

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.126/2015-2016
Acts cell-II/7772/2016

Dated:14.08.2018

- Present:**
1. Dr.T.V. Somanathan, I.A.S.,
Additional Chief Secretary /Commissioner of Commercial Taxes.
 2. Thiru M. Parameswaran,
Additional Commissioner (ST), (Public Relations)(FAC)
 3. Dr. C. Palani,
Additional Commissioner (ST), (Revision Petitions)(FAC)

1.	Name and address of the Applicant	:	Tvl. Ind Auto Products, No. 60-A-E, E.B. Colony, Kajamalai, Trichy - 620 023
2.	Registration Certificate No.	:	TIN:33803460466 CST: 208585
3.	Assessment Circle	:	Srirangam Assessment Circle
4.	Date of application	:	--
5.	Date of receipt of application	:	21-04-2016
6.	Clarification sought for	:	Rate of tax on " Boiler Components "
7.	Date of Personal Hearing	:	--
8.	Represented by	:	--

ORDER

Tvl. Ind Auto Products, No. 60-A-E, E.B. Colony, Kajamalai, Trichy - 620 023 (TIN: 33803460466), the registered dealer in the files of Srirangam 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).

2. The applicant-dealers have sought clarification regarding rate of tax on "**Boiler Components**". The dealer has stated that they are supplying the Boiler components to BHEL.

3. The applicant-dealer has sought for personal hearing and they were granted opportunity to appear before this Committee for Personal hearing on 26/10/2016, 16/06/2017 and 05/07/2018. The applicant dealer responded only to the notice of personal hearing dated 26/10/2016 wherein they have requested for an adjournment. Thereafter, for the subsequent hearing notices dated 16/06/2017 and 05/07/2018, there was no response from the applicant dealers. Hence, the following clarification issued on the basis of details available in the application filed by the applicant dealer.

4. The commodity for which the applicant dealer sought for Clarification namely "Boiler Components" has already been decided in the case of Tvl. Power Pining Company in ACAAR No.032/2014-15 dated 24/12/2016. Like this applicant, dealer for whom the clarification already issued also supplier of Boiler components to Tvl. Bharat Heavy Electricals Limited.

In ACAAR No. 032/2014-15, the clarification issued in respect of Boiler Components is as follows:

"The clarification in respect of the Boiler Components is therefore as given below:

(i) "**Boiler Components**" (ducting components) **are taxable generally at 14.5 % under entry 37 of Part-C of first Schedule to the TNVAT Act, 2006**; and

(ii) However, **boiler components attracts tax @ 5 % as Capital goods under Entry 25 of Part-B of First Schedule read with section 2(11) of the TNVAT Act, 2006 on sale to industrial manufacturers inside the State."**

5. Since the commodity dealt and the person who agrees to acquire, ownership is one and the same in both the cases the clarification already issued in the earlier case (Tvl. Power Piping company) is reiterated for this applicant dealer.

6. In view of the above, it is clarified that **"Boiler Components" are taxable at 14.5% under Entry 37 of Part-C of First Schedule to the TNVAT Act, 2006.** However, on sale of boiler components to **industrial manufacturers inside the State, it attracts VAT at 5% as Capital goods under Entry 25 of Part-B of First Schedule read with section 2(11) of the TNVAT Act, 2006.**

Dated this the Fourteenth day of August 2018.

Sd/- M. Parameswaran,
Additional Commissioner (PR)(FAC)

Sd/- C. Palani,
Additional Commissioner (RP) (FAC)

Sd/- T.V. Somanathan,
Additional Chief Secretary/
Commissioner of Commercial Taxes

To
Tvl. Ind Auto Products,
No. 60-A-E, E.B. Colony,
Kajamalai, Trichy - 620 023.

Copy to:
The Assistant Commissioner (ST),
Srirangam Assessment Circle.

The Joint Commissioner (ST),
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 (ST) including Enforcement, LTU, MOU and ISIC.

All Deputy Commissioners (ST), 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, Greaves 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//


State Tax Officer