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**(2009) 05 P&H CK 0025**  
**In the Punjab And Haryana At Chandigarh**

|                                |    |            |
|--------------------------------|----|------------|
| State of Haryana               | Vs | APPELLANT  |
| Crown Agencies Private Limited |    | RESPONDENT |

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**Date of Decision :** 15-05-2009

**Acts Referred:**

Central Sales Tax Act, 1956 — Section 9(2)  
Haryana General Sales Tax Act, 1973 — Section 39, 40, 42, 42(1)

**Citation :** (2010) 34 VST 84

**Hon'ble Judges :** M.M. Kumar, J;H.S. Bhalla, J

**Bench :** Division Bench

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## Judgement

H.S. Bhalla, J.—This order shall dispose of G.S.T.R. Nos. 54, 55, 56 and 57 of 2005 together since the question of law involved in all these references is identical. However, for the sake of convenience, the facts are being extracted from G.S.T.R. No. 54 of 2005.

2. Vide order dated November 7, 2005 of the Chairman, Haryana Tax Tribunal, Chandigarh, the following question of law was referred u/s 42 of the Haryana General Sales Tax Act, 1973 (hereinafter referred to as, "the Act"), for determination of this Court:

Whether on a true and correct interpretation of entry No. 14 of Schedule B appended to the State Act, could it be held that "labels" are textiles and covered under the said entry ?

3. The facts required to be noticed for the disposal of this reference are that the assessee is engaged in the business of manufacturing and trading of labels which are manufactured out of different types of yarns and are sold in rolls to manufacturers of garments who use the same after cutting them into pieces according to their requirement. The Excise and Taxation Officer-cum-Assessing Authority framed the assessment of the dealer for the year 2008-09 and allowed the sale of labels as tax-free falling under entry 14 of Schedule B to the Act. The aforesaid case was taken up for revision by the revisional authority, Jhajjar u/s 40 of the Act and it was held by him that the sale of labels worth Rs.

1,23,05,433 is taxable and created an additional demand of Rs. 12,30,543 vide his order dated July 28, 2003.

4. Feeling dissatisfied, an appeal was filed by the assessee before the Haryana Tax Tribunal, Chandigarh u/s 39 of the Act. Appeal was initially taken up by a Bench consisting of the Chairman, Mr. M.L. Singhal (Retd.) and Shri B. S. Suhag, Member. Both of them delivered separate judgments dated June 1, 2004 and November 25, 2004, respectively. Whereas the Chairman had held that the goods are taxable as those are not falling under entry 14 of Schedule B, the Member has held that the goods are tax-free being a Schedule B item. Because of the difference of opinion between the two members of the Bench, the case was referred to the larger Bench. The third Member concurred with the judgment rendered by Shri B. S. Suhag, Member and differed with the opinion given by the Chairman, Mr. Justice M.L. Singhal (Retd.). In view of the majority judgment, the appeals were allowed and the demand created by the revisional authority was set aside.

5. The State filed an application u/s 42(1) of the Act read with Section 9(2) of the Central Sales Tax Act, 1956 for reference of following question of law to this Court for opinion:

Whether, on a true and correct interpretation of entry No. 14 of Schedule B appended to the State Act, could it be held that "labels" are textiles and covered under the said entry ?

6. The matter was accordingly referred to this Court for final determination.

7. Ms. Ritu Bahri, learned Deputy Advocate-General appearing for the State of Haryana, has vehemently contended that the goods in question cannot fall under entry 14 of Schedule B inasmuch as they cannot be treated as textiles. The learned State counsel has further contended that the textile will have to be understood as is done in the common parlance and labels cannot be held to be textile by any stretch of imagination. According to her, the labels are used by readymade garment manufacturers and are made to order as per requirement of the purchaser. The learned Counsel further submitted that in the commercial circle and in common parlance, the labels manufactured/sold by the dealer-company has a commercial identity different from fabrics or textile. The learned Counsel has further pointed out that the correct test to be applied for interpreting the entries in the Schedule is as to how the item is known in common parlance. According to her, the item labels is called labels and not fabrics of textiles and as such, this item is not covered under entry 14 of Schedule B to the Act. In support of her contention, she has placed reliance on two judgments of the Andhra Pradesh High Court rendered in the cases of Bharat Litho Press v. State of Andhra Pradesh (1987) 67 STC 53 and Chandamama Printing Press Hyderabad Pvt. Ltd. Vs. State of Andhra Pradesh, .

