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Order QR

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07-10-2026

CORAM

THE HON'BLE DR.JUSTICE ANITA SUMANTH

AND

THE HON'BLE MR.JUSTICE K.RAJASEKAR

TC Nos. 50 to 52 of 2019

CNR:{HCMA010822812019}



CNR:{HCMA010822792019}

Case QR

Case QR

CNR:{HCMA010822802019}

M/s.Vedant Fashions Pvt Ltd
Pioneer Sudarsan Plaza, No.9-a, Mohan
Kumaramangalam Street, Nungambakkam High
Road, Nungambakkam ,Chennai 34

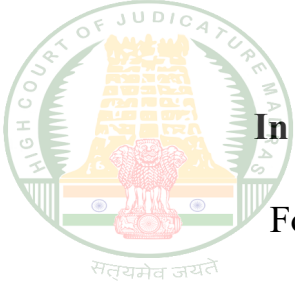
..Petitioner(s)

Vs

The State Of Tamilnadu
Rep By Joint Commissioner (ST) Chennai Central
Division, Chennai

..Respondent(s)

Common Prayer: Tax Cases filed under Section 60 of the Tamil Nadu Value Added Tax Act, 2006 to revise the order of the Sales tax Appellate Tribunal, Additional Bench, Chennai passed in TA Nos.27, 28 and 29/15, all dated 30.11.2018.

**In all TCs**

For Petitioner(s): Mrs.Radhika Chandrasekar

For Respondent(s): Mr. I. Dinesh , AGP (Taxes)

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Common Order**(Order of the Court was made by Dr.Anita Sumanth J.)**

This common order is passed in three Tax Case (Revisions) relating to the periods 2009-10 to 2011-12 where the challenge is to separate orders of the Tamil Nadu Sales Tax Appellate Tribunal (in short 'STAT'/'Tribunal'), all dated 30.11.2018.

2. The issue relates to classification of 'Dupatta' (hereinafter referred to as 'goods'/'dupatta'). For the periods in question, pre-assessment notices had been issued on 05.07.2013, pursuant to which assessments were framed on 02.01.2014 classifying the goods as taxable at 4%. The orders of assessment are cryptic. While the Assessing Authority has rejected the classification of the goods as put forth by the assessee being, exempt under Part A of the IV Schedule of the Tamil Nadu Value Added Tax Act, 2006 (in short 'Act'), no rival entry is quoted in support of the taxability endowed by the Assessing Authority.

3. As against the orders of assessment, appeals were preferred before the Appellate Assistant Commissioner, who confirms the assessments vide orders



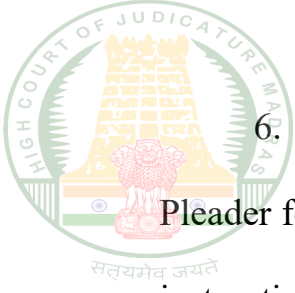
dated 24.07.2014. The basis of assessment had been that, a dupatta could only be worn along with the main garment, being a Chudidar or Salwar Kameez, it cannot be sold separately, it cannot be used as fabric that may be lined and that it cannot be embellished with beads, embroidery or the like.

4. The assessment came to be confirmed by the first appellate authority who, while confirming the levy of tax at 4%, classified the product under Entry 49/Part B/Schedule I, that relates to fibres. Second appeals were filed before the Tribunal that confirmed the orders of the lower authorities on 30.11.2018. The factual findings in relation to the nature of dupatta have been confirmed, as was the classification.

5. It is as against the aforesaid concurrent findings that the petitioner is before us. Though the revisions had come up first on 11.11.2019 when notice was ordered, they do not appear to have been admitted. Hence, we admit the Tax Case (Revisions) and frame the following substantial questions of law:

1. Whether, on the facts and circumstances of the case and in law, the Sales Tax Appellate Tribunal was justified in confirming the demand on the ground that the Dupatta is integrally connected with the Readymade Garments and it cannot be sold separately as it is part and parcel of readymade garments?

2. Whether, on the facts and circumstances of the case and in law, the Sales Tax Appellate Tribunal was justified in confirming that duppatta is classifiable under item No. 49 of Part B of 1st Schedule and not under Part-A of the Fourth Schedule of the TNVAT Act?



6. Though admitted today, Mr.I.Dinesh, learned Additional Government Pleader for the respondent, is ready to argue the matters and is fully armed with instructions to enable a final disposal of the revisions. We hence proceed to dispose these revisions finally.

