



CIVIL APPELLATE JURISDICTION

Civil Appeal No.1560 of 1999@@  
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Commissioner of Sales Tax, U.P. ...Appellant (s)

Versus~

M/s. Alodeal Chemicals Mfg.Co.(P) Ltd. ....Respondent (s)

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The respondent-assessee has been served but has not chosen to put in an appearance.

The question before the High Court was whether sales tax realised by the assessee from its customers could be treated as a part of its turn over for the purposes of levy of sales tax. The High Court took the view that it could not be treated as a part of its turn over. The contention on behalf of the State is that the High Court failed to notice that subsequent to 3rd November, 1974 the legal position had changed by reason of the insertion of Explanation (I) in Section 2(1) of the U.P. Sales Tax Act, 1948. By reason of that Explanation, which was inserted by an Ordinance and subsequently confirmed by an enactment, sales tax was a part of the turn over for the purposes of the Act.

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We are of the view, in the circumstances, that the order under challenge should be set aside and the sales tax revision petition (No.677 of 1990) be restored to the file of the High Court at Allahabad to be heard and decided afresh, after giving to the parties the opportunity of a hearing.

The civil appeal is, accordingly, allowed.

No order as to costs.

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.....J.  
(S.P. Bharucha)@@  
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.....J.  
(N. Santosh Hegde)@@  
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.....J.  
(Y.K. Sabharwal)@@

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New Delhi,  
March 21, 2001.