

**Commissioner of Sales Tax Vs. Agrawal Agencies**

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**Court :** Allahabad

**Decided On :** Aug-06-1979

**Reported in :** [1980]45STC455(All)

**Judge :** R.M. Sahai, J.

**Appeal No. :** S.T.R. No. 726 of 1978

**Appellant :** Commissioner of Sales Tax

**Respondent :** Agrawal Agencies

**Advocate for Def. :** None

**Advocate for Pet/Ap. :** Standing Counsel

**Disposition :** Petition allowed

**Judgement :**

R.M. Sahai, J.

1. The following question of law was referred for the opinion of this Court:

Whether adhesive falls under the category of chemical or is unclassified item

2. As the law has been amended this reference is decided as revision under Section 11 of the U.P. Sales Tax Act. The revising authority held 'adhesive' appears to have been prepared by chemicals and used for industrial purposes. It was therefore chemical. As it is locally purchased the assessee was held not liable to pay any tax on it. In Commissioner, Sales Tax v. Prayag Chemical Works [1970] 25 S.T.C 85 (F.B), a Full Bench of this Court observed:

According to Shorter Oxford Dictionary 'chemical' means anything obtained or used in chemistry. The word has been judicially construed in the U.S.A. There it means a substance used for producing a chemical effect or produced by a chemical process.

3. There is no finding or evidence that adhesive was obtained or used in chemistry or that it was a substance used for producing a chemical effect or produced by a chemical process. In the absence of a finding on any of these aspects, it is difficult to uphold the order.

4. In the result, this revision succeeds and is allowed. The order passed by the Additional Revising Authority is set aside. He shall decide the revision afresh. As

nobody appeared for the assessee there shall be no order as to costs.

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