

**THE CENTRAL SALES TAX
(REGISTRATION AND TURNOVER)
RULES, 1957**

INTRODUCTION AND AMENDING RULES

The Central Sales Tax (Registration and Turnover) Rules'1957 were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number S.R.O.644, dated the 28th February,1957, and have been subsequently amended by –

1. S.R.O.3613 dated the 16th November, 1957
2. S.R.O. 896 dated the 23rd September, 1958
3. S.R.O.2817 dated the 4th November, 1968
4. G.S.R. 55(E) dated 9th February, 1973
5. G.S.R. 56(E) dated 9th February, 1973
6. G.S.R.519(E) dated 13th December, 1973
7. G.S.R. 26(E) dated 1st February, 1974
8. G.S.R.597(E) dated 30th December, 1975
9. G.S.R.962(E) dated 30th December, 1976
10. G.S.R.762(E) dated 17th December, 1977
11. G.S.R.603(E) dated 30th December, 1978
12. G.S.R.640(E) dated 23rd April, 1979
13. G.S.R.264(E) dated 1st April, 1984
14. G.S.R.395(E) dated 14th April, 1987
15. G.S.R.504 dated 30th September, 1993
16. G.S.R.483(E) dated 7th August, 1998
17. G.S.R.695(E) dated 20th November, 1998
18. G.S.R. 36(E) dated 16th January, 2003
19. G.S.R.431(E) dated 23rd May, 2004
20. G.S.R.374(E) dated 7th June, 2005
21. G.S.R.469(E) dated 14th July, 2005
22. G.S.R.588(E) dated 16th September, 2005

The text of the Rules as amended upto G.S.R.588 (E) dated 16th September, 2005 is given in the pages that follow.

**THE CENTRAL SALES TAX
(REGISTRATION AND TURNOVER)
RULES, 1957¹**

S.R.O. 644, Dated 28th February, 1957.—In exercise of the powers conferred by sub-section (1) of Section 13 of the Central Sales-tax Act, 1956 (74 of 1956), the Central Government hereby makes the following rules, namely:

1 These rules may be called the Central Sales Tax (Registration and Turnover) Rules, 1957.

2. Definition –

In these rules, unless the context otherwise requires,—

(a) “Act” means the Central Sales Tax Act, 1956;

²[(aa) “authorized officer” means an officer authorized by the Central Government under clause (b) of sub-section (4) of Section 8];

³[(aaa) “company” means a company as defined in Section 3 of the Companies Act, 1956 (1 of 1956), and includes a foreign company within the meaning of Section 591 of that Act];

(b) “form” means a form appended to these rules;

(c) “notified authority” means the authority specified under sub-section (1) of Section 7;

⁴[(cc) “prescribed authority” means the authority empowered by the Central Government under ⁵[sub-section (2) of Section 9], or the authority prescribed by a State Government under clause (e) of sub-section (4) of section 13, as the case may be];

(d) “Section” means a section of the Act; ⁶[(dd) * * *];

(e) “Warehouse” means any enclosure, building or vessel in which a dealer keeps a stock of goods for sale.

[1. Vide S.R.O 644, dated 28th February, 1957, published in the Gazette of India, Extraordinary, 1957, Pt. II, Section 3. p. 1039.]

[2. Inserted by S.R.O.896, dated 23-9-1958 (w.e.f. 1.10.1958).]

[3. Inserted by G.S.R. 26(E), dated 1-2-1974.]

[4. Inserted by G.S.R. 896, dated 23-9-1958.]

[5. These words were substituted for the words “sub-section (3) of section 9” by G.S.R 56(E), dated 9-2-1973]

[6. Rule 2(dd) was deleted by G.S.R. 56(E), dated 9-2-1973.]

3. Certificate of Registration

(1) An application for registration under section 7 shall be made by a dealer to the notified authority in Form A and shall be—

(a) signed by the proprietor of the business, or, in the case of a firm, by one of its partners, or, in the case of Hindu undivided family, by the karta or manager of the family, or, in the case of a company ^{6A}[***]by a director, managing agent or principal officer thereof, or, in the case of a Government, by an officer duly authorized by that Government, or, in the case of any other association of individuals, by the principal officer managing the business; and

(b) Verified in the manner provided in the said Form.

(2) Where a dealer has more than one place of business within a State, he shall make a single application in respect of all such places, name in such application one of such places as the principal place of business for the purposes of these rules and submit such application to the notified authority specified in respect of the principal place of business so named:

Provided that any place so named shall not in any case be different from the place, if any, declared by him to be the principal place of business, by whatever name called, under the general Sales Tax law of the State.

