

GOVERNMENT OF INDIA  
DEPARTMENT OF REVENUE & BANKING  
(REVENUE WING)

NOTIFICATION

New Delhi, the 28th August, 1976.

In exercise of the powers conferred by sub-section (b) of section 2 of the Finance Act, 1976 (66 of 1976), the Central Government hereby frames the following Scheme, namely:-

1. Short title, commencement and application.-
- (1) This Scheme may be called the Companies Deposits (Surcharge on Income-tax) Scheme, 1976.
  - (2) It shall come into force on the 1st day of September, 1976.
  - (3) It applies to all companies to which the provisions of the Income-tax Act, 1961 (43 of 1961) apply.
2. Definitions.- (1) In this Scheme, unless the context otherwise requires,-
- (a) "account" means a Deposit Account under this Scheme;
  - (b) "deposit office" means -
    - (i) an office of the Reserve Bank of India;
    - (ii) a branch or an office of the State Bank of India and any subsidiary bank of the State Bank of India; and
    - (iii) a branch or an office of a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970);
  - (c) "Development Bank" means the Industrial Development Bank of India established under

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the Industrial Development Bank of India Act, 1964 (18 of 1964);

(d) "Income-tax Act" means the Income-tax Act, 1961 (43 of 1961);

(e) "paragraph" means a paragraph of this Scheme and "sub-paragraph" means a sub-paragraph of the paragraph in which it occurs;

(f) all other words and expressions under herein but not defined and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

(2) All references to "Forms" in this Scheme shall be construed as references to the forms set out in the Appendix hereto.

3. Deposit when to be made.—(1) A deposit in lieu of payment of surcharge on income-tax under sub-section (6) of section 2 of the Finance Act, 1976 (66 of 1976), may be made by a company at any time before the last instalment of advance tax is due in its case.

(2) A deposit in lieu of payment of surcharge on income-tax under sub-section (8) of section 2 of the Finance Act, 1976 (66 of 1976), may be made by a company at any time during the financial year commencing on the 1st day of April, 1976.

(3) A deposit under sub-paragraph (1) or sub-

paragraph (2) may be made either in one lump sum or in two or more instalments.

4. Manner of deposit.-(1) Every company making a deposit under this Scheme for the first time shall apply to the deposit office in Form A, or as near thereto as may be, together with the amount of deposit.

(2) On receipt of an application under sub-paragraph(1), the deposit office shall open an account in the name of the company and issue a pass book to the company wherein the amount of every deposit made by it shall be entered over the signature of the officer-in-charge with the date stamp.

(3) Every deposit shall be made either in cash or by crossed cheque drawn in favour of the deposit office on a bank at the place where the deposit office is situated into the office at which the account stands.

(4) Every deposit shall be evidenced by a receipt issued in Form B, or as near thereto as may be, by the deposit office.

5. Proof regarding deposit.-(1) Where a deposit is made by a company under sub-paragraph (1) of paragraph 3, the receipt referred to in sub-paragraph (4) of paragraph 4 shall be forwarded by the company to the Income-tax Officer within one week from the date on which the last instalment of advance tax is due in its case.

(2) Where a deposit is made by

to in sub-paragraph (4) of paragraph 4 shall be forwarded by the company along with the return of income for the assessment year commencing on the 1st day of April, 1977.

(3) The Income-tax Officer may, for the purposes of verification, require the depositor to produce the pass-book issued to him by the deposit office.

6. Transfer of accounts.- A company may apply for transfer of its account from any branch or office of a bank referred to in clause (b) of sub-paragraph (1) of paragraph 2 to any other branch or office of the same bank.

7. Issue of duplicate pass-book, etc.-(1) In the event of loss or destruction of a pass-book issued by the deposit office, the deposit office may, on an application made to it in this behalf, issue a duplicate thereof.

(2) In the event of loss or destruction of the original receipt referred to in sub-paragraph(4) of paragraph 4, the deposit office may, on an application made to it in this behalf, grant the applicant a duplicate thereof.

8. Interest.- The deposit made under this Scheme shall carry simple interest at the rate of 6 per cent. per annum to be calculated from the 1st day of the month

immediately following the month in which the amount of deposit is credited to the account of the company to the last day of the month immediately preceding the month in which the amount of the deposit becomes repayable (both days inclusive).

9. Repayment.-(1) Subject to the provisions of paragraph 10, the amount of deposit with interest thereon shall be repayable immediately after the expiry of five years from the end of the financial year commencing on the 1st day of April, 1976 at the deposit office at which the account of the company stands.

(2) The repayment of a deposit shall be made only on production of the pass-book accompanied by any application in Form C, or as near thereto as may be.

(3) Where, in a scheme of amalgamation, the amalgamating company assigns or otherwise transfers the right to receive the deposit together with interest thereon to the amalgamated company, the deposit together with interest thereon shall be repaid to the amalgamated company.

10. Company in liquidation.-(1) Any person who is the liquidator of any company which is being wound up, whether under the orders of a court or otherwise,

may, subject to the provisions of sub-paragraph (2), make an application to the Development Bank in Form D, or as near thereto as may be, for earlier repayment of the deposit together with interest thereon, if he considers that the affairs of the company are likely to be fully wound up before the expiry of the period specified in sub-paragraph (1) of paragraph 9.

(2) An application under sub-paragraph (1) shall be made only if the liquidator considers that the affairs of the company are likely to be fully wound up within a period of six months from the date of the application.

