

**PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION
AND ADVANCE RULING**

ACARR NO.020/2014-15
(Acts Cell -II/15861/2014)

Dated 08.09.2014

- Present:**
1. Thiru. K.Rajaraman, I.A.S.,
Principal Secretary & Commissioner of Commercial Taxes.
 2. Thiru. R.Vayanaperumal,
Additional Commissioner (CT), (Public Relations)
 3. Thiru. K.Mahalingam,
Additional Commissioner (CT), (Revision Petitions)

1.	Name and address of the Applicant	:	Swan Enterprises (P) Ltd., 49 & 50 SIDCO Industrial Estate, Tiruvallur Dist. Gumudipondi-601 201.
2.	Registration Certificate No.	:	TIN:33370820508/ CST.599372
3.	Date of application	:	19-05-2014
4.	Date of receipt of application	:	19-05-2014
5.	Clarification sought for	:	Rate of Tax on sale of "Automobile Components" to Vehicle Factory in other State.
6.	Date of Personal Hearing	:	13.08.2014
7.	Represented by	:	Thiru.Santhosh A Hinduja

ORDER

M/s Swan Enterprises (P) Ltd.,49 & 50 SIDCO Industrial Estate, Tiruvallur Dist. Gumudipondi - 601 201. (TIN:33370820508/CST:599372) are register dealers in the file of Assistant Commissioner(CT) Alwarpet Assessment Circle, manufacturing and marketing "Automobile Components" have preferred application in Form "VV" and sought for clarification under section 48-A (1) of the TNVAT Act 2006, read with rule 12(A) of TNVAT Rules 2007.

2. The Applicant-dealer sought for clarification on the following:-
Rate of tax on "**Automobile Components**"

The applicant dealer in Form VV have stated that they are supplying automobile components to Vehicle Factory Japalpur in Madhya Pradesh for which at present TNVAT rate is 14.5% is charged as per the conditions of tender called for by the Central Govt. Department in other state. As the Vehicle Factory Japalpur in Madhya Pradesh has refused to give C Form declaration to avail 2% concessional rate tax, the applicant dealer requested clarification to clarify the rate of tax on the inter-state sale of Automobile Components to Vehicle Factory in Japalpur MP. Further the applicant dealer has requested to provide personal hearing before issuing clarification.

In this office reference in Acts Cell-II/15861/2014 dated 19.05.2014 in ACAAR 20/2014-15 a personal hearing notice was sent to the applicant dealer with request to appear for personal hearing along with required details before the Authority for Advance Ruling and Clarification on 13.08.2014 at 4.00PM at the officer of the Principal Secretary / Commissioner of Commercial Taxes, Chepauk, 2nd Floor to put forth their case.

Accordingly the applicant dealer appeared before this forum on 13.08.2014.

The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules, 2007 and Section 8(2) of the CST Act, 1956. Automobile Components are liable to tax at 14.5% under item 48 of Part-C of I Schedule to the TNVAT Act 2006.

As per the provisions of Section 8(2) of the CST Act 1956:-

"The tax payable by any dealer on his turnover in so far as the turnover or any part thereof relates to the sale of goods in the in the course of inter-state trade or commerce not falling under section 8(1), shall be at the rate applicable to the sale or purchase of such goods inside the appropriate state under the sales tax law of that state".

In view of the above provisions under TNVAT Act 2006 and CST Act 1956, it is clarified that the rate of tax on inter-state sale of Automobile Components to other state without C Form is taxable at 14.5%.

Dated this the 8th Day of September, 2014.

Sd/- R. Vayanaperumal,
Additional Commissioner (PR)

Sd/- K. Mahalingam,
Additional Commissioner (RP)

Sd/- K. Rajaraman,
Principal Secretary/
Commissioner of Commercial Taxes

To

Tvl. Swan Enterprises (P) Ltd.,
49 & 50 SIDCO Industrial Estate,
Tiruvallur Dist.
Gumudipondi-601 201.

Copy to:

The Assistant Commissioner (CT)
Alwarpet Assessment Circle

The Joint Commissioner (CT),
Chennai (East) Division.

The Joint Commissioner (CS)
To host in the Department Website

The Principal Secretary to Government, Commercial Taxes & Registration
Department, Chennai - 9.

All Joint Commissioners (CT) including Enforcement, LTU, MOU and ISIC.

All Deputy Commissioners (CT), Territorial, Assessment and Enforcement

All Head of Offices (Assessment)

The State Representative, Sales Tax Appellate Tribunal, Chennai - 104.

The Addl. State Representative, (AB) Chennai, Madurai and Coimbatore.

The Director, CTSTI, Greams Road, Chennai - 6.

The Executive Officer, Traders Welfare Board, Chennai - 5.

The Accountant General (Audit)-II, No.44, Greams Road, Chennai - 6.

The Additional Commissioners, Deputy Commissioners, Assistant
Commissioners, Commercial Tax Officers in CCT's Office.

Personal Clerk to the CCT.

Stock File3 / Acts Cell-II / Spare - 5.

//Forwarded/By order//


Additional Commissioner (PR)