8. Per contra, learned Counsel appearing for the respondent-assessee has assiduously argued that the Tribunal was right in holding that the labels which

are sold by it without cutting and in full rolls, are textiles and thus covered under entry 14 of Schedule B to the Act. The learned Counsel has further contended that various dictionaries have defined the term "textile" to be something which is woven. According to him, any kind of woven fabric would fulfil the requirements of being a textile and cannot be excluded from the entry merely because it has been used in a particular trade. In support of his contention, the learned Counsel has placed reliance on a catena of judgments rendered by various courts. The learned Counsel has further drawn our attention to the fact that yarn whether cotton silk, woollen, rayon, nylon or of any description are made out of any other material is woven into a fabric what comes into being is textile and it is known as such. The method of weaving adopted may be warp and woof or any other technique. The learned Counsel has further drawn our attention to Chapter 58 of the Central Excise Tariff Act and item in question which falls at entry Heading 58.07 which reads as under:

| ----- Heading |      |                                                                                                                          |      |                      |     |                      |
|---------------|------|--------------------------------------------------------------------------------------------------------------------------|------|----------------------|-----|----------------------|
| Sub-heading   | Rate | of                                                                                                                       | duty | Description of goods | No. | No. Basic Additional |
| -----         |      |                                                                                                                          |      |                      |     |                      |
| ---           | ---  | -----                                                                                                                    |      |                      |     |                      |
| 58.07         |      | Label, badges and similar articles of textile materials, in the piece, in strips or cut to shape or size not embroidered |      |                      |     |                      |
|               |      | -----                                                                                                                    |      |                      |     |                      |
|               |      | Woven                                                                                                                    |      |                      |     |                      |
|               |      | -----                                                                                                                    |      |                      |     |                      |
|               |      | Other Nil                                                                                                                |      |                      |     |                      |
|               |      | -----                                                                                                                    |      |                      |     |                      |

9. The learned Counsel for the respondent has laid much stress on the point that the item labels/label strips manufactured and sold by the company are clearly a variety of textile and the order of the Tribunal has correctly laid down the law.

10. Having heard the learned Counsel for the parties and going through the paper book and various judgments referred to by them, this Court is of the view that the reference has got no merit and the same deserves to be dismissed for the reasons to be recorded hereinafter.

11. Before dealing with various aspects of the matter in issue, it would, first of all, be useful to refer to certain judgments rendered by the honourable Supreme Court in which similar controversy regarding the same entry was resolved especially in the cases of Porritts and Spencer (Asia) Ltd. Vs. State of Haryana, , Delhi Cloth and General Mills Co. Ltd. Vs. State of Rajasthan and Others, , Palco Lining Company and Another Vs. The Sales Tax Officer, , Nathmal Manghilal and Company Vs. The State of Andhra Pradesh, , Suganchand Basantlal Singhania v. Commissioner of Sales Tax, M.P. (1996) 103 STC 392 (MP), The Deputy Commissioner of Commercial Taxes Vs. Madurai Printing Tape Factory, , Radhika Vs. State of Orissa, and Delhi Cloth and General Mills Co. Ltd. Vs. Commercial Tax Officer, Central Section and Others, .

12. In *Porritts and Spencer (Asia) Ltd. Vs. State of Haryana*, their Lordships of the honourable Supreme Court have observed as under (at pages 435-437 of STC):

The question is : whether "dryer felts" manufactured by the assessee fell within category of goods so as to exempt from sales tax ? Can it be said that "dryer felts" constitute a variety of cotton or woollen textiles ? The answer to the question depends on what is the true meaning of the word "textiles" as used in item 30 of the Schedule B.

