

From

Excise & Taxation Commissioner,
Haryana, Panchkula.

To

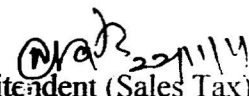
All the Dy. Excise & Taxation Commissioner (ST),
in the State of Haryana.

Memo No. 3171 /ST-I
Panchkula, dated the 22-11-2011

Subject: Circulation of Clarification-M/s Zuko Engineers, Ambala City.

MEMORANDUM

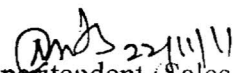
A copy of clarification order issued by Government under section 56(3) of Haryana Value Added Tax Act, 2003 sought by M/s Zuko Engineers, Ambala City, G.T. Road, Near Model Town, Ambala City TIN 06051026042 is sent herewith for information and necessary action by all the concerned.


 Superintendent (Sales Tax)
 for Excise & Taxation Commissioner, Haryana.

Endst. No. 3172 / ST-I, Panchkula, dated the 22-11-2011

A copy alongwith a copy of clarification is forwarded to the following for information and necessary action:-

1. Sh. Subhash Chander, Partner, M/s Zuko Engineers, Ambala City, G.T. Road, Near Model Town, Ambala City.
2. Addl. Excise & Taxation Commisisoner, Haryana Insitute of Public Administraticn, 76 HIPA Complex , Sector-18, Gurgaon
3. Jt. Excise & Taxation Commissioner (Divison/Range) Ambala, F/Bad, Gurgaon and Hisar.
4. All Joint Excise & Taxation Commssioners (Appeals) in the State of Haryana.
5. Senior Deputy Accountant General (Audit), Haryana, Chandigarh.
6. Dy. Excise & Taxation Commissioner (Vigilance), Haryana Vigilance Bureau, Sector-6, Panchkula.


 Superintendent (Sales Tax)
 for Excise & Taxation Commissioner, Haryana.

Endst. No. 3173 / ST-I, Panchkula, dated the 22-11-2011

A copy alongwith a copy of clarification is forwarded to the following in the Head Office for information and necessary action:-

1. All Addl. Excise and Taxation Commissioners
2. Jt. Excise and Taxation Commissioners
3. Jt. Director (L)-I and II
4. Dy. Excise and Taxation Commissioner
5. DA-I and II
6. DDA-I & II
7. Superintendent (C) for sending E-mail to all the DETCs(ST) and for uploading on website.
8. ST-II only (For adding in The Annual Sales Tax Circular, 2011).

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**Order of Clarification under Section 56 (3) of the
Haryana Value Added Tax Act, 2003 in the case of
M/s Zuko Engineers, G.T. Road, Ambala City
(TIN - 06051026042)**

M/s. Zuko Engineers, Ambala City, a dealer registered under the Haryana Value Added Tax Act, 2003 (here in after referred to as the Act), sought clarification u/s 56 (3) of the Act by applying in the prescribed format on the following issues:-

“Whether ‘Door Closers’ made of iron and steel are covered by Entry 34A of Schedule C attached to Haryana Value Added Tax Act, 2003, and clarify the rate of tax on Door Closers”.

On the request of the applicant dealer for providing personal hearing the same was duly provided to the applicant by the department and Sh. Subhash Chander, partner accompanied by Sh. S. S. Khanna, Advocate, duly authorized, appeared and presented their case. It was submitted that the applicant dealer is a manufacturer of ‘Door Closers’ made of iron and steel and that the ‘Door Closers’, according to him, are covered under Entry 34A of Schedule C appended to Act. It was further submitted that ‘door closers’ made of iron and steel are hardware items contained in the said Entry and the words ‘such as’ used in this entry for describing the goods confirm his view. Therefore, ‘door closers’ made of iron and steel are nothing but hardware of iron and steel falling in the said entry and are liable to tax under this entry being goods of same or similar description. Support was

also taken of a clarification dated 25.06.2010 issued by the Punjab Government in the case of M/s Ample Qualities, Ludhiana.

The issues contended by the applicant and the submissions made in his support have been considered. The following entry was inserted w.e.f. 01.09.2009 at Sr. No. 34A of Schedule C appended to the Act and reads as under:-

“34 A. Hardware of iron and steel such as al drops, latches, handles, hinges, door-springs and door-stoppers whether polished, enameled or plated.”

The applicant mainly relied upon that ‘door closers’ are used like door- springs in common parlance and are made of iron and steel and hence duly covered under the above entry. The clarification issued under the Punjab VAT Act, reported as (2010) 37 PHT 50 (JS), has also been gone through. The entry at serial No. 45 of Schedule B contained in the Punjab VAT Act is similar to Entry 34A of Schedule C appended to the Haryana Act. Further the interpretation of words “such as” has been held to be illustrative and not exhaustive by the Hon’ble Supreme Court of India in the case of the M/s Royal Hatcheries Private Limited versus State of A.P. & others reported as (1994) Supp (1) Supreme Court Cases Page 429. Reading the entry harmoniously ‘door closers’ made of iron and steel appear to be of the same nature as door springs made of iron and steel and hardware goods of the specie contained in Entry 34A of Schedule C of the Act.

Keeping in view the above, it is clarified that the 'door closers' made of iron and steel, whether polished, enameled or plated, fall under entry contained at Sr. No. 34A of Schedule C of the HVAT Act and accordingly liable to tax prescribed thereon which is presently 5% in addition to surcharge.

Chandigarh

Dated: 17.11.2011



(~~Ramendra~~ Jakhu)

Financial Commissioner & Principal Secretary,

Government of Haryana,

Excise & Taxation Department