7. The rival entries are as follows. The assessee had sought exemption classifying the dupatta based on the material comprising the dupatta, under Entries 3 to 10 of Part A of IV Schedule that read as follows:

S.No.	Description of Goods
3.	<i>Woven fabrics or silk or of silk waste</i>
4.	<i>(i) Woven fabrics of carded wool excluding hair belting (ii) Woven fabrics of combed wool excluding hair belting</i>
5.	<i>Woven fabrics of cotton</i>
6.	<i>(i) Woven fabrics of synthetic filament yarn. (ii) Woven fabrics of artificial filament yarn.</i>
7.	<i>(i) Woven fabrics of synthetic staple fibres. (ii) Woven fabrics of artificial staple fibres.</i>
8.	<i>(i) Woven pile fabrics and chenille fabrics of wool, cotton or man made fibres (ii) Terry towelling and similar woven terry fabrics and tufted textile fabrics (iii) Gauze (iv) Lace in the piece in strips or in motifs of cotton or man-made fibres (v) Embroidery in the piece, in strips or in motifs. (vi) Narrow woven fabrics.</i>
9.	<i>(i) Textile fabrics coated with gum or amylaceous substances of a kind used for the outer covers of books or the like; tracing cloth; prepared painting canvas; buckram and similar stiffened textile fabrics</i>
10.	<i>Pile fabrics, including 'Long pile' fabrics and terry fabrics, knitted or crocheted.</i>



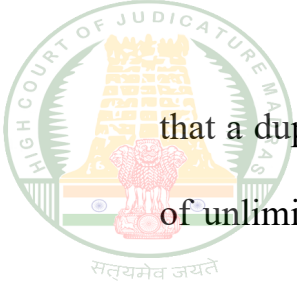
8. Though the Assessing Authority has levied tax at 4%, the orders of assessment are silent as to the relatable Entry. However, both the Appellate Assistant Commissioner and the Tribunal have referred to Entry 49/Part B/Schedule I that reads as follows:

<i>S.No</i>	<i>Description of goods</i>
49.	<i>Fibres of all types and their waste other than those specified in the Fourth Schedule.</i>

9. The case of the authorities appears to be that dupatta is a readymade garment, in which case, the Department ought to have referred to Entry 115/Part B/Schedule I, which refers to '*readymade garments*'. This has however never been the case of the Department, and the consistent reference in both orders of the appellate authorities is to Entry 49/Part B/Schedule 1.

10. A dupatta cannot, by any stretch of imagination, fall into an Entry encompassing only fibres as it comprises woven fabric. We thus find a fundamental flaw in the approach of the authorities and reject the basis of assessment by the authorities. Reference to Entry 49/Part A/Schedule I is clearly misconceived.

11. Learned Additional Government Pleader would seek to distinguish a dupatta from fabrics, referred to in Entries 3 to 10/PartA/IV Schedule, stating



that a dupatta is circumscribed by a specific length whereas fabrics are yardage of unlimited length. This argument, and the distinction made, do not appeal to us.

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12. The object of classification is to pigeonhole goods into an Entry that most appropriately describes them, taking into account their functionality and appearance. A plain reading of Entries 3 to 10/Part A/IV Schedule, that deal with fabrics, reveals to us that those are the appropriate entries to deal with dupattas of varying materials.

13. In *Bharat Forge & Press Industries (P) Ltd vs Collector Of Central Excise, Baroda* (84 STC 414), three Hon'ble Judges of the Supreme Court considered the classification of pipe fittings. The assessee had argued that pipe fittings would fall within the ambit of the Entry '*pipes and tubes*', whereas the stand of the Department was that it would fall under the residuary head.

14. The Supreme Court held that pipe fittings would primarily be covered by the Entry '*pipes and tubes*' and that an article will be covered by the residuary item only when it cannot be covered by any other Entry in that Schedule. By the same logic, dupatta, which is primarily a fabric, would fall under the ambit of Entries 3 to 10/Part A/IV Schedule only.



15. The substantial questions of law are answered in favour of the assessee and these Tax Case (Revisions) are allowed. No costs.

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(A.S.M.,J.) (K.R.S.,J.)

07-10-2026

Index: Yes

Speaking order

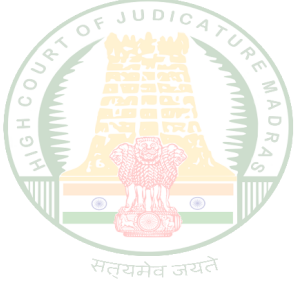
Neutral Citation: Yes

SL

To

The State Of Tamilnadu

Rep By Joint Commissioner (st) Chennai Central
Division, Chennai



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DR.ANITA SUMANTH J.

AND

K.RAJASEKAR J.

SL

**TC No. 50 of 2019
AND
TC NO. 51 OF 2019, TC NO. 52 OF 2019**

07-10-2026