[6A. The words "incorporated under the Companies Act'1956" were omitted by G.S.R.26(E), Dt.1/2/1974]

4. (1) An application for registration under sub-section (1) of Section 7 shall be made not later than thirty days from the date on which the dealer becomes liable to pay tax under the Act.

(2) An application for registration under sub-section (2) of Section 7 may be made at any time after the commencement of the Act.

⁷(3) A fee of ⁸[rupees twenty-five] shall be payable in respect of every application for registration under sub-rule (1) or sub-rule (2); and such fee may be paid in the form of court-fee stamps ^{7A}[****] affixed to such application. ^{7A}(****).

[7 & 7A.Ins.by S.R.O.896, dated 23rd Septemeber, 1958 (w.e.f 1.10.1958). By Notification G.S.R.No.401, Dt.9.3.1967, in the application of these rules to Union Territory of Goa, Daman and Diu and the words "local revenue stamps" were substituted "Court Fee Stamps". Again by Notification 1585, Dt.26.10.1964, w.e.f 1.11.1964, theses words were substituted for "local revenue stamps". Similarly in its application to Pondichery, by notification G.S.R.No.956, Dt.1.6.1963, "local revenue stamps" were substituted for "Court Fee Stamps"]

[8.Subs.by G.S.R.395, dated 14th April, 1987 (w.e.f 14.4.1987)]

5. (1) When the notified authority is satisfied, after making such enquiry as it thinks necessary, that the particulars contained in the application are correct and complete ⁹[and the fee referred to in sub-rule (3) of rule 4 has been paid], it shall register the dealer and grant him a certificate of registration in Form B and also a copy of such certificate for every place of business within the State other than the principal place of business mentioned therein.

¹⁰ [(2) When the said authority is not satisfied that the particulars contained in the application are correct and complete, or where the fee referred to in sub-rule (3) of rule 4 has not been paid, he shall reject the application for reasons to be recorded in writing:

Provided that before the application is rejected the applicant shall be given an opportunity of being heard in the matter and, as the case may be, of correcting and completing the said particulars for complying with the requirements of sub-rule (3) of rule 4.]

[9.Ins.by S.R.O.896, dated 23rd Septemeber, 1958 (w.e.f 1.10.1958)]

[10. Ins.by S.R.O.896, dated 23rd Septemeber, 1958 (w.e.f 1.10.1958)]

6. The certificate of registration granted under sub-rule (1) of rule 5 shall be kept at the principal place of business mentioned in such certificate and a copy of such certificate granted under the said sub-rule shall be kept at every place of business within the State other than the principal place of business, mentioned in such certificate.

7. (1) Where a dealer desires the certificate of registration granted to him under these rules to be amended, he shall submit an application for this purpose to the notified authority setting out the specific matters in respect of which he desires such amendment and the reasons therefor, together with the certificate of registration and the copies thereof, if any, granted to him; and such authority may, if satisfied with the reasons given, make such amendments, as it thinks necessary in the certificate of registration and the copies thereof, if any, granted to him.

(2) The provisions of rule 6 shall apply in relation to such amended certificate and copies thereof, as they apply in relation to the original certificate and copies thereof.

¹¹8. (1) Where the certificate of registration granted to a dealer is lost destroyed, defaced or mutilated, he may on application made in this behalf to the notified authority and on payment of a fee of a ¹²[rupees five] obtained a duplicate copy of such certificate.

(2) The fee payable under sub-rule (1) shall be paid in the form of ¹³ [court-fee stamps].

[11.Subs.by S.R.O.3613, dated 16th November, 1957]

[12.Subs.by G.S.R 395(E), dated 14th April, 1987, for the words "two rupees"]

[13.Ins.by S.R.O.896, dated 23rd September, 1957 (w.e.f 1.10.1958)]

¹⁴[9. Amendment or cancellation of certificate of registration.—

(1) A notified authority shall, before amending or cancelling, as the case may be, the certificate of registration of a dealer under sub-section (4) of Section 7 give him an opportunity of being heard in the matter.

(2) If the certificate of registration is proposed to be amended, the dealer shall forthwith produce to the notified authority the certificate of registration and the copies thereof, if any, granted to him, for having them amended.

(3) If the certificate of registration is cancelled, the dealer shall forthwith surrender to the notified authority the certificate of registration and the copies thereof, if any, granted to him.]

