
(1990) 08 MAD CK 0061

In the Madras High Court

Case No : Tax Case (Appeal) No's. 1099 of 1980 and 305 and 306 of 1981

Balramakrishnaa Flour Mills and another

APPELLANT

Vs

State of Tamil Nadu

RESPONDENT

Date of Decision : 09-08-1990

Acts Referred:

Tamil Nadu General Sales Tax Act, 1959 — Section 17, 17(1)

Citation : (1990) 08 MAD CK 0061

Hon'ble Judges : Venkataswami, J;Kanakaraj, J

Bench : Division Bench

Advocate : K. Mani and V.P.A. Abdul Hakkim, for the Appellant; R. Karuppan, Additional Government Pleader (Taxes), for the Respondent

Judgement

Venkataswami, J.—Though two different assesseees are involved in these three appeals, they are disposed of together by this common judgment in view of the fact that the questions of law raised in these three appeals are similar and learned counsel appearing for the appellants/assesseees addressed common arguments.

2. The two questions that arise for consideration in these cases are as under :
(1) Whether wheat bran and bran flakes will fall under an exemption notification issued u/s 17(1) of the Tamil Nadu General Sales Tax Act, 1959 (hereinafter called "the Act") under the heading "cattle feed", namely, rice bran or wheat bran or husk and dust of pulses and grams but excluding (omitted as unnecessary) and (2) Whether the amounts shown separately under the heading "administrative charges" in the sale bills of the appellants are not includible in the taxable turnover ?

3. As a representative case, the facts in T.C. No. 1099 of 1980 may now be noted. This case relates to the assessment year 1977-78. The assesseees are flour mills. They reported a total and taxable turnover of Rs. 49,75,580.90 and Rs. 25,48,529.21, respectively. The Joint Commercial Tax Officer, Mannadi (West) determined the total turnover under the Tamil Nadu General Sales Tax Act after

excluding the turnover under "inter-State sales" at Rs. 30,58,838 and the taxable turnover at Rs. 26,04,716. In arriving at the above figures, the Joint Commercial Tax Officer, Mannadi (West), excluded a turnover of Rs. 5,09,990 representing sales of wheat bran and bran flakes, on the strength of exemption notification dated March 4, 1974, as amended during the relevant assessment year. However, rejecting the claim of the assessee, that a sum of Rs. 30,379.92 represented "administrative charges" and that will not form part of the taxable turnover, the assessing authority included the same in the taxable turnover. Aggrieved by the inclusion of the "administrative charges" in the taxable turnover, the assessee preferred an appeal to the Appellate Assistant Commissioner. The appellate authority accepted the claim of the assessee and excluded that part of the turnover from the taxable turnover. The Appellate Assistant Commissioner has explained the circumstances under which such "administrative charges" were incurred by the assessee and justified such exclusion.

4. The then Board of Revenue, while perusing the order of the Appellate Assistant Commissioner, found that the exclusion of the "administrative charges" from the taxable turnover was not right and also found that the assessing officer went wrong in excluding the turnover representing the sales of wheat bran and bran flakes. Accordingly, a notice was issued to the assessee requiring them to show cause why both the abovesaid turnovers should not be included in the taxable turnover. Overruling the reply submitted by the assessee, the Board of Revenue confirmed the view taken by it in the notice, and consequently, revised the assessment order as well as the order of the first appellate authority. Aggrieved by the order of the Board of Revenue, the assessee has filed T.C. No. 1099 of 1980. Excepting the fact that in T.C. Nos. 305 and 306 of 1981 no sales of bran flakes are involved, and figures differ on the sales of wheat bran and "administrative charges" and also the assessment year is 1976-77, the other circumstances are the same in T.C. No. 1099 of 1980.

5. We may at once make it clear that no argument was advanced before us regarding the competency of the Board of Revenue to reopen the assessment order when the same was subjected to a first appeal and the concerned appellate authority passed final orders while initiating suo motu action to revise the order of the first appellate authority, though such a question was raised before the Board of Revenue.

