

PROCEEDINGS OF THE AUTHORITY FOR CLARIFICATION AND ADVANCE RULING			
ACAAR No.036/ 2014-15. (Acts Cell – II/20115/2014)		Dated 24.12.2014	
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. Abbott Healthcare (P) Ltd., No.9/7, Ground Floor, Perumal Koil Street, Nerkundram, Koyambedu, Chennai – 600 107
2.	Registration Certificate No.	:	TIN:33861481342 / CST: 701308
3.	Date of application	:	26.06.2014
4.	Date of receipt of application	:	26.06.2014
5.	Clarification sought for	:	Rate of Tax on "Similac- Advance Infant Formula" – A Baby Milk Food.
6.	Date of Personal Hearing	:	----
7.	Represented by	:	----

ORDER

Tvl. Abbott Healthcare (P) Limited, No.9/7, Ground Floor, Perumal Koil Street, Nerkundram, Koyampedu, Chennai – 600 107 (TIN: 33861481342), the registered marketers of "Similac – Advance Infant Formula" in the files of Koyampedu Assessment Circle, Chennai, 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 concerned with the rate of tax on "**Similac – Advance Infant Formula**".

3. The applicant-dealers have stated that they are marketing a baby milk food in their brand name "Similac" – Advance Infant Formula. They have furnished a pamphlet containing the literature on the product. The literature of the said product reveals that it contains whole milk powder, lactose, maltodextrin, edible vegetable oil blend (soy oil, high oleic sunflower oil, coconut oil, vitamins, minerals, taurine, and L-carnitine as its ingredients. It is stated that Similac-1 is for the babies up to six months and Similac-2 is for the babies over six months. It is prayed on the above that the appropriate rate of tax for "Similac – Advance Infant Formula" may be clarified.

4.1. The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules, 2007 and the relative entries in both 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.

4.2. The applicant-dealers have sought for clarification regarding rate of tax on "**Similac – Advance Infant Formula**"

5. Part-B of First Schedules to the TNVAT act, 2006 reveals a relative Entry 82 of the description as extracted below:

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

As per the literature on the pamphlet furnished along with the application by the applicant-dealers, it is found that the product contains whole milk powder with other ingredients as aforesaid. It is further stated that Similac-1 and Similac-2 are for the babies of the age up to six months and over six months. The product with the brand name, "Similac" – Advance Infant Formula, since being a baby food containing whole milk powder predominantly, would fall within the scope of the expression, "**Baby milk food**" employed under Entry 82 of Part-B of First Schedule to the Act, which is taxable at 5 %.

6. The clarification is therefore that the "**Similac – Advance Infant Formula**" is a **Baby Milk Food taxable @ 5 % under Entry 82 of Part-B of First Schedule** to the TNVAT Act, 2006.

Dated this the 24th day of December 2014.

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

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

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

To

Tvl. Abbott Healthcare (P) Ltd.,
No.9/7, Ground Floor, Perumal Koil Street,
Nerkundram,
Koyambedu,
Chennai – 600 107.

Copy to:
The Assistant Commissioner (CT)
Koyampedu 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)