[14.Ins.by S.R.O.896, dated 23rd September, 1958 (w.e.f 1.10.1958)]

10. If any dealer desires to apply under sub-section (5) of Section 7 for cancellation of his registrations, he shall submit within the time specified in that sub-section to the notified authority an application in that behalf together with the certificate of registration and copies thereof, if any, granted to him; and such application shall be dealt with in accordance with the provisions of that subsection.

11. Determination of Turnover

(1) The period of turnover in relation to any dealer liable to pay tax under this Act shall be the same as the period in respect of which he is liable to submit returns under the general sales tax law of the appropriate State:

Provided that in relation to a dealer who is not liable to submit returns under the general sales tax law of the appropriate State, the period of turnover shall be a quarter ending on 30th June, 30th September, 31st December and 31st March, as the case may be, in a financial year.

^{14A}[****]

[14A. Rule 11 was renumbered as sub rule (1) of that rule and sub rule (2) was inserted by G.S.R.3313, Dt.6.11.1957. Sub rule (2) was omitted by G.S.R.1362, Dt.9.6.1969.]

¹⁵**[12.** (1) The declaration and the certificate referred to in sub-section (4) of Section 8 shall be in Forms C and D respectively;

¹⁶[Provided that Form C in force before the commencement of the Central Sales Tax Registration and Turnover (Amendment) Rules, 1974, or before the commencement of the Central Sales Tax Registration and Turnover (Amendment) Rules, 1976, may also be used up to the 31st December, ¹⁷[31st December, 1979], with suitable modifications:]

¹⁸[***]

¹⁹[Provided further that a single declaration may cover all transactions of sale which take place in a quarter of a Financial Year between the same two dealers.]

²⁰[Provided also that where, in the case of any transaction of sale, the delivery of goods is spread over to different quarters in a financial years, it shall be necessary to furnish a separate declaration or certificate in respect of goods so delivered in each quarter of a financial year]]

²¹[(2) Where a blank or duly completed form of declaration is lost, whether such loss occurs while it is in the custody of the purchasing dealer or in transit to the selling dealer, the purchasing dealer shall furnish in respect of every such form so lost an indemnity bond ²²[in Form G] to the notified authority from whom the said form was obtained, for such sum as the said authority may have regard to the circumstances of the case, fix. Such indemnity bond shall be furnished by the selling dealer to the notified authority of his State if a duly completed form of declaration received by him is lost, whether such loss occurs while it is in his custody or while it is in transit to the notified authority of his State:

²³[Provided that where more than one form of declaration is lost, the purchasing dealer or the selling dealer, as the case may be, may furnish one such indemnity bond to cover all the forms of declarations so lost.]

²⁴(3) Where a declaration form furnished by the dealer purchasing the goods or the certificate furnished by the Government has been lost, the dealer selling the goods may demand from the dealer who purchased the goods or, as the case may be from the Government which purchased the goods, duplicate of such form or certificate and the same shall be furnished with the following declaration recorded in red ink and signed by the dealer or authorized officer of the Government, as the case may be, on all the three portions of such form or certificate,—

“I hereby declare that this is the duplicate of the declaration form/ certificate No..... signed on..... and issued towho is a registered dealer ofState and whose registration certificate No. is.....”

²⁵[(4)] The certificate referred to in sub-section (2) of Section 6 shall be in Form E-I or Form E-II, as the case may be.

²⁶[(5) The declaration referred to in sub-section (1) of Section 6-A shall be in Form F]

²⁷[Provided that a single declaration may cover transfer of goods, by a dealer,

to any other place of his business or to his agent or principal, as the case may be, effected during a period of one calendar month:

²⁸Provided further that if the space provided in Form F is not sufficient for making entries, the particulars specified in Form F may be given in separate annexures attached to that form so long as it is indicated in the form that the annexures form part thereof and every such annexure is, also signed by the person signing the declaration in Form F:

²⁹Provided also that form in force before the commencement of the Central Sales Tax (Registration and Turnover) (Second Amendment) Rules, 1973, may continue to be used up to 31st day of ³⁰[December, 1980] with suitable modifications.]

³¹[(6) Form C referred to in sub-rule (1) or as the case may be, Form F referred to in sub-rule (5) shall be the one obtained by the purchasing dealer or, as the case may be, the transferee in the State in which the goods covered by such form are delivered.,

³²[Explanation.—Where, by reason of the purchasing dealer not being registered under Section 7 in the State in which the goods covered by Form C referred to in sub-rule (1) are delivered, he is not able to obtain the said form in that State, Form 'C' may be the one obtained by him in the State in which he is registered under the said section.]

