

**GOVERNMENT OF KARNATAKA**

No.FD 96 CSL 2003 (4)

Karnataka Government Secretariat,  
Vidhana Soudha, Bangalore,  
Dated: 5.6.2003

**NOTIFICATION:**

In exercise of the powers conferred by Section 8-A of the Karnataka Sales Tax Act, 1957 (Karnataka Act 25 of 1957), the Government of Karnataka hereby reduces with immediate effect, the tax payable by a dealer under the said Act on the sale of petroleum products to another dealer who is an industrial unit or an independent power plants located in the Special Economic Zone established in the State for use in captive power generation, to four per cent, subject to the following conditions and restrictions; namely:-

- (i) Such goods are put to use by the buying unit for use in captive power generation within the Special Economic Zone.
- (ii) Where for any reason the restriction or condition stipulated under (i) above is contravened or not complied with, either wholly or partly, the provisions of clauses (a) and (b) of sub-section (5) of Section 8-A of the said Act shall apply and the buyer shall be liable to pay an amount equal to the tax payable at the rates specified under the said Act, on such purchases in respect of which such contravention or non-compliance has taken place.
- (iii) The registered dealer effecting the sales to a developer or an unit or other establishment located in the Special Economic Zone shall produce before the assessing authority, a declaration in the following format signed by the said buyer.

Explanation - For the purpose of this Notification:

(1) "Special Economic Zone" means a Special Economic Zone as established in terms of the Government Order No.CI/282/SPI/2001 dated 25th February, 2002;

(2) "Industrial Unit" or "independent power plant" means a dealer located in a Special Economic Zone engaged in the business of production of goods for export or any other dealer engaged in the business of generation and supply of power to industrial units located in a Special Economic Zone.

**DECLARATION**

(To be issued by the buyer)

Sl. No.

To:

..... (Selling dealer's name and address and registration certificate number)

Declared that the goods, as per details below are purchased from you by us for use in captive power generation in the Special Economic Zone in the State at ..... (place)

Sl. No.	Purchase Bill No. & date	Description of goods	Quantity	Value
(1)	(2)	(3)	(4)	(5)

Place:

Date:

Signature:

Full name, status of the person issuing this  
Declaration, address & KST Registration  
No.....

BY ORDER AND IN THE NAME OF  
THE GOVERNOR OF KARNATAKA

Sd/-

(S Divakar)

Under Secretary to Government,  
Finance Department (C.T.I)