

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.03/2016-17
Acts cell-II/9437/2016

Date: 30.12.2016

- Present:** 1. Dr. C. Chandramouli, I.A.S.,
Additional Chief Secretary / Commissioner of Commercial
Taxes.
2. Thiru. A. Sarvar Allam,
Additional Commissioner (CT), (Public Relations)(FAC)
3. Thiru. K. Mahalingam,
Additional Commissioner (CT), (Revision Petitions)

1	Name and address of the Applicant	:	Tvl.Kalyani Covering, 54C, Jaffersha Street, Trichy - 620 008
2.	Registration Certificate No.	:	TIN.No. 33703421527 CST:204077
3.	Assessment Circle	:	Mailamchandai-I Assessment Circle
4.	Date of application	:	--
5.	Date of receipt of application	:	11-04-2016
6.	Clarification sought for	:	Rate of tax on " Bangles "
7.	Date of Personal Hearing	:	26-10-2016
8.	Represented by	:	Thiru. Thirumurthy, Proprietor

ORDER

Tvl.Kalyani Covering, 54C, Jaffersha Street, Trichy - 620 008 (TIN.No. 33703421527), registered dealers in the files of Mailamchandai-I Assessment Circle have preferred application in Form 'VV' and sought clarification under Section 48-A (1) of the Tamil Nadu Value Added Tax Act, 2006 (TNVAT Act, 2006), read with Rule 12-A of Tamil Nadu Value Added Tax Rules, 2007 (TNVAT Rules, 2007) on the rate of tax applicable on "**Bangles**".

2.1. The applicant-dealers sought for personal hearing and accordingly they were heard on 26.10.2016. Thiru. Thirumurthy, Proprietor appeared for the hearing and filed written statements along with documentary evidences.

2.2. The applicant-dealers have stated that they deal with imitation jewellery in general which fall under Entry-7 of Part-B of First Schedule to the TNVAT Act, 2006. They have contended that they are also dealing with bangles made of aluminium, copper, brass, lac, plastic and glass which would fall under Entry-9 of Part-B of Fourth Schedule (Commodity Code -709) and hence exempt from tax liability. Therefore, they have sought clarification on the rate of tax applicable on bangles.

3. This committee considered the above application and the documents filed along with the application carefully and examined the issue with reference to the Schedules and provisions of TNVAT Act, 2006, Rules made thereunder and notifications issued under the Act. The contentions raised by the Proprietor at the time of hearing also were also considered.

4. Entry-7 of Part-B of First Schedule to the TNVAT Act, 2006 reads as follows:

"7(a) Articles and jewellery made of rolled gold and imitation gold
(b) Imitation jewellery"

However, bangles are specifically enumerated under Entry-9 of Part-B of Fourth Schedule to the TNVAT 2006, reads as follows:

"9. Bangles other than those made of precious metals"

As per the law evolved in commodity taxation, if there is conflict in classification of a commodity between a general entry and a specific entry, the specific entry would over-rule the general entry. In the case of the applicants, imitation jewellery is general entry and bangle is specific entry. Therefore, all bangles other than those made of precious metals would fall under the specific Entry-9 of Part-B of Fourth Schedule to the TNVAT 2006, notwithstanding the fact that the applicant is generally dealing in imitation jewellery.

5. It is therefore clarified that **"Bangles other than those made of precious metals"** are eligible for exemption from VAT liability under Entry-9 of Part-B of Fourth Schedule to the TNVAT 2006.

Dated this the Thirtieth day of December 2016.

Sd/- A. Sarvar Allam,
Additional Commissioner (PR)(FAC)

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

Sd/- Dr.C. Chandramouli, I.A.S
Additional Chief Secretary/
Commissioner of Commercial Taxes

To
Tvl.Kalyani Covering,
54C, Jaffersha Street,
Trichy - 620 008

Copy to:
The Assistant Commissioner (CT)
Mailamchandai-I Assessment Circle

The Joint Commissioner (CT),
Trichy 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 File 3/ Acts Cell-II /Spare - 5.

//Forwarded/by Order//

Dr. J. Chandramouli
21.12.
Commercial Tax Officer