PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND ADVANCE RULING

ACAAR No. 140/2013-14. (**Acts Cell – II/9476/2014**)	Dated 03.11.2014

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 Ranganathar Mills., S.F.No.269/1-H, Kovai Road, Annur – 641 653.
2.	Registration Certificate No.	:	TIN: 33162081281
3.	Date of application	:	08.04.2014
4.	Date of receipt of application	:	08.04.2014
5.	Clarification sought for	:	Rate of Tax on **"Cotton Kappas, Lint & Seeds"**
6.	Date of Personal Hearing	:	--
7.	Represented by	:	Thiru. A.P.Rengasamy, Partner.

ORDER

Tvl. Sri Ranganathar Mills, S.F.No.269/1-H, Kovai Road, Annur, Coimbatore - 641 653. (TIN:33162081281), registered dealers in the file of Assistant Commissioner(CT) Avinashi, Assessment Circle, engaged in purchasing cotton kappas from un registered dealers and marketing cotton lint and seed after ginning, have preferred application in Form "VV" and sought for clarification under section 48-A of the TNVAT Act 2006.

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

Rate of tax on **"Cotton Kappas, Lint & Seeds"**

The applicant dealer in their Form VV have requested to clarify the rate of tax on sale of **Lint & Seeds obtained from "Cotton Kapps"**. The applicant dealer has not requested personal hearing in this case.

The issue has been examined in detail with reference to the Entry 41 of Part-B, First Schedule to TNVAT Act read with section 14(ii) of CST Act, 1956 which reads as follows:-

Cotton kappas – Unginned cotton fibre with seeds is a declared good under item 41 of Part-B, first schedule to TNVAT Act read with section 14(ii) of CST Act, 1956, as the cotton kappas and lint are one and the same commodity under section 14(ii) of CST Act 1956.

Cotton Lint – Ginned Cotton fiber is also liable to 5% as declared good under item 41 of Part-B, first schedule to TNVAT Act read with section 14(ii) of CST Act, 1956, as the cotton kappas and lint are one and the same commodity under section 14(ii) of CST Act 1956.

Cotton Seed – a declared good liable to 5% under Item 41 of Part-B, First Schedule to TNVAT Act read with section 14(vi)(iii) of CST Act, 1956.

Therefore the clarification may be that **"Cotton Kappas, Lint & Seeds"** are taxable at 5% as declared goods under item 41 of Part-B, first schedule to TNVAT Act read with section 14(ii) of CST Act, 1956, as the cotton kappas and lint are one and the same commodity under section 14(ii) of CST Act 1956.

Dated this, the 3rd day of November, 2014

Sd/- R. Vayanaperumal,	Sd/- K. Mahalingam,	Sd/- K. Rajaraman,
Additional Commissioner (PR)	Additional Commissioner (RP)	Principal Secretary/
		Commissioner of Commercial Taxes

To

Tvl. Sri Ranganathar Mills.,
S.F.No.269/1-H, Kovai Road,
Annur – 641 653.

Copy to:

The Assistant Commissioner (CT)
Avinashi Assessment Circle

The Joint Commissioner (CT),
Coimbatore 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)