

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

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**ORDER**

Dated Dispur, the 20<sup>th</sup> January, 2016.

No. CTS-51/2015/38 M/s. Mayuri Furniture, A.T.Road, Guwahati-1 has filed application under section 105 of the Assam Value Added Tax Act, 2003 seeking clarification as to the applicable rate of VAT on "Fume Flood" an equipment for blowing out hazardous fumes, vapours or dust.

The application is found in order and is, therefore, admitted for adjudication.

Shri Manish Jalan, Representative of the applicant firm made submissions and averments during the course of hearing upon the clarification petition. Perused the submissions of the applicant and examined the connotations of the enumerated entry SI.No.129 of Second Schedule, Part-A of the Assam Value Added Tax Act, 2003. It is revealed that the item under adjudication is an apparatus for blowing out hazardous fumes, vapours or dust. It consists of a mainframe constructed with mild steel or galvanized CRCA and fitted with a sink, valve for gas, glass door, sockets and switches for electricity, etc. The petitioner seeks to contend that the product falls within the description of entry SI No.129 of Second Schedule, Part-A of the Assam Value Added Tax Act, 2003 reading as "Fabricated items of iron and steel". However, this proposition is not only found to be inherently flawed but also the reasons and grounds cited by him in support of his proposition are wholly misconstrued and outrightly tenuous First, the contrivance like sink with a tap, glass door, gas value, electrical fitting like sockets and switches are definitely not accessories or adjuncts of the products but are its integral and indispensable components. Second, it is a judicially settled principle of construction of taxing entries that where the word has a scientific or technical meaning and also an ordinary meaning according to common parlance, it is in the latter sense that the word must be held to have been used.

The product under present adjudication is understood in common parlance of trade and consumers as an apparatus or contrivance for flowing out hazardous fumes, vapours or dust whereas the connotation of "Fabricated items of iron and steel" in such common parlance are the items like grills, gates, doors, shutters, frames or structural fabricated solely from iron and steel. Third, the product "Fume flood" is not classifiable as "fabricated items of iron and steel" even in a technical sense in as much as the same is obtained by using other materials like glass, plastics besides mild steel or galvanized CRCA, and additionally fitting electrical switches, sink, gas value etc.

It is, therefore, clarified that the applicable rate of tax on the product "Fume Flood" is 14.5 percent as per entry SI No.1 of the Fifth Schedule of the Assam Value Added Tax Act, 2005.

Sd/-

(Anurag Goel IAS)  
Commissioner of Taxes, Assam  
Dispur, Guwahati-6

Memo No.CTS-51/2015/38-A

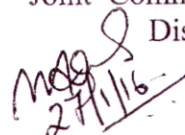
Dated Dispur, the 27th January, 2016.

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. Mayuri Furniture, A.T.Road, Guwahati-1 for information.



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

  
27/1/16