

**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. 111/ 2012-13**  
(Acts Cell-II/6279/2013)

**Dated 14.08.2013**

Ref: Application of Tvl. Valliamman Steel,  
No.30/52B, Devangapuram Extention,  
Shevapet, Salem - 636 002, dated Nil.

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An application has been filed by Tvl. Valliamman Steel, No.30/52B, Devangapuram Extention, Shevapet, Salem - 636 002 seeking clarification under Section 48-A of TNVAT Act, 2006 read with Rule 12-A of the TNVAT Rules, 2007.

2. The dealer is registered at Shevapet (North) Assessment Circle having TIN 33742741147.

3. The clarification is sought on the following in column 4 of Form V V:

**Iron Oxides**

4. The dealer was requested to explain the details of the product marketed by him. Accordingly, Thiru M.Raghunathan appeared before the Authority on 13.08.2013 and explained the features of the product.

5. It was stated by the dealer that Iron Oxide Powders are mined naturally with 97 – 98% iron content and used as raw material in Industries and hence taxable at 5% under Part-B of First Schedule.

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

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

8. The dealer had sought clarification on "**Iron Oxides**".

9. The dealer has produced the sample of iron oxide. On a thorough examination of the product and the information given by the dealer, it was found that the iron oxide procured by the dealer for sale from outside the State is a synthetic product used for flooring purposes, mosaic mixing and used in terracotta tiles. The product has therefore multiple applications in building industry, footwear industry etc.. It serves as a colouring agent only. This commodity therefore cannot be considered as ores and minerals or a chemical as claimed by the dealer, but it is only a synthetic paint powder. The product sold by the dealer finds place in Entry 50 of Part-C of the First Schedule.

10. Therefore "**Iron Oxides**" are taxable at 14.5% under Entry 50 of Part C of the First Schedule.

11. The clarification therefore is that "**Iron Oxides**" are taxable at 14.5% under Entry 50 of Part C of the First Schedule to the TNVAT Act, 2006.

Sd/- R. Chandramohan  
Additional Commissioner (PR)

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


Sd/- Dr. K. Manivasan  
Commissioner of Commercial Taxes

To  
Tvl. Valliamman Steel,  
No.30/52B, Devangapuram Extention,  
Shevapat, Salem - 636 002.

Copy to:

The Assistant Commissioner (CT),  
Shevapat (North) Assessment Circle.  
The Joint Commissioner (CT), Salem Division.  
The Joint Commissioner (CS), **To host in the Department Website.**  
The Secretary to Government, CT & R Department, Chennai - 9.  
All Joint Commissioners (CT) including Enforcement, LTU, MOU and ISIC.  
All Deputy Commissioners (CT), (Territorial) and (Enforcement).  
All Head of Officers (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 and Commercial Tax Officers in CCT's Office.  
Personal Clerk to the CCT.  
Stock File3 / Act Cell II / Spare - 5.

/Forwarded/By order/

  
19/8/13  
Commercial Tax Officer