

**ORDER OF CLARIFICATION MADE BY SHRI HARDEEP KUMAR, IAS,
PRINCIPAL SECRETARY TO GOVERNMENT OF HARYANA,
EXCISE & TAXATION DEPARTMENT,
Under Section 56(3) of the Haryana Value Added Tax Act, 2003**

This is an order of clarification issued under section 56(3) of the Haryana Value Added Tax Act, 2003 (here-in-after referred to as the Act) suo motu on a representation dated 22.12.2013 received from the All Broom Laghu Udyog & Vyapari Association, Hisar on the issue relating to levy of vat on sale of "tilla jharoo". The Association has represented that in the light of the entry no.36 of Schedule B contained in the Act which reads as "*Muddhas made of sarkanda, Phool buhari jharoo*" the "tilla jharoo" is also tax exempted and the government should clarify the same.

2. The issue has been examined. There seems to be confusion as regard to the interpretation of entry 36 of Schedule B of the Act while looking into the words "Phool Buhari Jharoo" i.e. whether "Phool Buhari Jharoo" or "Jharoo" in general is exempted from levy of VAT. Buhari or Jharoo are synonym words and understood as such in common parlance in the State. There does not seem to be any reason for mentioning "buhari" followed by the word "jharoo" when buhari and jharoo both are synonyms. The legislative intention of including both the words may have been to give separate meaning to the words "phool buhari" and "jharoo". If this intention is adopted then the word "jharoo" becomes tax exempted under the Act. "Jharoo" includes "tilla jharoo" and hence "tilla jharoo" is covered under the entry 36 of Schedule B of the Act and is tax exempted.

The matter stands clarified as above.



(HARDEEP KUMAR)

Principal Secretary to Government of Haryana
Excise & Taxation Department

Chandigarh

Dated: 05.02.2014