(1990) 02 AP CK 0008

In the Andhra Pradesh High Court

Case No : Tax Revision Case No''s. 127, 129 and 130 of 1989

State of Andhra Pradesh APPELLANT

Vs

Guntur District Milk Producers Co-operative Unit Ltd. RESPONDENT

Date of Decision : 12-02-1990

Acts Referred:

Andhra Pradesh General Sales Tax Act, 1957 — Section 9

Citation : (1990) 79 STC 211

Hon'ble Judges : S.S. Mohammed Quadri, J;B.P. Jeevan Reddy, J

Bench : Division Bench

Judgement

B.P. Jeevan Reddy, J.—By G.O.Ms. No. 20 dated January 2, 1980, issued u/s 9 of the Andhra Pradesh General Sales Tax Act, 1957, the Governor of Andhra Pradesh exempted "the sale of pasteurised milk by the Guntur District Milk Producers Co-operative Unit Limited, Vadlamudi, from the levy of tax payable under the said Act with effect from 1st August, 1978". For the assessment years 1982-83 and 1983-84, the assessee herein, the Guntur District Milk Producers Co-operative Unit Limited, sold a certain quantity of skimmed milk powder. Treating the milk powder as different goods, tax was levied upon the turnover relating thereto. The said levy was questioned by the assessee in an appeal before the Appellate Deputy Commissioner unsuccessfully and, thereafter, before the Sales Tax Appellant Tribunal successfully. The Tribunal held that the skimmed milk powder is nothing but milk and, therefore, covered by the said exemption G.O. We are inclined to agree with the Tribunal. Since the milk cannot be preserved for long period, it is converted into powder and sold as such. It is nothing but dehydrated form of pasteurised milk, which is exempted under G.O. Ms. No. 20. In our opinion, the interpretation subserves the object of exemption and must, therefore, be adopted.

The tax revision cases are accordingly dismissed.

2. Petitions dismissed.