" means the Tribunal constituted under section 4 of the Punjab Value Added Tax Act, 2005; and
- (q) "value of goods" means the value of any goods as ascertained from purchase invoice or bill and includes value of packing material, packing and forwarding charges, insurance charges, amounts representing excise duty, countervailing duty, custom duty and other such duties, amount of any fee or tax charged, transport charges, freight charges and any other charges relating to purchase and transportation of such goods into the local area in which goods are being brought or received for consumption, use or sale therein:

Provided that where the goods ordered through e-commerce websites have been brought into the State by the seller or the logistics partner or carrier of goods, the value of goods shall be the value on original purchase invoice including value of packing material, packing and forwarding charges, amount of any fee or tax charged, transport charges, freight charges and any other charges relating to purchase and transportation of such goods into the local area.

3. The Commissioner, the Tribunal, the Chairman of the Tribunal, the Members of the Tribunal, the Appellate Authority, the Additional Commissioner, the Joint Commissioner, the Deputy Commissioner, the Assistant Commissioners and the Designated Officers appointed under the Punjab Value Added Tax
- Authorities for carrying out the purposes of this Ordinance.

Act, 2005 shall be the authorities for carrying out the purposes of this Ordinance.

Levy of tax.

4. (1) For the purpose of development of trade, commerce and industry in the State, there shall be levied and collected a tax, not exceeding twenty percent, on entry of goods specified in the Schedule into a local area for consumption, use or sale therein, from any place outside that local area, at such rate, as may be specified by the State Government by notification from time to time. Different rates may be specified in respect of different goods or different classes of goods :

Provided that the State Government may by notification exempt any class of persons or any transactions from payment of tax subject to such conditions, as may be notified:

Provided further that the goods being brought into the local area for further transfer outside the local area through consignment sale or branch transfer shall not be subject to this tax.

(2) The tax levied under sub-section (1), shall be payable by any person, who brings or causes to be brought into the local area, such goods, whether on his account or on the account of his principal or takes delivery or is entitled to take delivery of such goods on its entry into a local area:

Provided that tax levied under sub-section (1), shall be payable by the seller or the logistics partner or the carrier of goods, who brings or causes to be brought or causes the entry of goods into any local area, for delivery of such goods to any person for consumption, use or sale therein, on entry of such goods into the local area.

Validation of tax collected under Punjab Ordinance 1 of 2015.

5. Notwithstanding any judgment, decree or order of any court, the tax levied or collected or purported to have been levied and collected under section 4 of the Punjab Development of Trade, Commerce and Industries Ordinance, 2015 (Punjab Ordinance No. 1 of 2015), during the period commencing from the 6th May, 2015 shall be deemed to have been validly levied and collected in accordance with this Ordinance and accordingly,-

- (a) no suit or other proceedings shall be maintained or continued in any court for the refund of any tax so levied and collected ; and
- (b) no court shall enforce any decree or order directing the refund of any of tax so paid.

6. Every person registered under the Punjab Value Added Tax Act, 2005 shall be deemed to be registered under this Ordinance. The logistics partner or the carrier of goods, who brings or causes to be brought or causes the entry of goods into any local area for any person, not registered under the Punjab Value Added Tax Act, 2005, for the value more than rupees five lacs, shall be liable for registration under this Ordinance, in the manner, as may be prescribed. Registration.

7. (1) The returns filed by a person registered under the Punjab Value Added Tax Act, 2005 shall be treated as returns filed under this Ordinance. Returns.

(2) Any person who is liable to be registered under this Ordinance, but is not registered under the Punjab Value Added Tax Act, 2005, shall file returns under this Ordinance, as may be prescribed.

(3) A person who is registered under the Punjab Value Added Tax Act, 2005 shall declare the tax due under this Ordinance with his VAT returns and pay the same along with his returns.

(4) Notwithstanding anything contained in this section, the Commissioner or the designated officer, as the case may be, may by notice, direct a person other than a taxable person or a registered person to file returns at such intervals and in such form and containing such information, as may be required.

8. Subject to the provisions of this Ordinance and the Rules made thereunder, the authorities appointed under this Ordinance, shall be empowered on behalf of the Board to assess, revise, rectify, collect and enforce the payment of tax including interest and penalty, if any, payable by the person under this Ordinance, as if such tax, interest or penalty, if any, payable by the person, is a tax, interest or penalty payable under the Punjab Value Added Tax Act, 2005. For this purpose, the aforesaid authorities may exercise all or any of the powers, exercisable by them under the Punjab Value Added Tax Act, 2005 and the Rules framed thereunder. The provisions of the Punjab Value Added Tax Act, 2005 relating to the information collection centre, detention of goods, returns, assessment, provisional assessment, revision, rectification, review, payment of tax in advance, registration, transfer of any business, appeals, refunds, rebates, charging or payment of interest, levy and payment of penalty, information to be furnished regarding change of business, imposition of tax liability, carrying on business on the transfer of successor to such business, transfer of any liability of any firm or Hindu Undivided Family to pay tax in the event of dissolution of such firm or partition of family, recovery of tax from Administration and collection of Tax.

third parties, review references, compounding of offences and treatment of documents furnished as confidential, seeking information from any person shall apply mutatis mutandis.

