

**GOVERNMENT OF TAMIL NADU  
COMMERCIAL TAXES DEPARTMENT**

**PROCEEDINGS OF THE  
AUTHORITY FOR CLARIFICATION AND ADVANCE RULING**  
(Under Section 48-A of TNVAT Act, 2006)

**Present: 1. Dr. K. Manivasan, I.A.S.,  
Commissioner of Commercial Taxes,  
2. Thiru. R. Chandramohan, M.A.,  
Additional Commissioner (PR)  
3. Thiru. E. Rathinasamy, M.Sc., B.L.,  
Additional Commissioner (RP) (FAC)**

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**A.C.A.A.R 85/ 2012-13**

**Dated 14.02.2013**

Ref: Application of Tvl.Berger Paints (India) Limited,  
126, Peters Road, Gopalapuram, Chennai -  
600 086, dated 29-12-2012.

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Tvl.Berger Paints (India) Limited, 126, Peters Road, Gopalapuram, Chennai - 600 086, (TIN: 33680720088) have filed an application and sought clarification under Section 48-A of the TNVAT Act, 2006 read with Rule 12-A of the TNVAT Rules, 2007.

2. The clarification was sought on the following in column 4 of Form V V:

**"Primers".**

3. The issue has been examined in detail with reference to the provisions of the TNVAT Act and Rules and clarification is given as under:

4. Section 48-A of the TNVAT Act, 2006 provides for clarification on any point concerning rate of tax.

5. The dealer has sought clarification on "**Primers**". It was stated that in G.O.Ms.No.79, the words "Industrial input" was found under Entry 67 of Part B of the First Schedule indicating that if the sale is as industrial input then the rate of tax is 5%, otherwise the general rate of tax at 14.5% is applicable and accordingly required to be clarified as to the

correct rate of tax on "Primers of all kinds" in respect of sales other than for industrial use.

6. In the literature filed by the dealer it was stated that Primers are suitable undercoat for exterior emulsions, that it penetrates the porous surface, seals the porosity of the surface, reduces the absorption of the surface and as a result top coat gives a better coverage. The dealers have requested the rate of tax on primers of all kinds with regard to sales made to retailers for resale or sales other than for industrial use.

7. TNVAT Act, 2006 was introduced with effect from 01.01.2007. The Government have notified certain goods as industrial inputs under Entry 67 of Part B of the First Schedule with effect from 01.01.2007 which includes "primer of all kinds". When a new Entry 67-A was introduced with effect from 16.07.2007, "primers of all kinds" continued to remain as industrial input. The Legislative intent, therefore, seems to be that "Primers of all kinds" are to be classified as industrial inputs only, if it is used for industrial purposes and for all other painting purposes Primers are to be classified as species of paints.

8. The clarification, therefore, is that **Primers of all kinds** used as industrial inputs are taxable at 5% under Entry 67-A(ad)(iv) of Part B of the First Schedule to the TNVAT Act, 2006. If Primers are sold other than as an industrial input, they are taxable at 14.5% under Entry 50 of Part C of the First Schedule to the TNVAT Act.

Sd/- R.Chandramohan  
Additional Commissioner (PR)

Sd/-E. Rathinasamy  
Additional Commissioner(RP)(FAC)

Sd/- K. Manivasan  
Commissioner of Commercial Taxes

To

Tvl.Berger Paints (India) Limited,  
126, Peters Road,  
Gopalapuram,  
Chennai – 600 086

Copy to:

The Deputy Commissioner (CT)  
Fast track Assessment Circle-I,  
Chennai – 600 006

The Joint Commissioner (CT),  
Large Taxpayers Unit

The Joint Commissioner (CS)  
To host in the Department Website

The 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.

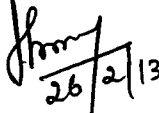
The Additional Commissioners, Deputy Commissioners, Assistant  
Commissioners,

Commercial Tax Officers in CCT's Office

Personal Clerk to the CCT.

Stock File3 / Act Cell II / Spare – 5.

//forwarded by order//

  
26/2/13  
Commercial Tax Officer.