IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 11.03.2015

Coram

The Honourable Mr.Justice R.SUDHAKAR
and
The Honourable Mr.Justice R.KARUPPIAH

Tax Case (Revision) No.16 of 2015

M/s.N.P.Fabrics
D.No.288/F-6, Kozhikalnatham Road,
Tiruchengode. ...Petitioner

-vs-

The State of Tamil Nadu
rep. By the Deputy Commissioner
(Commercial Taxes)
Salem Division
Salem ...Respondent

Tax Case Revision filed under Section 38(1) of TNGST Act, 1959 to revise the order of the Tamil Nadu Sales Tax Appellate Tribunal, Additional Bench, Coimbatore dated 01.10.2013 passed in CTSA.No.559/2000 against the order of the Appellate Assistant Commissioner (CT) Erode dt.5.11.99 in Appeal No.AP.396/98 against the order of the Deputy Commerical Tax Officer, Tiruchengode (Town) dt.31.8.98 in TNGST 769050/88-89.

For Petitioner : Ms.R.Hemalatha

For Respondent : Mr.Kanmani Annamalai
Spl. Govt. Pleader

O R D E R
(Order of the Court was made by R.SUDHAKAR, J.)

This Tax Case (Revision) has been filed by the assessee as against the order of the Sales Tax Appellate Tribunal relating to the assessment year 1988-89. The issue involved in this revision is whether the Sales Tax Appellate Tribunal is right in holding that the transfer of goods involved in works contract would amount to 'sale' taxable under Section 3-B of the Tamil Nadu General Sales Tax Act.

2. Learned Special Government Pleader (Taxes) appearing for the Revenue/respondent placed before us the unreported decision of this Court dated 1.7.2011 passed in T.C.(R) Nos. 842, 817, 818, 819 to

823, 826, 841, 843, 849, 850, 870, 982, 987, 990, 1036, 1038 and 1040 of 2006, wherein identical question of law was raised. In the said revision, while following the decisions reported in RAINBOW COLOUR LAB AND ANOTHER v. STATE OF MADHYA PRADESH AND OTHER [2000] 118 STC 9 and ASSOCIATED CEMENT COMPANIES LIMITED v. COMMISSIONER OF CUSTOMS [2001] 124 STC 59, this Court held that after introduction of Section 3-B and after amendment made to the definition of 'sale' under Section 2(n)(ii), the contention raised by the learned counsel for the assessee cannot be accepted, since by the operation of law, the transfer of goods involved in works contract would amount to 'sale' taxable under Section 3-B. The assessee therein had purchased the dyes and chemicals from outside the State. Consequently, this Court held that the entire turnover was assessable to tax.

3. In the circumstances, following the unreported decision of this Court dated 01.07.2011 passed in TC(R).Nos.842/2006 etc batch, the above Tax Case Revision is dismissed, thereby the order of the Sales Tax Appellate Tribunal is confirmed. No costs.

Sd/-
Assistant Registrar
Dated:20.3.15

True Copy

Sub Assistant Registrar

To

1.The Secretary, Tamil Nadu Sales Tax Appellate Tribunal,
Additional Bench,
Coimbatore.

2.The Appellate Assistant Commissioner (CT)
Erode.

3.The Deputy Commercial Tax Officer,
Tiruchengode Town.

4.The Deputy Commissioner, (Commerical Taxes)
Salem Division, Salem.

+1 cc to Government Pleader SR.13873

+1 cc to Ms.R.Hemalatha, Advocate,SR.13648.

tej(co)
krd 26/3