6. Mr. V. P. A. Abdul Hakkim, the learned counsel appearing for the appellants in T.C. Nos. 305 and 306 of 1981 and Mr. K. Mani, the learned counsel appearing for the appellant in T.C. No. 1099 of 1980 elaborately argued the matter. We are setting out the common arguments advanced by them. They submitted that wheat bran is undoubtedly a cattle feed. The view taken by the Board of Revenue that inasmuch as there is possibility of wheat bran being used for extracting oil and also used in poultry farms as chicken-feed, unless the wheat bran is sold as cattle feed, the claim for exemption cannot be entertained as the exemption

granted to wheat bran was applicable only in relation to sale of cattle feed, was wrong. They also contended that if the above view taken by the Board of Revenue is taken as correct, the exemption granted would be meaningless having regard to the facts that wheat products including wheat bran are subject to tax at the point of First sale as per entry 75 of the First Schedule to the Act and wheat bran is always sold by the flour mills as a by-product. In other words, if wheat bran is to be subjected to tax at the hands of the flour mills, as per entry 75 of the First Schedule, on account of the fact that the sale of wheat bran by flour mills was not as "cattle feed", the subsequent sale or sales will automatically get excluded from the taxable turnover. In that case, there will be no need for granting exemption under that notification for the sale of wheat bran. In the light of the above, the learned counsel submitted that that could not be the true intendment of the exemption notification. In support of their contention that wheat bran is cattle feed and the sale of the same by flour mills is exempt from tax, they relied on the following decisions : Mahabir Flour Mills v. Commissioner of Commercial Taxes reported in [1987] 65 STC 296 (Pat), M.P. Shoe House Vs. State of M.P. and Others, and Sree Ramakrishna Cattle-feed Manufacturers v. Commercial Tax Officer reported in [1990] 76 STC 10 (Mad.).

7. Regarding bran flakes, Mr. K. Mani, in whose case alone, this point arises, contended that bran flakes are nothing but another form of wheat bran and, therefore, if wheat bran is eligible for exemption bran flakes, must also be exempted under the same notification.

8. So far as the "administrative charges" are concerned, they submitted that the flour mills at the first instance will pay the same to the Department of Civil Supplies and later on recoup the same as permitted/directed by the Commissioner of Civil Supplies in his circular dated October 5, 1976, which in turn is based on G.O.Ms. No. 248, Food, dated January 29, 1976. According to them, the "administrative charges" are post-sale charges collected and handed over to the Civil Supplies Department by acting as conduit pipe. It is the case of the learned counsel for the appellants that the Civil Supplies Department which is entrusted with the inspections and production of quality products by roller flour mills, has to incur certain expenditure in this regard and, as such, is entitled to recoup the same from the purchasers. Instead of the Civil Supplies Department directly collecting the same from the purchasers, it permits/directs the flour mills to collect certain fixed amount per quintal to be handed over to the department. The flour mills have been specifically directed by the Civil Supplies Department in the said circular that they must show the "administrative charges" separately in the sale bills. In the circumstances, the inclusion of "administrative charges", according to the learned counsel for the appellants, in the taxable turnover is unjust and uncalled for. In support of this contention, they relied on the following decisions : Joint Commercial Tax Officer, Division III, Madras Vs. Spencer and Co. and Others, , E.I.D. Parry (India) Ltd. Vs. The State of Tamil Nadu, ; Anand Swarup Mahesh Kumar Vs. Commissioner of Sales Tax, , The State of Tamil Nadu Vs. Sri Venkatesa Mills Ltd., Commercial Taxes Officer v. Trilok Chand Prem

Prakash reported in [1987] 67 STC 432 (Raj) and Food Corporation of India v. State of Kerala reported in [1988] 68 STC 1 (SC).

9. The learned counsel for the appellants also brought to the notice of the court that the Sales Tax Appellate Tribunal (Additional Bench), Madurai, in MTA Nos. 252 and 253 of 1979 dated July 17, 1980, has taken the view that "administrative charges", having regard to the circumstances under which the same was collected by the flour mills, will not form part of the taxable turnover, and this decision has been accepted by the Revenue.

10. Contending contra, the learned Additional Government Pleader (Taxes) submitted that exemption notifications should be strictly construed and the view taken by the Board of Revenue, placing reliance on a judgment of the Supreme Court in State of U.P. and Others Vs. Indian Hume Pipe Co. Ltd., is quite in order, and does not call for any interference. He also submitted that in any event, bran flakes cannot at all be brought under the exemption notification. He also submitted that "administrative charges" are pre-sale charges, and as such, are rightly included in the taxable turnover.

