

GOVERNMENT OF ASSAM  
OFFICE OF THE COMMISSIONER OF TAXES:::ASSAM:::GUWAHATI

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**ORDER**

Dated Dispur, the 13<sup>th</sup> October, 2015.

No. CTS-50/2015/11 : The petitioner, M/s. Royal Fasteners (NE) Pvt. Ltd. filed a petition seeking clarification regarding whether Glass Filled Nylon Liner and Insulating Liner may be covered under sub item no.(vi) of item no.171 of the Second Schedule (Part-C), Industrial Inputs & Packaging Materials and so taxable @5% under the AVAT Act, 03.

The fact as stated by the petitioner, M/s. Royal Fasteners (NE) Pvt. Ltd., a registered company under the AVAT Act, is that the items mentioned are reportedly used by Railways for electrical insulation in track circulated section of Railway to prevent flow of electric current from one railway track section to another railway track section. The classification issued by Central Board of Excise & Custom, New Delhi under circular no.189/23/96-CX dated 26/03/96 has also identified the item as "electrical insulators".

Perused the petitioner's prayer. In this regard, I have gone through the Indian Railways Standards Specification for glass filled nylon liner and insulating liner wherein it is specified that glass filled nylon-66 insulating liners are interposed between the rail and the Elastic Clips in rail fastening assembly mainly to provide electrical insulation. I have also gone through the circular of Central Board of Excise and Customs, New Delhi, no.189/23/96-CX dated 26/03/96 wherein they have stated that glass filled nylon liners and insulating liners are correctly classifiable as "electrical insulators".

Therefore, now, I am of the firm opinion that the petitioner's items i.e. Glass Filled Nylon Liner and Insulating Liners being insulating articles is adequately covered under serial no.171(vi) of the Second Schedule (Part C). Therefore, dealer is liable to pay tax @5% under the AVAT Act on these two items.

With the above observation, the petitioner's prayer is disposed off with the clarification that VAT is payable @5% by M/s. Royal Fasteners (NE) Pvt. Ltd. on the items Glass Filled Nylon Liner and Insulating Liners.

Sd/-

(Dr. Ravi Kota, IAS)  
Commissioner of Taxes, Assam  
Guwahati.

Memo No. CTS-50/2015/11-A

Dated Dispur, the 28<sup>th</sup> October, 2015.

Copy to:-

1. The Principal Secretary to the Government of Assam, Finance Department, Dispur for favour of kind information.
2. The Additional Commissioners of Taxes/ Joint Commissioners of Taxes (All), Head Office for information.
3. The Deputy Commissioner of Taxes , (All) for information.
4. The Assistant Commissioner of Taxes, (All) for information.
5. M/s. Royal Fasteners (NE) Pvt. Ltd., 118, M.G. Road, Guwahati for information.



(A Choudhury)  
Joint Commissioner of Taxes, Assam,  
Dispur, Guwahati-6.

  
28/10/15