There can, therefore, be no doubt that the word "textiles" in item 30 of Schedule B must be interpreted according to its popular sense, meaning "that sense which people conversant with the subject-matter with which the statute is dealing would attribute to it". There we are in complete agreement with the judges who held in favour of the Revenue and against the assessee. But the question is : What result does the application of this test yield ? Are "dryer felts" not "textiles" within the ordinary accepted meaning of that word ? The word "textiles" is derived from the Latin "texere", which means "to weave" and it means any woven fabric. When yarn, whether cotton, silk, woollen, rayon, nylon or of any other description or made out of any other material is woven into a fabric, what comes into being as a "textile" and it is known as such. It may be cotton textile, silk textile, woollen textile, rayon textile, nylon textile or any other kind of textile. The method of weaving adopted may be the warp and woof pattern as is generally the case in most of the textiles, or it may be any other process or technique. There is such phenomenal advance in science and technology, so wondrous is the variety of fabrics manufactured from materials hitherto unknown or unthought of and so many are the new techniques invested for making fabric out of yarn that it would be most unwise to confine the weaving process to the warp or woof pattern. Whatever be the mode of weaving employed, woven fabric would be "textiles". What is necessary is no more than weaving of yarn and weaving would mean binding or putting together by some process so as to form a fabric. Moreover, a textile need not be of any particular size or strength or weight. It may be in small pieces or in big rolls : it may be weak or strong, light or heavy, bleached or dyed, according to the requirement of the purchaser. The use to which it may be put is also immaterial and does not bear in its character as a textile. It may be used for making wearing apparel, or it may be used as a covering or bed sheet or it may be used as tapestry or upholstery or as duster for cleaning or as towel for drying the body. A textile may have diverse uses and it is not the use which determines its character as textile. It is, therefore, no argument against the assessee that "dryer felts" are used only as absorbents of moisture in the process of manufacture in a paper manufacturing unit. That cannot militate against "dryer felts" falling within the category of "textiles", if otherwise they satisfy the description of "textiles"....

The character of a fabric or material as textile does not depend upon the use to which it may be put. The uses of textiles in a fast developing economy are

manifold and it is quite common now to find "textiles" being used even for industrial purposes. If we look at the Customs Tariff Act, 1975, we find in Chapter 59 occurring in Section XI of the First Schedule that there is a reference to "textile fabrics" and textile articles, "of a kind commonly used in machinery or plant" and Clause (4) of that chapter provides that this expression shall be taken to apply inter alia to "woven textile felts. . . of a kind commonly used in paper-making or other machinery. . .". This reference in a statute which is intended to apply to imports made by the trading community clearly shows that "dryer felts" which are "woven textile felts ... of a kind commonly used in paper-making machinery" are regarded in common parlance, according to the sense of ordinary traders and merchants, textile fabrics. We have, therefore, no doubt that "dryer felts" are "textiles" within the meaning of that expression in item 30 of Schedule B.

13. In *Delhi Cloth and General Mills Co. Ltd. Vs. State of Rajasthan and Others*, , it has been held as under (at pages 259-261):

What is a fabric ? The "Mercury" Dictionary of textile terms defines "fabrics" as a term which covers "all textiles no matter how constructed, how manufactured, or the nature of the material from which made", and the expression "textile" is described as "any product manufactured from fibres through testing, interlacing, bonding, looping, or any other means, in such a manner that the flexibility, strength, and other characteristics properties of the individual fibres are not suppressed". The man-made textile Encyclopedia 1959 defines fabric as "a collective term applied to cloth no matter how constructed or manufactured and regardless of the kind of fibre from which made. In structure it is planar produced by interlacing yarns, fibres or filaments. Textile fabrics include the following varieties, bonding, felted, knitted, braided and woven". The Fairchild's Dictionary of Textiles 1959 says that fabric is "a cloth that is woven or knit, braided, netted, with any textile fibre. . .", and "textile" is said to refer to "a broad classification of any material that can be worked into fabric, such as fibres and yarns including woven and knitted fabric, felt, netted fabric, lace and crouched goods". In "Textile Terms and Definitions", 1960 the word cloth is defined as "a generic term embracing all textile fabrics and laminar felts" and "textile" is applied in its modern sense to "any manufacture from fibres, filaments, or yarns, natural or artificial, obtained by interlacing". The 1967 annual book of ASTM Standards defines cloth as "any textile fabric but specially one designed for apparel, domestic or industrial use", and textile fabric as "a planar structure consisting of interlaced yarns or fibres". The 1973 Annual Book of ASTM Standards reproduces those definitions.

...