11. Let us now consider the rival submissions. To appreciate the contentions of the learned counsel on both sides, it is necessary to set out the original exemption notification issued on March 4, 1974 and also the relevant amendments. The primary notification is dated March 4, 1974, and it reads as follows :

"In exercise of the powers conferred by sub-section (1) of section 17 of the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act 1 of 1959), the Governor of Tamil Nadu hereby makes an exemption in respect of the tax payable by any dealer under the said Act on the sale of -

- (1) Bangles (other than those made wholly or partly of any metal),
- (2) Cattle feed, and
- (3) Firewood."

There was an amendment to this notification on March 23, 1974, and the amendment notification reads as follows :

"AMENDMENT

In item (2) in the said notification, for the expression "Cattle feed, and", the following shall be substituted, namely :-

"Cattle feed, namely, rice bran or wheat bran, or husk and dust of pulses and grams, but excluding -

- (i) brokens of pulses and grams,
- (ii) oil-cakes, and

(iii) cotton seeds, and".

It was again amended as seen from G.O.P. No. 368 CTRE dated October 1, 1974, as follows :

"Cattle feed, namely, hay or straw or rice bran or wheat bran or husk and dust of pulses and grams but excluding -

(i) broken of pulses and grams

(ii) oil-cakes, and

(iii) cotton seeds, and".

It was again amended as seen from exemption Notification No. II(1)/CTRE/155(c)/77 dated July 25, 1977, as follows :

"Cattle feed, namely, hay or straw or green grass or rice bran or wheat bran or husk and dust of pulses and grams."

Once again it was amended as per Exemption Notification No. II(1)/CTRE/316/79 dated April 12, 1979, as follows :

"hay or straw, green grass, rice bran, wheat bran and husk and dust of pulses and grams."

(We are not concerned with further amendments, if any).

12. It is seen from the primary notification that the sale of cattle feed by any dealer under the Act is exempt from taxation. By subsequent amendments various kinds of cattle feed had been expressly mentioned for exemption purposes. It is not disputed by the Revenue that wheat bran is cattle feed. But what is contended for the Revenue, on the basis of the view taken by the Board of Revenue, is that the possibility of wheat bran being used for purposes other than cattle feed cannot be ruled out. Therefore, according to the learned Additional Government Pleader, unless the flour mills clearly establish that wheat bran sold by them was only as cattle feed, they cannot claim exemption. We do not think, on the facts of this case, such a contention can be advanced, for, accepting the case of the flour mills in these cases, the assessing officer granted exemption, and it is only the Board of Revenue which, on an assumption that wheat bran can be used for extracting oil or can be used in poultry farms as chicken-feed, revoked the exemption. First of all, the exemption notification does not prescribe any condition and in the context of wheat bran is a cattle feed having not been disputed, the view taken by the Board of Revenue on the assumption, cannot be supported. The learned Additional Government Pleader, however, pointed out that if the exemption entry simply enumerates the items of cattle feed, as has been done by the amendment dated April 12, 1979 (referred to above in para 11), then it can be contended that wheat bran sold for any purpose will come under exemption and not otherwise. In this connection only, the learned counsel for the appellants placed reliance on a judgment of Nainar

Sundaram, J. in *Sree Ramakrishna Cattle-feed Manufacturers v. Commercial Tax Officer* [1990] 76 STC 10 (Mad.). While construing the Notification dated April 12, 1979, the learned Judge held as follows :

"..... that in the substituted entry, although the expression "cattle feed" had been omitted, the commodities enumerated in the earlier notification remained the same, except for the addition of hay, straw and green grass. The Notification dated April 12, 1979, had not altered the position."

13. In [1987] 65 STC 296 (*Mahabir Flour Mills v. Commissioner of Commercial Taxes*), a Division Bench of the Patna High Court, while construing the exemption notification, relating to cattle feed, held as follows :

"Thus, in view of the fact that the claim of the petitioners that wheat bran (chokar) was essentially a cattle feed and was not used for any purpose other than feeding the cattle having not been repudiated by the respondents in their counter-affidavit - I hold that wheat bran (chokar) is a cattle feed and is as such not only in common parlance but also in technical and commercial parlance. The respondents have not placed any material in rebuttal of the materials filed by the petitioners (i.e., annexures 7 to 15 of the supplementary affidavit) in C.W.J.C. No. 2725 of 1984. These unimpeachable documents placed on the record by the petitioners are sufficient to hold that wheat bran is used primarily for feeding the cattle and, in common parlance, it would be classified as a cattle fodder and hence it is not possible to take a view that it would go outside the purview of cattle fodder only on account of some special use to which it may be put to by some consumers.

