

PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND ADVANCE RULING		
ACAAR No. 128/ 2013-14. (Acts Cell – II/7808/2014)		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. Bhaarath Beverage Pvt. Ltd., Plot No.29 & 30, Tharmar Street, Jothi Nagar, Annanur, Chennai -600 062.
2.	Registration Certificate No.	: TIN:33131352200 / CST:1126321
3.	Date of application	: 06.03.2014
4.	Date of receipt of application	: 06.03.2014
5.	Clarification sought for	: Rate of Tax on "Milk based Health Drink"
6.	Date of Personal Hearing	: ----
7.	Represented by	: ----

ORDER

Tvl. Bhaarath Beverage Pvt. Ltd., Plot No.29 & 30, Tharmar Street, Jothi Nagar, Annanur, Chennai -600 062, (TIN: 33131352200), a registered dealer in the files of Koyambedu Assessment Circle, Chennai, manufacturing and marketing Milk based Health Drink, 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 "**Milk based Health Drink**" sold with the a brand name '**Docile**'

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3. The applicant-dealer has stated that they are to manufacture and market the milk based health drink, with natural ingredients of Milk and with no preservatives and further additives for flavour or taste. The applicant-dealers have stated that their products is consisting of 87 % milk with sugar and almond at the ratio of respectively 10 % and more or less 3 % and with pepper, theo bromine and saffron in fraction; thus it is by and large milk based health drink. The applicant-dealers therefore requested that the applicable rate of tax for their product, "Docile" a milk based health drink may be clarified.

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 **"Milk based Health drink"** marketed in the brand name **"Docile"**.

6. The related Entry 82 of Part-B of First Schedule to the TNVAT Act, 2006 reads as extracted below:

Milk food and milk products (including Flavoured milk,, skimmed milk powder, Tinned, bottled or packed) Baby milk food, paneer, milk powder and UHT milk

The Milk based Health Drink sold with the brand name, "Docile", with the aforesaid ingredients, such as milk, sugar, almonds, at the ratio of 87 %, 10 % and 3 % respectively and the other items such as theo bromine, saffron and pepper in fractional ratios is found to be a milk food, as it is predominantly milk. As such, this product falls under the Entry 82 of Part-B of First Schedule to the Act and thus liable to tax @ 5%.

7. The clarification is therefore that the **"Milk based Health Drink"** sold with the brand name **'Docile', is taxable @ 5 % as milk food under Entry 82 of Part-B 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

3

To

Tvl. Bhaarath Beverage Pvt. Ltd.,
Plot No.29 & 30, Tharmar Street,
Jothi Nagar, Annanur,
Chennai -600 062.

Copy to

The Assistant Commissioner (CT)
Koyambedu Assessment Circle.

The Joint Commissioner (CT),
Chennai (South) 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)