On a comprehensive consideration of the material before us, there is no escape from the conclusion that by and large a tyre cord fabric is regarded as a textile fabric. The peculiar feature that the tyre cord constitutes the dominating element indicating the use to which the fabric is put and the close concentration in which

it is packed in contrast to the light density with which the weft thread is woven does not detract from the conclusion that what we have is a textile fabric. We are concerned with the product manufactured and sold by the appellant. It is wholly immaterial that once tyre cord fabric has, in the hands of the tyre manufacturer, undergone the process of rubberizing and is embedded in the tyre body the significance of the weft thread is greatly reduced. It may also be that in the more modern process of manufacturing tyres what is used is cabled rayon with hawser twists with the cords assembled in paralleled order and rubberized without the intermediate process of weaving on a loom. The material on the record, however, indicates that the product manufactured by the appellant does not fall in that category. It is a woven fabric in which the intermediate process of weaving the weft thread across the wrap cord is an integral stage of manufacture. When the purchaser buys the product, it is the entire integrated woven fabric which he buys, it is not merely the tyre cord by itself. If tyre cord was all that he desired, he would purchase that commodity, which is readily available, and not tyre cord fabric. We may also point out that item 22 of the First Schedule to the Central Excises and Salt Act speaks of "all varieties of fabrics", language wide enough to include the rayon tyre cord fabric manufactured by the appellant.

14. In the case of Palco Lining Company and Another Vs. The Sales Tax Officer, , it has been observed as under (at page 261 of STC):

(This quotation is from the judgment in Palco Lining Company and Another Vs. The Sales Tax Officer, at page 260 which has been referred to in Palco Lining Company and Another Vs. The Sales Tax Officer, "The word "cotton fabric" has not been defined in the notification but the meaning is obvious. It must be a fabric made of cotton and further it must answer the description of textile. So far as the buckram cloth and the other cloth that is used for manufacturing the collars and the shoulder straps is concerned, that is, undoubtedly a textile and a cotton fabric. In the case of Porritts and Spencer (Asia) Ltd. Vs. State of Haryana, , their Lordships have held that the word "textile" means any woven fabric and when yarn, whether cotton, silk, woollen, rayon, nylon or of any other description or made out of any other material is woven into a fabric what comes into being is a textile and is known as such. The method of weaving adopted may be the wrap and woof pattern or it may be any other process or technique. In the present case, it cannot be denied that both the cloth used as the outer line and the buckram cloth used as the inner line is produced by weaving. As it is not the Department's case that cotton yarn is not used in weaving buckram, and the other cloth. Thus the essential constituent of articles is cotton fabric. . .

15. In Nathmal Manghilal's case (1983) 54 STC 91, a Division Bench of the Andhra Pradesh High Court has held as under (at page 93):

A reading of this entry clearly shows that even a cotton fabric coated with cellulose derivatives, or other artificial plastic materials, is a "cotton fabric". Two buckram collars have been placed before us for our perusal. By looking at them, and also on perusing the process by which they are prepared, as set out in the

judgment of the Madras High Court, we feel no difficulty in holding that it is a cotton fabric. Merely because it is stiffened, it does not cease to be a cotton fabric. We are also of the opinion that it cannot be called a "garment". To become a "garment", it must be stitched into a different product, which it is not. This is also the view taken by the Madras and Gujarat High Courts in *Narasimha Agencies v. State of Tamil Nadu* (1977) 40 STC 217 and *State of Gujarat v. Ghanshyam Stores* (1982) 49 STC 117. We may in this connection refer to the decision of the Supreme Court in *Delhi Cloth & General Mills Company Ltd. v. State of Rajasthan* (1980) 46 STC 256. In that case, it was held that "rayon tyre cord fabric" used in the manufacture of tyres is a rayon fabric within the meaning of item 18 of the Schedule to the Rajasthan Sales Tax Act, 1954. We are of the opinion that, on the same analogy, buckram collars which serve as a lining in the collars of ready-made shirts, must be held to be "cotton fabric".

16. In *Suganchand Basantlal Singhania's case* (1996) 103 STC 392 (MP) it was observed as under (at page 394):

19. Cotton fabrics.-"Cotton fabrics" means all varieties of fabrics manufactured either wholly or partly from cotton and includes dhotis, sarees, chaddars, bed sheets, bed spreads, counterpanes, table clothes, embroidery in the piece, in strips or in motifs, fabrics impregnated, coated or laminated with preparations of cellulose derivatives or of other artificial plastic material, and fabrics covered partially or fully with textile flocks or with preparations containing textile flocks, if (i) in such fabrics cotton predominates in weight, or (ii) such fabrics contain more than 40 per cent by weight of cotton and 50 per cent or more by weight or non-cellulosic fibres or yarn or both....