I further agree to the views taken in the cases of *Glaxo Laboratories (India) Ltd. v. State of Gujarat* [1979] 43 STC 386 (Guj) and *Commissioner of Sales Tax Vs. Narain Das Barey Lal*, and for the reasons as given in those decisions also I hold that wheat bran (chokar) is a cattle feed."

14. In *M.P. Shoe House Vs. State of M.P. and Others*, , a Division Bench of the Madhya Pradesh High Court, while laying down the principles as to how to interpret an exemption notification, held as follows :

"While it is true that under sub-section (1) of section 12 of the Madhya Pradesh General Sales Tax Act, 1958, the State Government has the discretion to grant exemption with reference to a class of dealers or any goods or a class of goods, if the conditions or restrictions placed in the matter of exemption, militate against the purpose for which exemption has been granted and have the effect of defeating that purpose to a large extent, they cannot be upheld if there is no reasonable justification for introducing them. Such restrictions are open to challenge on the ground either that they discriminate between dealers of the same class, or that they are arbitrary.

Notification F. No. A-3-15-81(12)ST-V dated April 7, 1981, issued by the Madhya Pradesh State Government u/s 12(1)(i) of the Madhya Pradesh General Sales Tax

Act, 1958, exempted from payment of sales tax all sales of footwear made of rubber or plastic for a prescribed period, but the exemption was restricted to sales by a dealer registered under the Act, "who deals exclusively in footwear made of rubber and/or plastic and the sale price of such footwear does not exceed rupees ten per pair". The petitioner contended in the writ petition filed by him that the word "exclusively" rendered the restriction arbitrary, and ought to be quashed :

Held, allowing the petition, that even in big cities dealers exclusively dealing in rubber or plastic footwear were few in number, and in villages the position would be worse, since there were usually small shops selling all necessary items. The poor labourer, for whose benefit the exemption was granted would either have to pay sales tax if he bought footwear at one of these shops or travel miles to find a dealer dealing exclusively in rubber or plastic footwear. The presence of the word "exclusively", defeated the purpose of the notification granting exemption and seemed to have no nexus with it, especially since a similar notification issued subsequently u/s 6(1) of the Madhya Pradesh General Sales Tax Act contained no such restriction and therefore deserved to be quashed."

15. Based on the above ruling of the Madhya Pradesh High Court, the learned counsel for the appellants advanced the arguments that if the exemption is to be restricted to sale of wheat bran by flour mills, only as cattle feed, then it will defeat the very purpose having regard to entry 75 of the First Schedule prescribing liability to tax on the first point of sale of wheat bran. We find force in this argument as well. In the absence of any clear indication in the exemption notification itself that sale of wheat bran will be exempt only if it is sold as cattle feed and not otherwise, we are not able to sustain the order of the Board of Revenue on this issue, particularly, in the light of the rulings cited above, and also in view of the subsequent amendment dated April 12, 1979, omitting the word "cattle feed".

16. At this juncture, it will be useful to refer to certain letters exchanged between the Board of Revenue and Southern India Roller Flour Mills Association. By letter dated January 22, 1977, the association informed the Board of Revenue that bran flakes are nothing but wheat bran which has been sieved into two varieties, called "rough and fine". The rough bran is called "flakes". In view of that, the association requested the Board of Revenue to make it clear to all the assessing officers that bran flakes are also not exigible to tax like the wheat bran. In response to the above letter, the Secretary, Board of Revenue, by letter No. 1696/77 dated April 11, 1977, informed the association that wheat bran flakes and wheat bran are exempt from tax under the Tamil Nadu General Sales Tax Act, 1959. Notwithstanding such a clarification by the Board of Revenue, some assessing officers continued to levy tax on wheat bran and, therefore, again, the association, by letter dated March 12, 1978, requested the Board of Revenue to give necessary instructions to the Deputy Commercial Tax Officer, Salem Rural, in the matter of levy of tax on wheat bran. In response to that, the

association was informed that though the Board of Revenue was of the view that wheat bran was exempt from tax, the Sales Tax Appellate Tribunal (Additional Bench), Madurai, has taken the view that sale of wheat bran is exempt only if it is sold as a cattle feed by a dealer in cattle feed. Therefore, the wheat bran sold otherwise will be liable to tax. In view of the subsequent stand taken by the department, the association wrote to the Board of Revenue on April 3, 1979, in detail making out a case for exemption on sales of wheat bran. In reply to that, the Board of Revenue issued B.P. Rt. No. 2156/79 dated June 30, 1979, directing the assessing officers not to proceed with the assessment of dealers in wheat bran, pending further orders. After getting clarification from the Government, the Board of Revenue clarified the position by proceedings dated August 5, 1980, which reads as follows :

"L. Dis.