(3) If the Development Bank is satisfied that the affairs of the company are likely to be fully wound up within the period of six months specified in sub-paragraph (2) and that the period of six months aforesaid shall end before the expiry of the period referred to in sub-paragraph (1), it may make an order in writing requiring the deposit office concerned to forthwith repay the amount of the deposit together with interest due thereon to the liquidator.

(4) Where the Development Bank authorises earlier repayment of the deposit together with interest due thereon, the Bank shall issue to the liquidator an order in writing requiring the deposit office concerned to pay him the amount and shall advise the deposit office accordingly.

(5) On production of the order of the Development Bank by the liquidator and on receipt of the advice from the Development Bank, the deposit office shall forthwith

APPENDIX

FORM A

APPLICATION FOR OPENING A DEPOSIT ACCOUNT UNDER  
THE COMPANIES DEPOSITS (SURCHARGE ON INCOME-TAX)  
SCHEME, 1976.

[See paragraph 4(1) of the Companies Deposits  
(Surcharge on Income-tax) Scheme, 1976]

To

.....  
.....  
.....

I, ....., being the .....

(Name in block letters)

(designation)

of .....

(name and address of the company)

.....  
hereby apply for opening an account under the Companies  
Deposit (Surcharge on Income-tax) Scheme, 1976, in the  
name of the said company and tender herewith Rs. ....  
(Rupees ..... (in figures)  
..... (in words) ..... only )  
in cash\*/cheque.

The Permanent Account No. of the Company is.....

.....  
† Signature

Date.....  
Place.....

NOTES.- \*(1) Delete what is not applicable.

†(2) The application should be signed by the  
principal officer of the company. Where  
the company making the deposit is under  
liquidation, the application should be  
signed by the liquidator.

with Rs..... under the companies

Deposit Account No. ....

Pass Book has been issued.

.....  
Signature of the officer-in-charge

.....  
Specimen signature of the  
principal officer/liquidator  
of the company making the deposit.



FORM B

RECEIPT FOR THE DEPOSIT UNDER THE COMPANIES DEPOSITS (SURCHARGE ON INCOME-TAX) SCHEME, 1976.

[ See paragraph 4(4) of the Companies Deposits (Surcharge on Income-tax) Scheme, 1976/

To be issued in duplicate

Name of the deposit office.....

Receipt No.....

Received from.....  
(Name and address of the company)

....., whose  
Permanent Account No. is.....

Rs..... (Rupees..... only)  
(in figures) (in words)

for credit into Companies Deposit Account No.....

.....  
Signature of Officer-in-charge

Date.....

Place.....

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NOTE:- This receipt should be preserved carefully and forwarded by the company to the Income-tax Officer,-

(i) in a case where the deposit has been made under sub-section (6) of section 2 of the Finance Act, 1976 (66 of 1976), within one week from the date on which the last instalment of advance tax is due in its case; and

(ii) in a case where the deposit is made under sub-section (8) of section 2 of the Finance Act, 1976 (66 of 1976), along with the return of income for the assessment year 1977-78;

FORM C

APPLICATION FOR REPAYMENT OF DEPOSITS UNDER THE COMPANIES DEPOSITS (SURCHARGE ON INCOME-TAX) SCHEME, 1976.

[ See Paragraph 9(2) of the Companies Deposits (Surcharge on Income-tax) Scheme, 1976 ]

To

.....  
.....  
.....

1. I, ..... being the  
(Name in block letters)

..... of .....

.....  
(name and address of the company)

wish to withdraw the amount due to the credit of companies

Deposit Account No. .... in the name of the

said company together with the interest due thereon. The

Pass Book is attached.

\* 2. I, ..... being the  
(name in block letters)

..... of .....

.....  
(name and address of the amalgamated company)

wish to withdraw the amount due to the credit of the

companies Deposit Account No. .... in the name

of .....

(name and address of the amalgamating company)

together with the interest due thereon. The Pass Book is

attached.

\*\* 3. I, ..... being the liqui-

dator of .....

(name and address of the company)

wish to withdraw the amount due to the credit of the

companies Deposit Account No. .... in the name

† The Pass Book is attached.

The Development Bank has authorised the earlier repayment of the deposit under paragraph 10(3) of the Companies Deposit (Surcharge on Income-tax) Scheme, 1976. The said order of the Development Bank in original and the Pass Book are attached.

† † .....  
Signature

Date .....

Place.....

NOTES.- \*(1) To be filled in only where the application is made on behalf of an amalgamated company for repayment of a deposit made by the amalgamating company. Proof regarding entitlement to receive repayment should be furnished along with the application.

\*\* (2) To be filled in only where the application is made on behalf of a company which is under liquidation.

† (3) Delete what is not applicable.

† † (4) The application should be signed by the principal officer of the company/principal officer of the amalgamated company/liquidator of the company.

FORM D

APPLICATION BY LIQUIDATOR FOR EARLIER REPAYMENT OF THE DEPOSIT UNDER THE COMPANIES DEPOSITS (SURCHARGE ON IED ME-PAK) SCHEME, 1976.

[ See Paragraph 10(1) of the Companies Deposits (Surcharge on Incorporation) Scheme, 1976 ]

To

.....  
.....

I, ..... being the liquidator  
(Name in block letters)

of ..... hereby  
(Name and address of the company)

declare that the affairs of the said company are likely to be fully wound up by the ..... day of ..... 197...  
A note setting out the progress made in winding up the affairs of the said company and the further action that remains to be taken in this behalf is attached. As the repayment of the deposit made by the company on its maturity on the .... day of ..... 19... will delay the winding up of the affairs of the company, I hereby request for the immediate repayment of the deposit together with interest due thereon.

Date .....

.....  
(Signature)  
.....  
.....

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