

(2000) 02 SC CK 0210

In the Supreme Court Of India

Case No : Civil Appeal No's. 5099-5110 of 1998

C.T.O. (Int) No. IV. Enforc. Wing, Hyderabad and Others

APPELLANT

Vs

Ki-Hi-Tech Secure Print Ltd.

RESPONDENT

Date of Decision : 29-02-2000

Acts Referred:

Andhra Pradesh General Sales Tax Act, 1957 — Section 20

Citation : (2000) 7 JT 432 : (2000) 5 SCC 55 : (2001) 121 STC 611

Hon'ble Judges : S. Rajendra Babu, J;S. N. Phukan, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

S. Rajendra Babu, J.—The question raised before us in these appeals is one relating to the interpretation of Notification which exempts from tax payable under the A.P. General Sales Tax Act, 1957 (hereinafter referred to as the "Act") on sales of all books and periodicals with effect from 1st April, 1964. Prior to this Notification sales of the following books were exempted from tax under the Act:

Government of India publications. Books, stationery etc. supplied by the Stationery Department of the State Government to other departments of the Government.

Books published by the Universities.

Scriptures of the Foreign Bible Society, Quran, Books on Religion, Puranic and Vedic Literature with or without Commentaries, and books on theosophy sold by dealers dealing exclusively in such books; and

Explanation : A person shall be deemed to be dealing exclusively in books mentioned in this item if he deals only in those books and does not deal in books of any other kind.

2. By Notification dated 29.1.1964 exemption from the tax payable was granted under the said Act on the sales of "all books and periodicals" with effect from the

1st April, 1964. Subsequently by G.O. Ms. 625 Rev. (CT-11)dt. 31.7.1996 the said exemption was confined only to periodicals and printed books for reading; and, reduced the rate of tax in respect of sales of all books including exercise and note books other than periodicals and printed books for reading, if the paper out of which such books are manufactured had already been subject to tax.

3. Identical notices to the dealers were issued in terms of Section 20 of the Andhra Pradesh General Sales Tax Act to re-open the assessments on the basis that they were printing and selling C-form books, lottery tickets, share certificates etc. and such books should be treated as unclassified items; that there is no reason to classify them as books and make them eligible to exemption. The validity of those notices was challenged before the High Court by way of Writ Petitions. The High Court relying upon the decision in *Govindswamy Binding works and Ors. v. The State of Andhra Pradesh* 1972 (29) STC 219 allowed the Writ Petitions. A Division Bench of the High Court in that decision took the view that expression "all books" would include any kind of books including account books, note books, loose sheets of paper fastened together and they need not be literary works or books of the kind specified in the prior Notification issued by the Government; that the words "all books" are not technical words, that they are plain and simple words understood in common parlance as taking within their range every possible kind of books; that the expression "book" itself is comprehensive enough to take in all kinds of books and the word "all" will make it abundantly manifest and plain that the Notification was issued to cover all cases of sales of books and is not restricted in its application to books of literary material or other kinds of reading material.

4. Shri K. Ram Kumar, learned Counsel for the Appellants contended that the expression "all books" should be read along with the expression "periodicals" and that would make it clear that "all books" would only mean reading material. Perhaps that argument could have been considered to be reasonable had there not been the decision of the High Court rendered as early as 1972 which held the field for nearly three decades and no attempt was made to challenge that decision either in this Court or in the High Court. We think it would be unreasonable to upset the meaning given to the expression used in enactment which was in force of nearly three decades. In fact, the Government subsequently has taken note of this decision and has restricted the exemption only to periodicals and books for reading. In that view of the matter we do not see any justification to interfere with the order under appeal. These appeals are therefore dismissed. There shall be no order as to costs.