

**GOVERNMENT OF TAMILNADU
COMMERCIAL TAXES DEPARTMENT**

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

ACAAR No.76/2015-16
Acts cell-II/30191/2015

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 (ST), (Public Relations)(FAC)

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

1	Name and address of the Applicant	:	Tvl. KOG-KTV Food Products (India) Pvt. Ltd. C-85, 2 nd Main Road, SIPCOT, Tuticorin-628 008.
2.	Registration Certificate No.	:	TIN : 33611083925 CST : 821897
3.	Assessment Circle	:	Assistant Commissioner, Kodungaiyur Assessment Circle, Chennai.
4.	Date of application	:	--
5.	Date of receipt of application	:	25.09.2015
6.	Clarification sought for	:	Rate of Tax on "Blended Edible Vegetable Oil"
7.	Date of Personal Hearing	:	--
8.	Represented by	:	--

ORDER

Tvl. Tvl. KOG-KTV Food Products (India) Pvt. Limited, Tuticorin-628 008, TIN 33611083925, registered dealers in the files of Kodungaiyur Assessment circle, dealing in Edible Vegetable Oil, Vanaspathi, Margarine, etc., have filed an 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 **"Blended Edible Vegetable Oils"**. In their application, they have claimed that the goods viz. Blended Edible Vegetable Oils is taxable at 5% as per entry 145(1) of Part-B of First Schedule to the TNVAT Act, 2006. In support of their claim, along with the application, they have enclosed the following.

1. Food Safety and Standard Regulations, 2009.
2. Blended Edible Vegetable Oil Grading and Marking Rules, 1991.
3. Vegetable Oil Products (Regulation) Order, 1998.
4. Vegetable Oil Products Registration Certificate
5. License under Food Safety and Standard Act 2006.

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 TNVAT Act, 2006 along with the documents filed by the applicant-dealer. Section 48-A of the TNVAT Act, 2006 provides for clarification on any point concerned with the rate of tax for commodities.

3.2. Perusal of the documents filed by the applicant-dealer revealed that the commodity for which clarification sought is defined under Article 2(8) of the Food Safety and Standards Regulations, 2009, which means an admixture of two or more edible vegetable oils. On the definition part of Blended Edible Vegetable Oils Grading and Marking Rules, in Rule 2(3), Blended Edible Vegetable Oil defined as admixture of any two edible vegetable oils of the quality and proportion of the following oils with a condition that weight of any of the two individual oils used shall not be less than 20%. Such admixture of oils are any one of the following.

- a) Two refined edible vegetable oils except Rice-Bran Oil - Refined Blend A
- b) Any one of refined edible vegetable oil with refined Rice Bran Oil - Refined Blend B
- c) Any one of raw edible vegetable oil with any one of refined edible vegetable oil excepting Rice Bran oil - General Blend A
- d) Any one of raw edible vegetable oil with refined Rice Bran Oil - General Blend B
- e) Any two of raw edible vegetable oil except Rice Bran Oil - Standard Blend A

3.3. The applicant dealer stated that their Blended Edible Vegetable Oil is the admixture of any two of the following edible vegetable oils and any of individual oil shall not be less than 20%.

1. Refined Palmolein Oil
2. Refined Palm Kernal Oil
3. Refined Sunflower Oil
4. Refined Rice Bran Oil
5. Coconut Oil
6. Gingelly Oil
7. Groundnut Oil
8. Refined Soyabean Oil
9. Other Vegetable Oil

Since the product of the applicant-dealer namely KTV True Agmark Blended Vegetable Oil is a General Blend-A of Refined Edible Vegetable Oil (Refined Palm Kernal Oil 80%) and raw edible vegetable oil (Coconut Oil 20%), it adheres to the Blended Edible Vegetable Oils Grading and Marking Rules, 1991, Food Safety and Standard Regulations, 2009 and the Vegetable Oil Products Regulation Order, 1998, it is made clear that the commodity is also a vegetable oil falling under entry 145(1) of Part B of First Schedule to the TNVAT Act, 2006 that defines 145(1) : Vegetable Oils including Refined Vegetable Oils.

3.4. Though the entry not defined "Blended Edible Vegetable Oil" separately in any of the schedules, this Blended Edible Vegetable Oils dealt by the applicant-dealer has to be construed as those falling under the category of the above entry as they are also one among the edible oils.

4. Hence, it is clarified that **"Blended Edible Vegetable Oil" is liable to tax @ 5% under entry 145(1) of Part-B of First Schedule to the TNVAT Act, 2006, with effect from 01.04.2012."**

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. KOG-KTV Food Products (India) Pvt. Ltd.
C-85, 2nd Main Road,
SIPCOT,
Tuticorin-628 008.

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

-4-

The Joint Commissioner (CT),
Chennai (North) 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//

J. Srinivasan
State Tax Officer
6/04/18
6/18