The Tamil Nadu Roller Flour Mill Owners Association, Madras, is informed that the Government by a notification published on May 9, 1979, have deleted the words "cattle feed, namely" from the earlier notification. Consequent to this amendment, the sale of wheat bran by whomsoever irrespective, of its usage will be exempt from May 9, 1979.

2. On the question of past assessments on wheat bran, that is, prior to May 9, 1979, the assessing officers have been instructed not to reopen the assessments in cases where assessments have been completed granting exemption on the sale of wheat bran which have become final. In cases where assessments for the period up to May 8, 1979, were made levying 2 per cent single point on first sale of wheat bran and where the dealers have not actually collected sales tax on such sales and where they have not chosen to seek remedial measures, the Deputy Commissioners have been asked to send waiver proposals. In cases where assessments were completed levying tax and tax has been paid by the dealers, it has been instructed that no waiver need be considered."

Notwithstanding the above, the Board of Revenue, in the orders dated November 29, 1980, which are under appeals in T.C. Nos. 305 and 306 of 1981, has chosen to reopen the assessments even though there is nothing to show that the appellants/assesseees have collected tax on the sales of wheat bran/flakes. The proceedings of the Board of Revenue and the earlier view taken by it strengthen the view taken by us. In view of the fact that bran flakes are nothing but a variety of wheat bran, which fact has been accepted by the Board of Revenue in its proceedings (vide Letter No. BP. Rt. No. 1696/77 dated April 11, 1977), whatever applies to wheat bran will apply to bran flakes. Accordingly, the turnover of bran flakes also is eligible for exemption under the notification dated March 4, 1974, as amended.

17. Now, coming to the "administrative charges", we find that the office of the Commissioner of Civil Supplies, in circular bearing RC. No. E2.62707/76CS dated October 5, 1976, has informed the Hour mills as follows :

"CIRCULAR

Sub : Civil Supplies - Wheat products - Fixation of prices - Regarding.

Ref : G.O.Ms. No. 248, Food, dated 29-1-1976.

A copy of the G.O. cited is communicated to the roller flour mills for information.

The break-up details for the issue price at the flour mills, the price to dealers and bulk consumers are as shown below :

(Price per quintal)	Maida	Sooji	Atta	Bran	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Ex-mill price
168.78	166.48	80.12	61.81	Sales tax	3.32	3.33	1.60	..	Surcharge on ST	0.17	0.17	0.08	..
0.17	0.08	..	Millers incidentals	2.00	2.00	..	..	Administrative surcharge	1.73	1.02	1.20	1.19	-----
83.00	63.00	-----	Issue price by mills	176.00	173.00	83.00	63.00	-----	Sd.	K. Ponnusamy	for	COMMISSIONER (C.S.)."	

18. It is not in dispute that the prices for wheat products are fixed by the Government by exercising the powers under the provisions of Essential Commodities Act, 1955. It is also again not in dispute that any flour mill, which charges prices exceeding the price fixed, is liable for proper penal action under the Control Orders. The net result is that the flour mills have to sell the wheat products only for the price fixed by the Government. It is only in that circumstances, the Commissioner of Civil Supplies issued proceedings enabling the flour mills to collect "administrative charges" with specific direction to show it separately. The circular dated July 30, 1976, issued by the Commissioner of Civil Supplies reads as follows :

"Circular No. Rc. 45110/76 E2.

Office of the Commissioner of Civil Supplies,

Madras-5.

Dated : 30-7-1976.

CIRCULAR

Sub : Civil Supplies - Wheat products - Disposal of wheat and wheat products by roller flour mills - Collection of administrative charges - Instructions - Issued.

