

Commissioner of Sales Tax Vs. Shakti Lace Factory

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Court : Allahabad

Decided On : Apr-18-1979

Reported in : [1980]46STC301(All)

Judge : C.S.P. Singh, J.

Appeal No. : S.T.R. No. 1004 of 1978

Appellant : Commissioner of Sales Tax

Respondent : Shakti Lace Factory

Advocate for Pet/Ap. : The Standing Counsel

Disposition : Petition allowed

Judgement :

C.S.P. Singh, J.

1. The revising authority has referred the following question of law for opinion of this Court:

Whether, on the facts and circumstances of the case, the labels sold by the assessee were taxable as laces under Notification No. ST-3612/X-900(21)-69 dated 1st July, 1969

2. This reference is being treated as a revision in view of the amendment in the law.

3. The revising authority has found that labels sold were in the shape of tape containing the name of the firm, which stitches them to articles such as ready-made garments and garments made by tailors. In this view, he held that labels sold by the assessee were laces within the meaning of Notification No. ST-3612/X-900(21)-69 dated 1st July, 1969. The meaning ascribed to the word 'lace' in the Random House Dictionary of the English Language is 'a netlike ornamental fabric of threads, a cord or string for holding or drawing together two flaps, being passed through holes in their edges, ornamental cord or braid, a small amount of liquor added to food or drink'. The label used by the assessee does not answer the description of any of the commodities referred to. The first, second and third meanings given to the word 'lace' in the dictionary are such as are given to the word 'lace' in common parlance. Labels are not called laces in common parlance. The view taken by the revising authority cannot be sustained.

4. The revision is allowed. A copy of this order will be sent to the revising authority under Section 11(8) of the Act. As none has appeared on behalf of the assessee there shall be no order as to costs.

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