

**-GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.64/2016-17
Acts cell-II/6546/2017

Dated: 25.04.2018

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

1	Name and address of the Applicant	:	Tvl. Srinivasa Trading Company, Importer & General Merchant, New No.81, Old No. 32, Samy Pandaram street, Chindadripet, Chennai - 600 002
2.	Registration Certificate No.	:	TIN:33950581569/ CST:698153
3.	Assessment Circle	:	Chintadripet Assessment Circle
4.	Date of application	:	--
5.	Date of receipt of application	:	06-03-2017
6.	Clarification sought for	:	Rate of Tax on " Zedoary root "
7.	Date of Personal Hearing	:	--
8.	Represented by	:	--

ORDER

Tvl. Srinivasa Trading Company, Importer & General Merchant, New No.81, Old No. 32, Samy Pandaram street, Chintadripet, Chennai - 600 002 (TIN: 33950581569), the registered dealers in the files of Chintadripet 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 the Tamil Nadu Value Added Tax Rules, 2007 (TNVAT Rules, 2007).

2. The applicant-dealers have sought for clarification on the rate of tax on "**Zedoary root** (in Tamil - Kichili Kilangu)". The applicant-dealers have submitted that the Zedoary or white turmeric is an

ancient spice, a close relative to regular turmeric and native to India and Indonesia. Zedoary is actually a rhizome with a thin brown skin and a bright orange, hard interior. It's smell is similar to turmeric and mango. It is a substitute for arrowroot and used in Indian perfumes and in rituals.

3.1. The issue has been examined in detail with reference to the provisions of the TNVAT Act, 2006 and TNVAT Rules, 2007 and the related entries regarding the commodities classified under the Schedules to the TNVAT Act, 2006. Section 48-A of the TNVAT Act, 2006 provides for clarification on any point concerned with rate of tax for commodities.

3.2. Since there is no specification about the herbs in any of the Schedules to the TNVAT Act, 2006, a Notification under Section 30(1) of the TNVAT Act, 2006 was issued granting exemption for the medicinal herbs and country drugs including roots in fresh or dried form. There is no specification about the herb "**Zedoary root**" under item No. 21 in the list of medicinal herbs and country drugs including root in fresh (or) dried form under Notification No. II(1)/CTR/30(a-2)/2007 in G.O Ms. No. 79, Commercial Taxes and Registration (B2) Department, dt.23.03.2007 with effect from 01.01.2007. Thus, "**Zedoary root**" does not fall under the above said Notification also. Therefore, it is not eligible for exemption. Besides it is liable to tax @ 14.5% under Entry 69 of Part-C of the First Schedule as an unclassified item.

4. Hence, it is clarified that "**Zedoary root**" is liable to tax @ **14.5% under Entry 69 of Part-C of the First Schedule to the TNVAT Act, 2006.**

Dated this the twenty fifth day of April 2018.

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

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

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

To
Tvl. Srinivasa Trading Company,
Importer & General Merchant,
New No.81, Old No. 32, Samy Pandaram street,
Chindadripet, Chennai - 600 002.

Copy to:
The Assistant Commissioner (CT)
Chintadripet Assessment Circle

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

//forwarded / by order//

D. E. Srinivasan 25/04/18
State Tax Officer

25/4/18