**(1990) 12 MAD CK 0070**

**In the Madras High Court**

**Case No :** Tax Case No''s. 1145 to 1148 of 1990 (Revision No''s. 587, 486, 485 and 488 of 1990)

State of Tamil Nadu APPELLANT

Vs

Lakshmi Starch Ltd. RESPONDENT

**Date of Decision :** 05-12-1990

**Acts Referred:**
Tamil Nadu General Sales Tax Act, 1959 — Section 17

**Citation :** (1990) 12 MAD CK 0070

**Hon'ble Judges :** Mishra, J;Govindasamy, J

**Bench :** Division Bench

**Advocate :** Haja Nazuruddin, for the Appellant;

## Judgement

Mishra, J.—Heard learned Additional Government Pleader. Also looked into the exemption Notification No. 89, dated March 14, 1970, which states :

"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 exempts with effect on and from the 1st April, 1970 all sales of products of millets (like rice, flour, brokens and bran of cholam, cumbu, ragi, thinai, varagu, samai, kudiravalli, mile and maize) from the tax payable under the said Act."

2. The Tribunal in its order has said :

"The appellants have clearly stated even before the assessing authority and Deputy Commissioner and before us that maize starch is only a product of millet of maize and they have narrated the manufacturing process before the lower authorities and before us also and the same process has also been narrated by the Deputy Commissioner in his order and that shows that the maize starch is obtained only from pure maize millets without any addition of chemical or any other thing and the Deputy Director of Industries and Commerce has also given a certificate to the effect that maize starch contents was 98 per cent and the appellants stated that the remaining 2 per cent is only waste and that seems to be reasonable and proper explanation and therefore the maize starch obtained by the appellants by their manufacturing process is unadulterated one and not mixed with any other components as per the certificate issued by the Deputy Director, Regional Testing Laboratory, Avinashi Road, Coimbatore and 2 per cent balance was only ash or waste. Therefore the appellants contended that maize starch is only a product of the millets of maize which is exempted from levy of sales tax as per the Notification No. 89/70, dated March 14, 1970."

and concluded

"the manufacturing process narrated by the appellants will clearly prove that maize starch is a product of maize millets and the 2 per cent waste is negligible and what the appellants sold was only unadulterated maize starch without the addition of any chemical components and therefore what was sold by the appellant was only unadulterated carbohydrate food reserve in the millet of maize which is exempted from the levy of tax as per Notification No. 89/70, dated March 14, 1970."

3. The Tribunal is right in coming to the said conclusion as all products of the millets are exempted from tax vide the aforementioned Notification No. 89/70 dated March 14, 1970. There is no merit in these tax cases. These cases are accordingly dismissed.

4. Petitions dismissed.