³³[(7) The declaration in Form C or Form F or the certificate in Form E-I or Form E-II shall be furnished to the prescribed authority within three months after the end of the period to which the declaration or the certificate relates :

Provided that if the prescribed authority is satisfied that the person concerned was prevented by sufficient cause from furnishing such declaration or certificate within the aforesaid time, that authority may allow such declaration or certificate to be furnished within such further time as that authority may permit.]

³⁴[(8) (a) The person referred to in clause (a) sub-rule (1) of rule 3 shall alone be competent to sign the declaration in Form C or Form F or the certificate in Form E-I or Form E-II:

³⁵[Provided that where such person is a proprietor of any business or a partner of a firm or karta or manager of a Hindu undivided family, any other person authorized by him in writing may also sign such declaration or certificate:]

³⁶[Provided further that in the case of a company ³⁷[such declaration or certificate] can also be signed by any other officer of the company or under any other special or general resolution of the company or under a resolution passed by the Board of Directors of the Company to authenticate any document on behalf of such company].

³⁸(b) such person shall signify on such declaration or certificate his status and shall make a verification in the manner provided in such declaration or certificate.

³⁹[(9) (a)] The provisions of ⁴⁰[***] sub-rule (2) and sub-rule (3) shall with necessary modifications, apply to the declaration in Form F or the certificate in Form E-I or Form E-II.]

⁴¹[(b) The provisions of the second and third proviso to sub-rule (1) shall, with necessary modifications, apply to certificate in Form E-I or Form E-II.]

⁴²[(10) **Prescription of goods for certain purposes**

⁴³(a) the declaration referred to in sub section (4) of section 5 shall be in Form H and shall be furnished to the prescribed authority upto the time of assessment by the first assessing authority.

⁴⁴[****]

⁴⁵(b) The provisions of the rules framed by the respective State Governments under sub-section (3), (4) and (5) of section 13 relating to the authority from whom and the conditions subject to which any form of certificate in Form "H" may be obtained, the manner in which such form shall be kept in custody and records relating thereto maintained and the manner in which any such form may be used and any such certificate may be furnished in so far they apply to declaration in Form C prescribed under these rules shall *mutatis mutandis* apply to certificate in Form H.]

⁴⁶[(11) The goods referred to in clause (b) of sub-section (3) of section 8 which a registered dealer may purchase, shall be goods intended for use by him as raw materials, processing materials, machinery, plant, equipment, tools stores, spare parts, accessories, fuel or lubricants, in the manufacture or processing of goods for sale, or in mining, or in the generation or distribution of electricity or any other form of power.]

⁴⁷[(11)The dealer, selling goods in the course of inter-State trade or commerce to a registered dealer under sub-section (6) or under sub-section (8) of section 8 or under sub-section (1) of section 5 of the Central Sales Tax Act, 1956 read with section 76A of the Customs Act, 1962 (52 of 1962), shall furnish a declaration for the purposes of sub-section (8) of the said section 8 in "Form I" duly countersigned and certified by the Authority specified by the Central Government authorising the establishment of the unit in the Special Economic Zone (notified under section 76A of the Customs Act, 1962 (52 of 1962) that the sale of goods is for the purpose of establishing a unit in such Zone.]

⁴⁸[(11A) The certificate referred to in sub-section (4) of section 6 shall be in form J and shall be furnished to the prescribed authority upto the time of assessment by the first assessing authority.

[15.Subs.by S.R.O.896, dated 23rd September, 1957 (w.e.f 1.10.1958)]

[16.Subs.by G.S.R.962(E), dated 30th December, 1976]

[17.Subs.by G.S.R.603(E), dated 30th December, 1977]

[18.Ins.by S.R.O.2017, dated 4th November, 1968 and omitted by G.S.R.695(E), dated 20th November, 1998 (w.e.f.21.11.1998)]

[19.Proviso substituted vide G.S.R.588(E) dated 16th September, 2005, w.e.f.1.10.2005. Previously the proviso is as under : Provided further that a single declaration may cover all transactions of sale which take place in one financial year between the same two dealers.]

[20.Proviso substituted vide G.S.R.588(E) dated 16th September, 2005, w.e.f.1.10.2005. Previously the proviso is as under : Provided also that where, in the case of any transactions of sale, the delivery of goods is spread over to different financial years it shall be necessary to furnish a separate declaration or certificate in respect of goods so delivered in each financial year.]

