

GOVERNMENT OF ASSAM
OFFICE OF THE COMMISSIONER OF TAXES, ASSAM
DISPUR, GUWAHATI-781006

ORDER

Dated Dispur the 26th March/2015.

File No.CTS.53/2006/347 : M/s. Agarwala Aqua Products, Station Road, Lanka, District Nagaon has filed an application purportedly under Section 105 of the Assam Value Added Tax Act, 2003 seeking clarification as to its taxability in case it sells filtered water in loose form (other than packaged form) against the backdrop of fact that it is engaged in the activity of processing packaged drinking water duly under a license obtained from the Bureau of Indian Standards.

Shri Aditya Agarwalla, Chartered Accountant and Authorized Representative of the applicant firm represented its case during the proceedings at this end and also placed written submissions.

After perusal of the documents namely, BIS Manual for Packaged Drinking Water, copy of license issued by BIS to the applicant firm, it is unambiguously clear that the activity of the licensee must comprise the following process.

- (a) Collection of raw water ;
- (b) Removal of suspended and colloidal impurities by filtration such as sand, carbon, micron filter etc. ;
- (c) Removal of dissolved solids by reverse osmosis, iron exchange etc. ;
- (d) Disinfection by different means such as ionization, U.V, silver ionization etc. ;
- (e) Filling and Packing.

Contd. P/2

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Further, the product obtained by the applicant licensee must be marketed in following types of container as per terms of the license.

- (i) Jars : Reusable plastic containers.
- (ii) Bottles : One time use plastic containers, to be crushed after use.
- (iii) Cup : One time use plastic container in the shape of cup or glass / tumbler, to be crushed after use.
- (iv) Glass Bottle : Containers made of glass material (to be used after sterilization).

So, irrespective of the averment that a few buyers of processed / filtered drinking water from the present applicant licensee firm want delivery of the products in loose form, the sale of filtered drinking water by the present licensee seller must be in packaged form as prescribed by the terms of license under which the latter is conducting his business.

In view of the above facts, it is evident that the present applicant license firm cannot sell water in loose form. Therefore it can be held that the firm is only selling packaged drinking water which is taxable at 14.5% as per entry Sl. No.1 of the fifth Schedule of the AVAT Act, 2003.

Inform the parties.

Sd/-

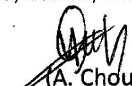
(Dr. Ravi Kota)

Commissioner of Taxes, Assam
Dispur, Guwahati-781 006.

Memo File No.CTS.53/2006/347 -A
Copy to :-

Dated Dispur, the 31th March, 2011.

1. The Principal Secretary to the Govt. of Assam, Finance Department, Dispur, Guwahati - 6 for favour of kind information of the Government.
2. The Addl. Commissioner of Taxes/Joint Commissioners of Taxes (All) for information.
3. The Deputy Commissioner of Taxes (All) for information.
4. The Assistant Commissioners of Taxes/Superintendents of Taxes (All) for information.
5. M/s. Agarwala Aqua Products, Station Road, Lanka, District Nagaon for information.


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