Niwar and dari both are prepared after weaving cotton fabrics. Therefore, simply because they have not been mentioned specifically by name, would not mean that both these items will not be covered by this entry. In fact, the items which have been mentioned in this entry are illustrative only and not exhaustive. Similarly because certain items have been mentioned would not mean that the entry should be confined to those items only. These are all illustrative and not exhaustive. Therefore, the contention of the learned Counsel that simply because niwar and dari have not been mentioned, that would not be exhaustive in itself. The items which have been mentioned are only illustrative. Therefore, it cannot be treated that the list is exhaustive. The definition of "cotton fabric" is too wide and it would mean that all varieties of items manufactured wholly or partly from cotton fabric would fall in this entry and all other illustrative items given cannot be treated as exhaustive.

17. In *Deputy Commissioner of Commercial Taxes' case* (1971) 28 STC 431 (Mad), their Lordships of the Madras High Court have held as under (at page 432 of STC):

... All varieties of textiles (other than durries, carpets, druggets and pure silk cloth) made wholly or partly of cotton, staple fibre, rayon, artificial silk and wool,

including handkerchiefs, towels, napkins, dusters, cotton velvets and velveteen, tapes, niwars and laces and hosiery cloth in lengths. Specific mention having been made of tape in the entry, the revenue contends that the term would apply only to tape made of threads as a result of weaving. The tape now in question, which is shown to us, is used generally in tying up bundles or papers, and is made of threads which lengthwise are pasted together, without employing the process of interlocking or interlacing the threads, as in making cotton cloth and the like. The term "textile" has come up for judicial interpretation in *State of Madras v. T.T. Gopalier* (1968) 21 STC 451 (Mad) and *The Government of Madras Vs. Madurai Braided Cord and Tape Producers Co-operative Industrial Society*, . Following the dictionary meaning of the word, it has been held that "textile" in its broad sense is what is woven, and it means woven suitable for weaving textile fabrics. "Fabric" itself is, according to the Concise Oxford Dictionary, "thing put together ; woven material ; texture, tissue". There is no doubt, therefore, that the ingredient of textile is necessarily weaving, and what is not woven can hardly be described as textile. The various items mentioned in the entry themselves point to this meaning. Tapes made as a result of weaving would clearly be within the entry. But, would it be so if the normal pattern of producing textile by using the warp and woof pattern of thread is not applied ? In our view, that will not be conclusive. We are inclined to think that weaving is not necessarily limited to that type of weaving. In modern advancement of textile technology, it is now possible, without using the warp and the woof pattern to produce tape, by holding the threads together lengthwise by using gum. To a causal look, the product resembles a tape which has been woven in the normal sense on the loom. But it is not the appearance alone, but what is necessary for weaving is that threads are bound together in order to produce a pattern of fabric or tape.

18. In *Radhika Vs. State of Orissa*, , their Lordships of the Orissa High Court have observed as under (at page 94):

3 The entry in question reads thus:

All mill made fabrics made wholly or partly of cotton, staple fibre, rayon, artificial silk or wool including processed fabrics, made in the processing mills.

The learned standing counsel does not dispute the fact that mill-made cloth is exempt from tax. The contention, however, is that even if manufactured by mills, the four commodities referred to here are not mill-made cloth simpliciter but have been otherwise processed and become different commodities which would not be covered by the entry. We agree with the submission of the learned standing counsel that if mill-made cloth is converted into a different item of goods, the exemption would not extend to such goods. The question, however, is whether bed sheets and towels are different marketable commodities than mill-made cloth. So far as bed sheets are concerned, mill-made cloth is cut into pieces and the two ends are said to be stitched. There is indeed no conversion and bed sheets continue still to be mill-made cloth. So far as towels are concerned, the same process more or less is adopted. We do not think, merely

because a long sheet of mill-made cloth is cut into pieces and its sides are stitched, a different commodity emerges and what was mill-made cloth ceases to be so when it is in the shape of a bed sheet or a towel. There is no substantial alteration. It may be that for purposes of use a new commodity comes into existence, yet, it does not cease to be mill-made cloth. The exemption is in relation to mill-made cloth and there is no basis for holding that it does not continue to be mill-made cloths in its new shape. The same logic would apply to napkins.

