

## EXCISE AND TAXATION DEPARTMENT

### NOTIFICATION

Shimla-2, the 5th August, 2002

No. EXN. F(9)2/9-III.- In exercise of the powers conferred on him under sub-section (1) of section 42 of Himachal Pradesh General Sales Tax Act, 1968 (Act No. 24 of 1968), (hereinafter called the "said Act"), the Governor of Himachal Pradesh is pleased to direct that subject to the conditions specified in this notification, no tax shall be levied under Section 6 of the said Act, on the sale of goods manufactured by other industries, namely:-

(i) the existing Information Technology industrial units, from the date of this notification upto 31-3-2007; and

(ii) the new Information Technology industrial units, from the date of commencement of commercial Production upto 31-3-2007.

2. The Governor is further pleased to direct that the exemption from tax in para 1 of this notification shall be admissible to the concerned Information Technology unit only if,-

(i) the unit is registered as a dealer under the H.P. General Sales Tax Act, 1968 and the Central Sales Tax Act, 1956;

(ii) the unit complies with the provisions of Himachal Pradesh General Sales Tax Act, 1968 and Central Sales Tax Act, 1956 and Rules framed and the notifications issued thereunder;

(iii) the unit files by 30th April every year, with the Assessing Authority concerned, a certificate in form RM-II prescribed by the Himachal Pradesh Government, Excise and Taxation Department Notification No. 1-12/73-E & T-III, dated 7-2-1992 published in Rajpatra in H.P. on 12-2-1992 and obtained from the authority prescribed therein;

(iv) the unit actually continues operation for a period of atleast 3 years after the concession/incentive period is over and in the event of default the entire concession availed of shall be forthwith paid back to the Government and the assets created by it will stand forfeited to the Government;

(v) In case of existing and new industrial unit,-

(a) it should have been registered with the Industries Department; and

(b) it has employed 65% and 80% bonafide Himachalis specified for industrially developing areas and industrially backward areas as defined in Excise and Taxation Department notification No. EXN-F(9)2/90 (i), dated 23-7-1999.

(vi) the exemption to the existing and new industrial units will be available only when the goods manufactured are sold by them themselves or through the registered dealers and it shall not be

open for finished goods purchased or acquired by concerned industrial units for re-sale in Himachal Pradesh.

3. The Governor is further pleased to direct that the Committee consisting of the following officers is empowered to carry out modifications in the list of goods manufactured by the Information Technology industrial units as specified in Explanation © to this notification:-

(i) Principal Secretary to Government of Himachal Pradesh .... Chairman

(ii) Secretary (Excise and Taxation) to the Government of ... Member Himachal Pradesh.

(iii) Excise and Taxation Commissioner, Himachal Pradesh .... Member

(iv) Director of Industries and Information Technology, .... Member Himachal Pradesh. Secretary.

Explanation; In this notification,-

(a) 'existing Information Technology industrial unit' means a unit already in commercial production on the date of issue of this notification;

(b) 'new Information Technology industrial unit' means a unit which comes into commercial production after the date of issue of this notification; and

(c) 'goods' manufactured by the existing and new Information Technology industrial units, mean:-

1. Computing Devices:

1.1 Desk Top Computing Devices.

1.2 Servers and Mainframes.

1.3 Work Stations.

1.4 Mobile Computing Devices including hand-held computing devices (excluding calculators).

1.5 Hand held computer devices (excluding calculators).

2. Computer Mother boards and Cards including;

2.1 Computer processors.

2.2 Mother Boards.

2.3 Computerized Time Recording Devices.

2.4 Mother Boards Card/Chips.

2.5 Device Interface and Controller Cards.

2.6 SMPs.

3. Other Computer Peripherals:  
(Input/output devices)

3.1 Computer Monitors.

3.2 Computer Input Devices such as Keyboards, Mouse and Digitizers Pointing Devices.

3.3 Computer Printers and Plotters.

3.4 Computers scanners of all kinds.

3.5 Multi-media kits.

3.6 Gaming Devices.

#### 4. Computer Networking Products :

- 4.1 Hubs.
- 4.2 Routers.
- 4.3 Networking Switches.
- 4.4 Computer Networking Connectors.
- 4.5 CAT-3 CAT-5, CAT-6 and networking accessories, namely:-

- 4.5.1 Connectors, Terminal Blocks.
- 4.5.2 Jack Panels, Patch Cord.
- 4.5.3 Mounting Cord, Patch panels.
- 4.5.4 Back Boards, wiring blocks.
- 4.5.5 Surfaces mount boxes.

5. Uninterrupted powers supply devices including Switch Boards used in computers.

#### 6. Storage Devices, namely:-

- 6.1 Magnetic Hard Disk Drivers with Controllers.
- 6.2 Floppy Disk Drives.
- 6.3 CD ROM Drives/CD Read-Write Drives.
- 6.4 Digital Versatile Drives (DVDs).
- 6.5 Optical Disk Drives.
- 6.6 Floptical Devices.
- 6.7 Back-up Devices like Tape, DLT, ZIP, ZAZ & RAID drives.

#### 7. Software, namely:-

- 7.1 Application Software.
- 7.2 System Software including Operating Systems, RDBMS & Networking Software.
- 7.3 Middleware.
- 7.4 Firmware such as BIOS.
- 7.5 Electronic Content Development including CDs/Multimedia.

#### 8. Consumables, namely:-

- 8.1 Floppy Disks
- 8.2 Writable CDs
- 8.3 Back-up Media such as Magnetic Tapes, Optical devices, ZIP/ZAP disks.
- 8.4 Tonners/Ink Cartridges/INK for Computer Output devices.

#### 9. Computer Communication Equipment:

- 9.1 Multiplexers/Muxes.
- 9.2 Modems including cable modems.
- 9.3 VSAT.
- 9.4 Inter-Computer communication equipments.
- 9.5 Wireless datacom equipment including Set top boxes for both Video and Digital Signaling..

#### 10. Information Technology Services: -

- 10.1 Communication Service through VSAT & ISDN.
- 10.2 Internet Service Providers.

- 10.3 E-Commerce/E-Business Services.
- 10.4 Electronic Data Interchange.
- 10.5 Video Conferencing.
- 10.6 Medical Transcription
- 10.7 Call Centres.
- 10.8 Back Office Operation such as Revenue Accounting, Data Entry, Data Conversion.
- 10.9 Revenue Maintenance and support.
- 10.10 Data Service Centres.
- 10.11 Electronic Content Development.

By order,

Sd/-  
Secretary,