

No. CTS-48/2005/106

Dated Guwahati, the 10<sup>th</sup> April, 2007

Sub : Whether the declared goods used in execution of works order should be taxable @ 4%.

**Extract of the order**

Mr. A. K. More, C.A. appeared on behalf of M/s Afcons Infrastructure Ltd. The querist has declared deriving turnover from execution of works contract. The main material utilized in such execution is MS. Pipe which is a declared goods. Now he claimed that the derived works contract turnover should be chargeable @ 4%, the rate applicable to sale and purchase of declared goods, but it has been judicially settled that the state can levy tax on WC by treating the same as a distinct species apart from the constituent materials undergoing bodily transfer. Hence the question raised by the querist is answered in negative.

Sd/- ( M.H.A. Choudhury )  
Joint Commissioner of Taxes, Assam  
Guwahati-6

Sd/- ( N. C. Sarmah )  
Addl. Commissioner of Taxes, Assam  
Guwahati-6

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