[21.Subs.by S.R.O.2017, dated 4th November, 1968 (w.e.f.1.12.1968)]

[22.Proviso substituted vide G.S.R.588 (E) dated 16th September, 2005, w.e.f.1.10.2005]

[23.Proviso substituted vide G.S.R.588 (E) dated 16th September, 2005, w.e.f.1.10.2005]

[24. Subs.by S.R.O.2017, dated 4th November, 1968 (w.e.f.1.12.1968)]

[25.Ins.by S.R.O 896, dated 23rd September, 1958 (w.e.f.1.10.1958) (also see S.R.O.2017, dated 4th November, 1968)]

[26.Ins.by G.S.R.56(E), dated 9th February, 1973 (w.e.f.1.4.1973)]

[27.Ins.by G.S.R.519(E), dated 13th December, 1973]

[28.Ins.by G.S.R.519(E), dated 13th December, 1973]

[29. Ins.by G.S.R.519(E), dated 13th December, 1973]

[30.Subs.by Notification No.F.28/53/73 ST, Dated 1st February, 1974]

[31. Ins.by G.S.R.56(E), dated 9th February, 1973 (w.e.f.1.4.1973)]

[32.Ins.by G.S.R.26(E), dated 1st February, 1974]

[33.Sub rule (7) substituted vide G.S.R.588(E), dated 16th September, 2005, w.e.f 1.10.2005. Previous sub rule (7) is as under : The Declaration in Form "c" or Form "F" or the certificate in Form "E-1" or Form "E-II" shall be furnished to the prescribed authority upto the time of assessment by the first assessing authority; provided that if the prescribed authority is satisfied that the person concerned was prevented by sufficient cause from furnishing such declaration or certificate within the aforesaid time, that authority may allow such declaration or certificate to be furnished within such further time as that authority may permit.]

[34. Ins.by G.S.R.56(E), dated 9th February, 1973 (w.e.f.1.4.1973)]

[35.Subs.by G.S.R.26(E), dated 1st February, 1974]

[36.Ins.by G.S.R.519(E), dated 13th December, 1973]

[37.Ins.by S.R.O.896, dated 23rd September, 1958 (w.e.f 1.10.1958)]

[38.Ins.by G.S.R.56(E), dated 9th February, 1973 (w.e.f 1.4.1973)]

[39.Renumbered by G.S.R.395(E), dated 14th April 1987]

[40.Omitted by G.S.R.640, dated 23rd April, 1979]

[41.Ins.by G.S.R.395(E), dated 14th April, 1987]

[42.Ins.by G.S.R.762(E), dated 17th Decemeber, 1977]

[43. Clause (a) in sub-rule (10) of rule 12 substituted by G.S.R 469(E) dated 14th July, 2005]

[44.Proviso Ins. by G.S.R 36(E), dated 16th January, 2003 (w.e.f.16.1.2003) and omitted by G.S.R.431(E), dated 23rd May, 2003 (w.e.f.23.5.2003)]

[45.Ins.by G.S.R 762(E), dated 17th December, 1977]

[46.Ins.by S.R.O 896, dated 23rd September, 1958]

[47.Ins.by G.S.R.431(E), dated 23rd May, 2003 (w.e.f.23.5.2003).Ed.as Sub-rule (11) already exists, it should have been renumbered as (11A) and sub-rule (11A) as (11B)]

[48.Sub Rule 11(A) inserted by G.S.R.469(E), dated 14th July, 2005]

⁴⁹[**13. Prescription of goods for certain purposes**—The goods referred to in clause (b) of sub-section (3) of section 8 which a registered dealer may purchase shall be goods intended for use by him as raw materials, processing materials, ⁵⁰[machinery, plant,] equipment, tools, stores, spare parts, accessories, fuel, or lubricants, in the manufacture or processing of goods for sale or in mining, or in the generation or distribution of electricity or any other form of power.

[49.Added by G.S.R.896, dated 23rd September, 1958 (w.e.f.1.10.1958).]

[50.By notification G.S.R.1059, dated 29.10.1958 by a corrigenda subs. For "machinery part"]

⁵¹[**14.** If any person commits a breach of any of these rules, he shall be punishable with fine which may extend to five hundred rupees and when the offence is a continuing offence, with a daily fine which may extend to fifty rupees for every day during which the offence continues.]

[51.Ins.by G.S.R.56 (E) Notification F.No.28/30/72-ST-II, dated 9.2.1973, w.e.f. 1.4.1973]