

PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND ADVANCE RULING	
ACAAR No. 114/ 2013-14. (Acts Cell – II/4690/2014)	Dated 23.10.2014
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	: Tvl. Sri Ramjeyam Granites, No.731, Krishnagiri Main Road, Mathur Krishnagiri District.
2. Registration Certificate No.	: TIN:33423305087 / CST:1047774
3. Date of application	: 10.02.2014
4. Date of receipt of application	: 10.02.2014
5. Clarification sought for	: Rate of Tax on "Rough Granite Blocks"
6. Date of Personal Hearing	: ----
7. Represented by	: ----

ORDER

Tvl. Sri Ramajeyam Granites, No.731, Krishnagiri Main Road, Mathur, Krishnagiri District. (TIN: 33651024539), the registered dealers in the files of Krishnagiri Assessment Circle, dealers in mining and marketing Rough Granite Blocks, have preferred application in Form 'VV' and sought clarification under Section 48-A (1) of the TNVAT Act, 2006, read with Rule 12-A of TNVAT Rules, 2007.

2. The applicant-dealers have sought for clarification on the following:

Rate of tax on "**Rough Granite Blocks**" sold as raw material to the manufacturers of Granite slabs and tiles.

3. The applicant-dealers have stated that they mine rough Granite Blocks and after dressing the sides, sell the same as raw material to the manufacturers of Granite Slabs and tiles. It is known that the rough Granite blocks are taxable @ 14.5 %. The applicant-dealers have prayed that the rate of tax for rough Granite Blocks on sale to manufacturers of granite slabs and tiles as raw material.

4. The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules, 2007 and the related Entries in Parts B and C of the First and Fourth Schedules to the TNVAT Act, 2006. Section 48-A of TNVAT Act, 2006 provides for clarification on any point concerned with rate of tax for commodities.

5. The applicant-dealers have sought for clarification regarding rate of tax on "**Rough Granite Blocks**", sold as raw material to the manufacturers of Granite slab and tiles.

6. The related Entry 36(iii) of Part-C of First Schedule to the TNVAT Act, 2006 reads as extracted below:

- (iii) (a) *Granite blocks (rough or raw); and*
 (b) *Polished granite slabs, including tombstones, monument slab and headstone;*

As per the subentry (a) of the Entry 36(iii) of Part-C of First Schedule to the Act the rough Granite Blocks are liable to tax @ 14.5 %. Granite slabs and tiles are also liable to tax @ 14.5 % as per sub-entry (b) of the Entry 36(iii) of Part-C of First Schedule to the Act. Both the blocks and slabs/tiles are of the species of the genus Granite. The cutting and polishing of granite blocks into slabs and tiles does not bring change in the nature of goods but only the change in shape and size and hence is not a manufacture. The Entry 67 of Part-B of First Schedule to the Act does therefore bear no application in this case. The applicable rate of tax on rough granite blocks is therefore 14.5 % as per Entry 36(iii) of Part-C of First Schedule to the Act.

7. The clarification is therefore that the "**Rough Granite Blocks**" are taxable @ 14.5 % as per Entry 36(iii) of Part-C of First Schedule to the TNVAT Act, 2006.

Dated this, the 23rd Day of October, 2014.

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

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

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

To

Tvl. Sri Ramjeyam Granites,
No.731, Krishnagiri Main Road,
Mathur
Krishnagiri District.

Copy to

The Assistant Commissioner (CT)
Krishnagiri Assessment Circle

The Joint Commissioner (CT),
Salem 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)