
(1954) 03 MAD CK 0053

In the Madras High Court

Case No : Tax Revision Case No. 236 of 1953

State of Madras

APPELLANT

Vs

Marshall Sons and Co. (India) Ltd.

RESPONDENT

Date of Decision : 24-03-1954

Acts Referred:

Madras General Sales Tax Act, 1939 — Section 3(1), 3(2)

Citation : AIR 1954 Mad 884 : (1954) 2 MLJ 188

Hon'ble Judges : Satyanarayana Rao, J;Rajagopalan, J

Bench : Division Bench

Advocate : Asst. Govt. Pleader, for the Appellant; S.V. Row, for the Respondent

Final Decision : Dismissed

Judgement

Satyanarayana Rao, J.—There are two items of disputed turnover in this case, which relate to assessment for the year 1949-50, A sum of Rs. 41,426-13-4 represents the value of the goods which were transferred to the branches outside the State and were sold by the assessee outside the State. They are undoubtedly not subject to any tax, and that is the view that was taken by the Appellate Tribunal, which must be upheld.

2. The remaining turnover of Rs. 2,85,931-7-1 represents the sale proceeds of agricultural tractors which the assessee sold in the State. The contention of the assessee, which was upheld by the Tribunal is that he was liable to pay tax at the rate of 3 pies per rupee as provided in Section 3(1)(b) of the General Sales-tax Act, while the Government contends that the agricultural tractor is a "motor vehicle" and therefore the assessee is liable to pay an extra six pies as provided in Section 3(2) (i) of the Act. Under a G. O. dated 13-9-1949 the Government exempted altogether from liability to tax Caterpillar tractors, and by a subsequent G. O. No. 10 (Revenue) dated 2-1-1951 the sales of all tractors used for agricultural purposes were exempted from the tax payable u/s 3(2) of the Act. The notification was issued u/s 6(1) of the Madras General Sales-tax Act. The question raised In the present case is therefore not of importance for the

future. But it is important for the purpose of assessment for the year 1949-50. The controversy between the parties turns upon the correct interpretation of the expression "motor vehicle" used in Section 3(2)(i) of the Act. It reads as follows: "Motor vehicles including the motor cars, motor taxi cabs, motor cycles and cycles combinations, motor scooters, motorettes, motor omnibuses, motor vans and motor lorries -- Additional tax 6 pies."

The Tribunal held that an agricultural tractor, though the propulsion is by a motor, is not a vehicle because it is not a thing which is employed to carry either persons or goods on land. According to their Interpretation, vehicle means a conveyance.

3. The meaning of "vehicle" given in the Concise Oxford Dictionary is "Carriage, conveyance of any kind used on land". A carriage or conveyance is used either to carry passengers or persons or goods. The Act itself includes in the expression "motor vehicles" such of the mechanisms as are propelled by motor and which are used either for carrying goods or for carrying passengers or persons, which is an indication on the part of the Legislature as to what they meant by the word "vehicle" in the expression "motor vehicle".

4. Taking the dictionary meaning of "vehicle" It cannot be doubted that it means a conveyance or a carriage. An agricultural tractor Is not used to convey anything and it is employed for agricultural operations and is driven by a driver. It is therefore impossible to accept the contention on behalf of the Government that an agricultural tractor is a vehicle and therefore is subject to the levy of additional tax of 6 pies.

5. In our opinion the interpretation placed upon the word "vehicle" by the Appellate Tribunal is correct, and the decision of the Tribunal must be confirmed. The revision case is dismissed with costs, Rs. 250.