Ref : Government Memorandum No. 24354/D2/74-75, Food, dated 27-7-1976

For the services rendered by the Tamil Nadu Civil Supplies Corporation in the matter of inspections and production of quality products by the roller flour mills and to defray the expenses incurred by the Civil Supplies Corporation in this regard, the Government have permitted the collection of administrative charges at the following rates :

Commodity	Per quintal	Maida	Rs.	2.56	Sooji	Rs.	2.00	Resultant	atta	Rs.	1.19
		Bran	Rs.	1.00							

2. The Southern India Roller Flour Mills Association has represented that the amount may be collected by the office of the Commissioner of Civil Supplies in instalments at the time of issue of release orders for the supply of wheat from the Food Corporation of India. Their representation has also been examined. The following instructions are issued in regard to the collection of administrative charges from the roller flour mills -

(1) The total amount of administrative charges due from the roller flour mills at the rates mentioned in para 1 above will be worked out on the basis of the existing percentage of extraction and communicated by the Commissioner of Civil Supplies to the roller flour mills in advance. The roller mills shall remit the amount in three equal instalments by means of a demand draft in favour of the Tamil Nadu Civil Supplies Corporation and send them to the Commissioner of Civil Supplies. The third instalment should be remitted before 20th of the month.

(2) The monthly allotment of wheat will be released in three instalments to the roller flour mills only on receipt of the demand draft from them.

(3) The actual amount due from the flour mills based on the actual quantity of products obtained by them will be worked out and difference, if any, will be collected from them.

(4) In the bills issued for the sale of wheat products the flour mills will exhibit administrative charges as a separate item as reimbursement of administrative charges as it is only a post-sales charges.

(5) The Civil Supplies Corporation will pay sales tax only with reference to the ex-mill rates in respect of the stock lifted by them for public distribution.

(6) Payment of surcharge on sales tax is not applicable in the case of the following roller flour mills which are situated outside the municipal limits.

....."

In these circumstances, we have no hesitation to hold that "administrative charges" collected by the appellants and passed on to the Civil Supplies Department will not form part of the taxable turnover. This view of ours is amply supported by the various decisions cited by the learned counsel for the appellants.

19. In [1988] 68 STC 1 (Food Corporation of India v. State of Kerala), the Supreme Court, while considering a similar issue, held as follows :

"Held, that under the agreement the administrative surcharge and the price equalisation charge were the liabilities of the retailers to the Government and the appellant functioned merely as a collecting agent or a conduit pipe through which collections of administrative surcharge and price equalisation charge passed from the retailers to the Government : the two items were never part of the price of the articles or commodities and they could not be included in the appellant's turnover."

20. In [1987] 67 STC 432 (Commercial Taxes Officer v. Trilok Chand Prem Prakash), the High Court of Rajasthan, while considering an issue whether cess collected by the assessee is includible in the taxable turnover, held as follows :

"Sub-rule (2) of rule 59 of the Rajasthan Agricultural Produce Markets Rules, 1963 expressly provides that the cess referred to in rule 58 shall be paid by the purchaser of the agricultural produce, and where the purchaser cannot be identified the cess shall be paid by the seller, under the proviso. The liability to pay cess is on the purchaser and not on the seller of the goods. Therefore, the cess collected by the assessee (seller) and then paid to the market committee, cannot form part of the sale price for computing the taxable turnover of the assessee."

21. In The State of Tamil Nadu Vs. Sri Venkatesa Mills Ltd., , a Division Bench of our High Court, again, while considering a case of collection of cess, held as follows :

"The textile committee cess collected by the assessee at the time of sale u/s 5A(1) of the Textiles Committee Act, 1963, can neither be treated as sales tax collected nor can it be treated as part of the sale price, as it is separate impost made under the Act, and hence it can never form part of the sales turnover. Consequently the said cess is not liable to sales tax under the Tamil Nadu General Sales Tax Act, 1959."

22. Even though there are number of other decisions cited, we do not think it necessary to cite all other decisions. We are satisfied on facts that the conclusion is inescapable, namely, that "administrative charges" collected by the appellants/ assessees do not form part of the taxable turnover. Presumably, realising the position, the Revenue has accepted the view taken by the Tamil Nadu Sales Tax Appellate Tribunal (Additional Bench), Madurai, in M.T.A. Nos. 252 and 253 of 1979 in its common order dated July 17, 1980.

23. In the result, the tax cases (appeals) are allowed. However, there will be no order as to costs.

24. Appeals allowed.