19. In *Delhi Cloth and General Mills Co.'s case* (1975) 36 STC 575 (ibid), a single Bench of the Calcutta High Court has held as under (at page 579):

I find no substance in the contention raised on behalf of the petitioner that entry No. 19 included only those "cotton fabrics" which are manufactured as chadars, bed-sheets, bed-spreads, etc., as such, and not those which are prepared by cutting woven textile materials into shorter lengths and then stitching up the two ends. Entry No. 19 did not specify that bed-sheets, bed-spreads, etc., whose ends have been stitched shall be excluded. As already stated, the said entry has specified that all varieties of cotton including dhoties, sarees, bed-sheets, bed-spreads, etc., would be included. Only when by such stitching the essential nature or character of cotton fabrics is altered or changed the particular article would be outside the ambit of the said entry No. 19. On the other hand, in case such cutting into shorter lengths and stitching of the two ends are accessory to and, therefore, part of the process of manufacturing such bed sheets, bed spreads, chadars, etc., cutting and stitching cannot result in putting the finished articles beyond the scope of entry No. 19. In my view, the materials on record do not indicate that in the instant case, by executing works of cutting into shorter lengths and stitching the bed-spreads, bed-sheets, towels, etc., cease to be cotton fabrics. On the other hand, the same continued to be cotton fabrics in their natural and accepted meaning. Such cutting and stitching were really part of the process of manufacturing bed-spreads, bed-sheets, etc.

20. To the same effect is the judgment of this Court delivered by a Division Bench of this Court in *Raj Paul and Brothers v. State of Punjab* (2009) 23 VST 389 (G.S.T.R. Nos. 65 to 67 of 1991 vide order dated January 19, 2009), wherein it was held that handkerchiefs fall under item 30 of Schedule A to the Punjab General Sales Tax Act, 1948 which is similar to entry 14 of Schedule B to the Act. The same reads as under (at page 392 of VST):

But the question then is whether it would include handkerchiefs because handkerchiefs are not subjected to any knitting and embroidery. As already observed, handkerchiefs are hemmed and, therefore, it may fall within the meaning of "cotton, woollen or silken textiles on which knitting and embroidery work has been done".

However, the question directly fell for consideration before the Division Bench of the Kerala High Court in *Deputy Commissioner of Sales Tax (Law) v. M.M.*

Mohammed Abdul Khader (1980) 46 STC 512. The facts in that case are akin to the facts of the case in hand. The assessee in both the cases have purchased excise-duty-paid handkerchief from the mill and without subjecting those to any process sold it in the market. The handkerchiefs have been sold in the same condition in which it had been supplied to the assessee from mills. The further fact and position has not been denied that the handkerchiefs have been produced wholly out of cotton. In the wake of the aforesaid fact and position, the Division Bench opined as under:

. . . It is not in dispute that the kerchiefs have been manufactured wholly out of cotton. The mere fact that as part of the process of manufacture the edges of the cloth have been stitched will not in any way affect its character as a cotton fabric. In fact, such process of stitching is essentially involved in the manufacture of several of the items enumerated in the inclusive portion of the definition of cotton fabrics contained in entry No. 19 of the First Schedule to the Central Excises and Salt Act, for example, bed-sheets, bed-spreads, counterpanes, tablecloths, etc. It is not therefore possible to accept the plea put forward by the learned Government Pleader that the fact that the edges of the kerchiefs have been stitched will take the article out of the scope of the entry "cotton fabrics". We find that the same view has been taken by the Calcutta High Court in *Delhi Cloth and General Mills Co. Ltd. v. Commercial Tax Officer, Central Section, West Bengal* (1975) 36 STC 575, with which ruling we are in respectful agreement.

21. When the facts of the present case are examined in the light of the principles laid down in the aforesaid judicial pronouncements, we are left with no doubt that "labels" have to be regarded as textiles. It has remained undisputed on the facts that the names of the companies for which the labels are prepared are woven, which is the process used for weaving any other textile. It does not involve any printing by any external aid. Therefore, in the facts and circumstances of the case "labels" have to be regarded as textile and covered by entry 14 of Schedule B to the Act. The question posed hereinabove is decided in favour of the assessee and against the Revenue. However, parties are left to bear their own costs.