

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

ORDER

Dated Guwahati, the 21st November, 2011

No.CTS-51/2011/99: M/s. Hindustan Vidyut Products Ltd. I-C Brahmaputra Industrial Park, Sila, College Nagar, North Guwahati, 781031 filed a petition under section 105 of the Assam Value Added Tax Act, 2003 seeking clarification on rate of tax on Aluminium Conductor Steel Re-inforced (ACSR).

Shri G.K.Joshi, Senior Advocate and Shri R.K.Joshi Advocate appeared on behalf of the petitioner and placed their submission. They submitted that ACSR is mainly used for the purpose of transmission of high voltage electric lines and the same is covered within the meaning of entry No. 171(xii) in Part-C of Second Schedule of the Assam Value Added Tax Act, 2003. It is further submitted by them that AAA Conductors which are similar to ACSR Conductors in nature and use, have been specified under Sl. No.97 of Part-A of Second Schedule of the Assam Value Added Tax Act, 2003. Hence ACSR Conductor is also liable to tax at the rate of 5% under the Assam Value Added Tax Act, 2003. They also submitted that rate of ACSR in most of the States in the Country is 4%.

Perused the submissions, schedules under the Act and schedule of other States . As per entry at Sl. No.171 (xi) of Part-C of Second Schedule," overhead transmission live materials including components, accessories and spare parts thereof....." are taxable @5%. However ACSR can not be overhead transmission live materials or components and accessories thereof. Further "AAA conductors" is specifically mentioned in entry at Sl. No.97 of Part-A of Second Schedule. Hence legislative intention is clear in this respect that only AAA conductors are kept in 5% Category. Therefore it is evident that intention of the legislature is to keep ACSR under 13.5%. Further in the Schedule of other States, the items ACSR is specifically mentioned as being taxable @4%/5%, whereas there is no such specific mention under the Assam Value Added Tax Act, 2003 . Hence it is clarified that ACSR is taxable @ 13.5% as per entry at Sl. No. 1 of Fifth Schedule.

Sd/-Dr.J.B.Ekka,
Commissioner of Taxes, Assam,
Dispur, Guwahati-6.

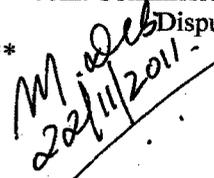
Memo NO. CTS-51/2011/99- A

Dated Dispur, the 22nd November, 2011.

Copy to :-

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.Hindustan Vidyut Products Ltd. I-C Brahmaputra Industrial Park, Sila, College Nagar, North Guwahati, 781031 for information.


(Mrs. R.D.Borah),
Joint Commissioner of Taxes, Assam,
Dispur, Guwahati-6.


22/11/2011