Manner of  
payment of tax.

9. (1) In case entry into the local area is made through road, by a registered person, the tax shall be paid by such person along with returns.

(2) In case entry into the local area is made through road, by a unregistered person, he shall have the option to pay tax under this Ordinance either at the information collection center at the time of entry of goods into the local area or at the Office of the Assistant Excise and Taxation Commissioner of the concerned district in the manner, as may be prescribed.

(3) In case entry into the local area is made through Railway Stations, tax under this Ordinance shall be paid by the person at the information collection center located at Railway Stations or at the Office of the Assistant Excise and Taxation Commissioner of the concerned district in the manner, as may be prescribed.

(4) For any other kind of entry of goods into the local area by any other mode of transport, the tax shall be paid in the Office of the Assistant Excise and Taxation Commissioner of the concerned district in the manner, as may be prescribed.

Constitution of  
the Board.

10. The Board shall consist of the following, namely:-

- |        |   |                       |
|--------|---|-----------------------|
| (i)    | the Chief Minister of Punjab;                               | : Chairman            |
| (ii)   | the Minister of Industries and Commerce,<br>Punjab;         | : Vice-Chairman       |
| (iii)  | the Minister of Excise and Taxation, Punjab;                | : Member              |
| (iv)   | the Minister of Finance, Punjab;                            | : Member              |
| (v)    | the Minister of Local Government, Punjab;                   | : Member              |
| (vi)   | the Chief Secretary, Punjab;                                | : Member              |
| (vii)  | the Principal Secretary Industries and<br>Commerce, Punjab; | : Member              |
| (viii) | the Principal Secretary Finance, Punjab;<br>and             | : Member              |
| (ix)   | the Director Industries and Commerce,<br>Punjab.            | : Member<br>Secretary |

11. The functions of the Board shall be such, as may be prescribed. Functions of the Board.
12. (1) The proceeds of the tax levied under this Ordinance shall be utilized exclusively for the development or facilitating trade, commerce and industry in the State and for other welfare measures for the general public in the local area, which shall include the following:- Utilization of the proceeds of the tax.
- (a) developing industrial estates, focal points and industrial clusters being developed by the State Government, providing financial aids, grants, incentives and subsidies to financial, industrial and commercial units;
  - (b) creating infrastructure for supply of electricity and water to specified trades, marketing and other commercial complexes;
  - (c) creating, development and maintenance of other infrastructure for the furtherance of specified trades;
  - (d) providing financial aids, grants and subsidies for creating, developing and maintaining pollution free environment in the local area;
  - (e) providing finance, aids, grants and subsidies to the local bodies and government agencies for the purposes specified in clauses (a), (b), (c) and (d);
  - (f) providing amenities to the public in the local area;
  - (g) implementing the social welfare schemes for public in the local area; and
  - (h) any other purpose connected with the development of trade, commerce and industry or for facilities relating thereto which the State Government may specify by notification.
- (2) The proceeds of the levy under this Ordinance shall be transferred to the Consolidated Fund of the State and shall be utilized exclusively for the development of trade, commerce and industries of specified trade in the State.
13. The State Government, after giving fifteen days notice of its intention so to do, may, by like notification add to or omit goods and thereupon, the Schedule shall be deemed to have been amended accordingly: Power to amend the Schedule.

Provided that if, the State Government is satisfied that circumstances exist, which render it necessary to take immediate action, it may, for reasons to be recorded in writing, dispense with the condition of previous notice.

Power of the  
State Government  
to make rules.

14. (1) The State Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Ordinance.

(2) In particular and without prejudice to the generality of the foregoing powers, the State Government may make such rules, as may provide for any other matter which has to be or may be prescribed.

(3) Every rule made under this Ordinance shall be laid, as soon as may be, after it is made, before the House of the State Legislature, while it is in session, for a total period of fourteen days, which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session in which it is so laid or the successive sessions as aforesaid, the House agrees in making any modification in the rules, or the House agrees, that the rules should not be made, the rules shall thereafter have effect only in such modified form or be of no effect, as the case may be. However, any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule.

Bar of  
jurisdiction.

15. No civil court shall have jurisdiction to entertain or decide any action relating to matters arising under this Ordinance.

Repeal and  
savings.

16. (1) The Punjab Development of Trade, Commerce and Industries Ordinance, 2015 (Punjab Ordinance No. 1 of 2015), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Ordinance referred to in sub-section (1), shall be deemed to have been done or taken under this Ordinance.

"SCHEDULE"

[See section 2 (k) and 4(1)]

Serial No.	Name of the goods
1.	Sugar

Chandigarh,  
The 10th December, 2015

**PROF. KAPTAN SINGH SOLANKI,**  
Governor of Punjab.

**H.P.S. MAHAL,**  
Secretary to Government of Punjab,  
Department of Legal and Legislative Affairs.



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