



**ABSTRACT**

Commercial Taxes-Department – Waiver – Waiver of tax payable by Tvl.Venus Herbo Aromatics Private Limited for the assessment year 1998-1999 and 1999-2000 under Tamil Nadu General Sales Tax Act, 1959 – Orders – Issued.

**Commercial Taxes and Registration (D2)Department**

G.O.(D )No.165

Dated: 11.04.2017

துன்முகி, பங்குனி 29

திருவள்ளூர் ஆண்டு 2048

Read:

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1. The Special Commissioner & Commissioner of Commercial Taxes letter No. D.Dis. Acts Cell-II/ 96432/1998, dated 5.2.1999.
2. The Principal Commissioner & Commissioner of Commercial Taxes letter No. D.Dis. Acts Cell-II/9854/2000, dated 26.7.2000.
3. The Additional Chief Secretary/Commissioner of Commercial Taxes letter No. Drafting Cell-II/5794/2009, dated 08.7.2016.
4. Government letter No.8011/D2/2016-1, Commercial Taxes and Registration (D2) Department, dated 16.08.2016.
5. The Additional Chief Secretary/ Commissioner of Commercial Taxes letter No. Drafting Cell-II/5794/2009, dated 20.9.2016.

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**ORDER:**

The Special Commissioner & Commissioner of Commercial Taxes in his letter first read above, clarified that sale of concentrated oil extracted from fifteen items including flowers, Cardamom, Pepper and Coriander are taxable @ 4% under entry 80 of Part-B of the First schedule to the Tamil Nadu General Sales Tax Act, 1959. Tvl. Venus Herbo Aromatics Private Limited, Rajapalayam, manufacturer of floral concentrated oil, were assessed on 31.01.2000 for the years 1998-1999 and 1999-2000 as per the above clarification.

2. The Principal Secretary and Commissioner of Commercial Taxes in his letter second read above, clarified that scents and perfumes are taxable @ 20% under entry 14(1), Part G of the First Schedule and Cardamom oil, rosewater etc., are taxable @ 11% under entry 67 of part-D of the First Schedule to the Tamil Nadu General Sales Tax Act, 1959.

3. The Accountant General during the course of audit in the office of the Assistant Commissioner (Commercial Taxes), Rajapalayam – I assessment circle pointed out that since the dealer Tvl.Venus Herbo Aromatics Private Limited utilized food grade hexene in the process of manufacture, their product was to be classified under entry 14(1), Part G of First Schedule as scents and perfumes liable to tax @ 20%.



The taxable turnover of Rs.9,80,700/- representing the first sale of above item was taxed @ 4% instead of the correct rate of 20%, thus resulted in a loss of revenue of Rs.1.57 lakhs based on the clarification issued in the reference second read above and suggested to revise the assessment and raise the demand accordingly.

4. As suggested by the Accountant General, the Principal Secretary/ Commissioner of Commercial Taxes requested all Joint Commissioners (Commercial Taxes) to instruct the assessing officers to revise the assessment and raise demand and send report in this regard after similar revision of assessments. In accordance with the instructions issued, the Joint Commissioner (Commercial Taxes), Tirunelveli Division sent a report for waiver of tax amount payable in respect of Tvl. Venus Herbo Aromatics Private Limited, Rajapalayam for the assessment years 1998-1999 and 1999-2000 as follows and other Joint Commissioners (Commercial Taxes) have sent 'NIL' report :-

S. No.	Assessment Year	Tax due @ 20%	Tax due @ 11%	Tax due @ 4%	Difference Amount to be waived
1	1998-1999	Rs.1,96,140/-	--	Rs.39,228/-	Rs.1,56,912/-
2	1999-2000	Rs.42,622/-	Rs.28,076/-	Rs.18,733/-	Rs.51,965/-
<b>Total</b>		<b>Rs.2,38,762/-</b>	<b>Rs.28,076/-</b>	<b>Rs.57,961/-</b>	<b>Rs.2,08,877/-</b>

5. In accordance with the report of the Joint Commissioner (Commercial Taxes), Tirunelveli, the Additional Chief Secretary/Commissioner of Commercial Taxes in his letter third read above sent proposal to Government for waiver of an amount of Rs. 2,08,877/- being the difference amount of tax payable under the Tamil Nadu General Sales Tax Act, 1959 by Tvl.Venus Herbo Aromatics Private Limited, Rajapalayam for the assessment years 1998-1999 and 1999-2000.

6. In the Government letter fourth read above, the Additional Chief Secretary/ Commissioner of Commercial Taxes was requested to place the above waiver proposal before the waiver committee constituted vide G.O.(D) No.428, Commercial Taxes and Registration (D2) Department, dated 25.08.2006 for its decision.

7. In the reference fifth read above, the Additional Chief Secretary/ Commissioner of Commercial Taxes has stated that the following waiver proposal has been placed before the Waiver Committee for its decision.

"Considering the fact that based on the clarification issued by the Commissioner of Commercial Taxes, Tvl. Venus Herbo Aromatics Private Limited had collected tax @ 4% only during the assessment year 1998-1999 and 1999-2000 on the sale of concentrated oil extracted from flowers, cardamon, pepper, curriion, coriander and dates, the proposal for waiver of an amount of Rs.2,08,877/- (Rupees Two lakh eight thousand eight hundred and seventy seven only) being the difference amount of tax payable under Tamil Nadu General Sales Tax Act, 1959 by Tvl. Venus Herbo Aromatics Private Limited for its decision".

The Waiver Committee has agreed to the above proposal. He has therefore, requested the Government to issue waiver orders in this regard.

8. The Government after careful examination, have decided to accept the decision of the waiver committee and hereby waive an amount of Rs.2,08,877/- (Rupees Two lakh eight thousand eight hundred and seventy seven only) being the difference amount of tax payable on the sale of concentrated oil extracted from flowers, cardamon, pepper, currion, coriander and dates under the Tamil Nadu General Sales Tax Act, 1959 by Tvl. Venus Herbo Aromatics Private Limited, Rajapalayam for the assessment years 1998-1999 and 1999-2000 under item 7 of Appendix 21 of Chapter – II of the Tamil Nadu Financial Code Volume – II.

9. This order issues with the concurrence of the Finance department vide its U.O.No.55906/Revenue/2016, dated 2.12.2016.

(By Order of the Governor)

Dr C. CHANDRAMOULI  
ADDITIONAL CHIEF SECRETARY (FAC)

To

- ✓ The Additional Chief Secretary/ Commissioner of Commercial Taxes, Chennai – 5
- The Joint Commissioner concerned, (through the Additional Chief Secretary/ Commissioner of Commercial Taxes, Chennai – 5)
- The Principal Accountant General, Chennai – 8

Copy to:

- The Finance (Revenue) Department, Chennai – 9
- Stock file/Spare copies.

//Forwarded by Order//

*[Handwritten Signature]*  
SECTION OFFICER

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