

State of Madras Vs Marshall Sons and Co. (India) Ltd.

Court: Madras High Court

Date of Decision: March 24, 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.