

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.58/2015-16
Acts cell-II/24983/2015

Dated:06.04.2018

Present: 1.Thiru. Dr. T.V. Somanathan, I.A.S.,
Principal Secretary / Commissioner of Commercial Taxes

2.Thiru.M.Parameswaran,
Additional Commissioner (ST), (Public Relations)(FAC)

3.Thiru. C.Palani,
Additional Commissioner (ST), (Revision Petitions)(FAC)

1	Name and address of the Applicant	:	Tvl Balaji wood Industries Ltd. 7/4B,Mettupalayam Road, Thudiyalur Coimbatore -641 034.
2.	Registration Certificate No.	:	TIN No. 33962024487 CST:713638
3.	Assessment Circle	:	Thudiyalur Assessment Circle..
4.	Date of application	:	07.08.2015
5.	Date of receipt of application	:	10.08.2015
6.	Clarification sought for	:	Rate of tax on " PVC Profile Sheets/Panels Commonly known as Multi-Wood ".
7.	Date of Personal Hearing	:	----
8.	Represented by	:	----

ORDER

Tvl Balaji wood Industries Ltd.,Coimbatore -641 034 (TIN.No. 33962024487), a registered dealer in the files of Thudiyalur 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) for rate of tax clarification

on **"PVC Profile Sheets/Panels Commonly known as Multi-Wood"**.

2. The applicant-dealers have stated that they are dealing PVC Profile Sheets/Panels commonly known as Multi Wood predominantly used in Partition and sign Boards and claimed that the goods are taxable at 5% as per G.O.No.78 dated 11.7.2011. This G.O. is issued following the increase in the rate of tax from 4% to 5% for the commodities classified under part-B of First Schedule to the Act with effect from 12.07.2011.

3.1. The issue has been examined in detail with reference to the provisions of TNVAT Act, 2006 and Rules 2007 and the related entries regarding the commodities classified under the First and Fourth Schedule 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.

3.2. Notification. No.II(1) /CTR /30(a-5)/ 2007 in G.O.Ms.No.79/CT & R (B2) Department dated 23.03.2007 provides reduction in rate of tax from 12.5% to 4% with effect from 01.01.2007 for several commodities listed out thereunder. One such entry that dealt about profiles is

"All plastic goods other than doors, windows, frames, profiles, automobiles, industrial and sanitary items".

4. Since, the commodity dealt by the applicant being PVC profile sheets / panels commonly known as multi-wood do not fall under the above category, the above notification will not be helpful one and cannot be applied.

5. In ACAAR No.88/2013-14 (Acts Cell-II/37527/2014 dated 24.06.2014, it has been clarified that Un-plasticized Poly Vinyl Chloride (UPVC) profiles are taxable at the rate of 14.5% by virtue of its nature and commercial usage under the relative Entry 24 of part 'C' of I schedule to the TNVAT Act which reads as under.

"Doors, Windows, Ventilators, Partitions, Stands Ladders, etc., made of any materials other than those specified in the schedule"

6. Multiwood is a white sheet made up of 'U' PVC polyester resin and is made in an extruded polymer profile form. It is 100% waterproof, Termite and Borer proof, corrosion free and fire retardant

and is mainly used for wet area applications. Multiwood can withstand any climatic conditions. The water, acid and stain resistant features, environment protective aspects and the comprehensive and diversified applications make it as a real substitute for wood.

7. In view of the above composition and usage, definitely the commodity for which the applicant sought for clarifications falls under entry 24 of part 'C' of I schedule explained in para 5 above.

8. In view of the above discussion, it is clarified that 'U' PVC profile sheets commonly known as Multiwood are taxable at the rate of 14.5% by virtue of its nature and commercial usage under the Entry 24 of part 'C' of First Schedule to the TNVAT Act, 2006 and at the rate of 5% as provided under Entry 67 of part 'B' of First Schedule to the TNVAT Act, 2006, on the sale as industrial input to manufacturers within the State of Tamil Nadu for use in the manufacture of doors, windows against the certificate prescribed under Rule 6(3) (b) of TNVAT Rules.

Dated this the Sixth day of April 2018.

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

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

Sd/- Dr.T.V. Somanathan, I.A.S.,
Principal Secretary/
Commissioner of Commercial Taxes

To
Tvl Balaji wood Industries Ltd.
7/4B,Mettupalayam Road,
Thudiyalur
Coimbatore -34.

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

The Joint Commissioner (ST),
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 (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, 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 File 3/ Acts Cell-II /Spare - 5.

//Forwarded/By order//


10.4.18
State Tax Officer